

ACKNOWLEDGEMENTS

This monograph represents one output of a two year studentship provided by the Leverhulme Trust, whom the author would like to thank for their generous support. In addition, the author would like to thank all those at the ISS office in Cape Town, and especially Peter Gastrow, for providing a stimulating and welcoming work environment.

LIST OF TABLES

TABLE 1	
Properties of four models of criminal coordination	18
TABLE 2	
Police perceptions in SADC countries of top three transnational organised crime threats	47

CHAPTER 1

INTRODUCTION

The question that forms the background to this monograph is, “what is the nature of organised crime?” This is a rather familiar subject and one that has been responsible for an extensive amount of academic discussion spanning well over 70 years, originating in the USA but now increasingly of global concern.

Traditionally those interested in the subject have been somewhat obsessed with a definitional debate—people have contested what the defining characteristics of organised crime are and how they can be encapsulated in a useable definition. While much of this writing has been somewhat tedious, the exercise is clearly very important. Indeed, given the supposed increase and spread of organised crime one could suggest that the definitional debate is correspondingly becoming of increasing concern. Thus, a necessary consideration is discussing what various people and institutions think ‘organised crime’ is. In doing so, it is hoped that an historical overview of the subject can be provided, including an introduction to some of the most influential texts.

However, the key aim here is not to provide the definitive definition of organised crime. Rather, the most important aspect of this monograph is the argument that organised crime has become a muddled analytical concept in mainstream discourse due to a combination of poor empirical research and popular misconceptions about notorious crime groups such as the American Mafia. In agreement with others I suggest that the concept of organised crime should be replaced with that of ‘illicit enterprise’. This recommendation is more than simply one of semantics, for it involves changing the analytical focus away from criminal groups and towards specific commodity and service economies. This change in the underlying unit of analysis may overcome some of the major shortcomings of both law enforcement and research in this field.

The monograph comprises three main sections. The first deals with the basic question: How can crime be organised? In answer, four models are constructed based on competing visions of criminal groups, especially La Cosa Nostra. These models, when combined, form a comprehensive framework for understanding how crime can be co-ordinated and why it is co-ordinated in the way that it is. This section ends by contemplating how these models may be developed for future research and how they may be used to develop policy.

The second section provides a history of the evolution of a mainstream definition for organised crime. It starts from the 1930s in the USA and ends with its present status as a familiar worldwide concern. The section ends with a summary of how organised crime has been defined in Southern Africa.

The third section consists of a critical discussion of the major assumptions of the mainstream conceptualisation of organised crime. In doing so the parameters of a mainstream paradigm on organised crime are introduced and critiqued.

The final section presents an alternative perspective, designed to overcome the problems associated with the mainstream paradigm. In particular, I suggest that the notion of *illicit enterprise* should replace the two concepts of organised crime and white-collar crime, and that within the broad subject of illicit enterprise it may make sense to focus on *illegal economies* as individual systems rather than focussing on specific crime groups. The monograph ends with a list of principles that should form the basis of an alternative perspective.

Although this monograph is essentially theoretical, it has been written bearing in mind that the publisher, the Institute for Security Studies, is working on matters relating to organised crime in the Southern African Development Community (SADC) region. Thus, where possible, I have tried to bring in experiences and case studies from Southern Africa. Unfortunately, the lack of published material on this topic in the region means that a Southern African focus will by default seem largely a South African focus.

CHAPTER 2

HOW CAN CRIME BE ORGANISED?

To provide an insight into the differing ways crime can be co-ordinated, four models will be constructed and compared. These models are not exclusive to the criminal world; in fact, all four were originally developed by scholars concerned with analysing the co-ordination of social life in general. It is only recently that one finds direct reference to these competing models in criminological texts. Prior to this, the models remained implicit in criminological studies, with authors unknowingly sketching the parameters of each model through arguments over the reality of specific cases of organised crime. The four models are hierarchy, networks, markets and clans.

In this chapter the objective is to merely sketch the parameters of each model. They are therefore presented as being rather static. However, a synthesis of the four models at the end of the chapter shows that future work should explore a more dynamic application of these models. This in turn should lead to contextual studies of organised crime that may shed light into policy debates.

Hierarchy

The hierarchical model of criminal co-ordination was developed most lucidly by Donald Cressey, who produced a body of work that is still considered by many scholars as a prerequisite to understanding all further debates on the subject of criminal organisation. Research on La Cosa Nostra in America during the late 1960s led Cressey to develop a vision of organised crime as a formal, rational entity based on the division of specific roles.¹ In many ways Cressey's image of organised crime represented the underworld reflection of Max Weber's influential theory on the principles of bureaucracy, and thus Cressey's model became known as the bureaucratic model.

According to Cressey, La Cosa Nostra represented the most advanced form of criminal organisation. Cressey offered several typologies of crime organisations based on the existence of specific positions or jobs, all of which La Cosa Nostra possessed. La Cosa Nostra was therefore defined as an end point on an organisational continuum. According to Cressey, the internal structure of this criminal organisation was as follows:

At the top was a 'commission' that acted as a ruling board of directors. Beneath this were 24 crime families who operated in specific cities throughout America. At the head of each family is a boss (the *Don*), supported by an underboss (vice-president), a councillor or adviser and a buffer—the go-between between the boss and the rest of the members. These members are further divided into lieutenants who preside over the common soldiers. Beneath the soldiers are other criminals who exist outside the organisation and who conduct work on the street. They are "the relatively unskilled workmen who actually take bets, answer telephones, drive trucks and sell narcotics, and so forth".² Members of La Cosa Nostra were of Italian descent while those outside, or beneath, the members were typically of a different ethnic origin.

As with all conventional bureaucracies, money flowed up the pyramid and governance flowed down. Thus, the men at the top who gave orders and extracted the highest earnings, co-ordinated the whole enterprise. Moreover, as one goes up the hierarchy one finds an increasing distance from the criminal activities themselves, designed in part to afford greater safety to the men at the top.

Cressey's bureaucracy thus met all but one of the four main definitional criteria set down by Max Weber and later redefined by Paul Blau:³ *A hierarchy of authority*; *specialisation* (members are chosen for their expertise in particular jobs for the organisation); *continuity* (full time roles that occur over a long period of time); *impartiality* (the work of the organisation is conducted on the grounds of specific rules without arbitrariness or favouritism). Cressey falls down on the fourth as his evidence suggested that the Mafia preferred to keep membership restricted to fellow Italians and was thus somewhat discriminatory rather than impartial.

As with the work of Weber, the importance of Cressey's model was not only as a definitional model, but also as a normative one. As a definitional model Cressey was stating the criteria necessary for a criminal organisation to be considered part of organised crime. As a normative model, Cressey was arguing that La Cosa Nostra represented the most rational and efficient form of criminal organisation. In other words, criminal organisations become more advanced and criminally efficient the closer they approximate the bureaucratic model of organised crime. Thus, Cressey stated in a lecture given in England in the 1970s that English criminal organisations were not as developed as organised crime in America; the danger would come if they moved in that direction.⁴ For Cressey, the threat of a criminal organisation (its criminal efficiency) is correlated with the degree of bureaucracy. Weber, in language that is similar to that used later by Cressey, wrote that, "the purely bureaucratic type of administrative organi-

sation is, from a purely technical point of view, capable of attaining the highest degree of efficiency".⁵

Cressey may have provided the most detailed account of the bureaucratic model, however he was not the first to argue that organised crime developed towards hierarchy. Indeed, the notion of organised crime operating as a complex bureaucracy had been supposed for decades. In 1919 an article in the *Bulletin* of the Chicago Crime Commission stated:

The business of crime is being more expertly conducted. Modern crime, like modern business, has been centralised, organised and commercialised. Ours is a business nation. Our criminals apply business methods.⁶

A few years prior to Cressey's first major publication Robert Anderson published an article in the *American Journal of Sociology* describing the evolution of Italian American organised crime.⁷ Anderson's story begins with the various Sicilian pre-industrial peasant institutions that operated as "intimate and diffuse organisations", strongly formed by kinship ties. They were essentially products of their ungoverned feudal environment and were built upon traditional forms of social interaction common to all Sicilians. Anderson pointed out that such traditional organisations either disappear or adapt during industrialisation and modernisation. In the USA, due in part to the lucrative opportunities presented by prohibition and the acceleration of all aspects of modernisation that occurred after the 1930s, the Mafia adapted. This adaptation Anderson described as a *process of bureaucratisation*. Thus the Mafia expanded its operations beyond that which a small family-like organisation could sustain. Personalised face-to-face associations gave way to the formation of regional, national and international combines. Consequentially a complex hierarchy of authority emerged with regional directors and specialisation as well as departmentalisation of operations. Contrary to the picture presented by Cressey, Anderson adds the fourth dimension to bureaucratisation by suggesting that the Mafia reached the point where they developed impartiality—on the grounds of good business practice the modern bureaucratic Mafia began to associate freely with non-Sicilians and non-Italians.

As will be described in chapter 3, the work of both Anderson and Cressey, but much more so the latter, provided conventional wisdom on American organised crime with an apparent academic legitimacy. The popular image of a pervasive hierarchical Italian conspiracy had been formed and validated by successive public hearings and government investigations, the most famous of which was the Kefauver Commission, chaired by Estes Kefauver in the early

1950s. Following from this Commission, the Chairman of the Assembly of the American Bar Association declared that, 'Crime has become big business, with a structure of chief executives, fiscal departments, legal departments, public relations and the rest'.⁸ Cressey made academic what had been feared for some time.

More recently, defining organised crime as a bureaucratic entity has become a common occurrence, especially among academics and law enforcement in the USA. Three of the four pillars of bureaucracy are oft-quoted traits in the definitional literature of organised crime—hierarchy, continuity and specialisation. The issue of impartiality is still muddled as ethnicity seems to play such a prominent role in the formation of criminal organisations. Thus, restricted membership is one of the standard definitional traits, although notions that groups are governed by rules of sorts (as is often noted) do go some way in fulfilling the impartiality requirement of a classic Weberian bureaucracy.

With the advent of globalisation and the emergence of transnational crimes, the bureaucratic model has similarly become transnational. Consequentially, some commentators suggest that over the last few decades, criminal bureaucracies, like their upper-world equivalent, have become international. This process clearly expands the spatial arrangements of specific organisations, and now the previously national organised crime groups have set up regional 'cells' in various countries that are integrated closely in the hierarchy of the organisation.

Networks

The distinction between the normative and definitional dimensions to the bureaucratic model is useful in understanding subsequent critiques of its theory and research. Most initial criticisms focussed on the definitional aspect and typically took Cressey and others to task over the reality of La Cosa Nostra as well as other organised crime groups. Indeed, even prior to Cressey, various commentators voiced scepticism over the existence of a well-organised nationwide criminal conspiracy. Daniel Bell wrote in 1959 that the existence of the Mafia was a "whale of a story" and argued that the image was constructed out of self-serving leaps of faith by police and various government bodies.⁹ Many after him agreed that the methods used by proponents of the national conspiracy theory were rather questionable and were largely based on the inconsistent testimonies of specific gangsters; Cressey himself warned that the available evidence was precarious and that, "our knowledge of the structure that makes organised crime organised is somewhat comparable to the knowledge

of Standard Oil that could be gleaned from interviews with gas station attendants".¹⁰ A long list of sceptics concluded that the Mafia is far more myth than a well structured bureaucratic entity.

In agreement with what Dwight Smith labelled the "Mafia mystique" in the mid-1970s¹¹ have been a group of researchers that depicted the reality of organised crime being far less orchestrated and grandiose. For example, synthesising his own extensive research on a Philadelphia crime family with evidence emerging from other fieldworkers, Mark Haller¹² concluded that what was conceived as a bureaucratic entity was in fact a sort of informal association or Rotary club. Perceived members of La Cosa Nostra were predominately conducting independent legal and illegal projects. Partnerships were common for specific jobs but a rigid hierarchy did not emerge among members. The Mafia was certainly not a centrally planned organisation in which the *Don* acting as a CEO, directed his subordinates for some overarching objective. The definition of organised crime as a bureaucracy was wrong, for it was contrary to the evidence.

Although at the time researchers such as Haller did not use the term explicitly, this alternative view to bureaucracy can be accurately described as conforming to the network model of social co-ordination.

Unlike hierarchy, which is defined by vertical division of roles, authority by rules, specialisation, departmentalisation and impartiality, a network can be considered as a rather flat, flexible and informal approach to co-ordinating social (or specifically criminal) life. A network denotes interconnectedness between essentially independent entities. Rather than via central authority, unity among the parts is achieved by shared objectives or *trust*—the central co-ordinating mechanism is a *mutual dependency* of sorts. To use a term developed by Albert Hirschman,¹³ conflicts between parties will be resolved via *voice*. People connected via networks talk to each other and negotiate to resolve differences. Unlike hierarchies in which recruitment is supposed to be impartial, networks are formed through introductions and connections.

Opposition to the bureaucratic model was not only critical of its definitional aspect. Normative arguments were also raised and, as was happening in broader academic discourse, the quintessential excellence of bureaucracy was seriously doubted.

A number of commentators pointed out that the situational logic of organised crime contradicted large hierarchical structures for they would be far too

vulnerable to detection and destruction, an argument that has frequently attracted the analogy of an octopus: cut off its head and the infamous tentacles are correspondingly rendered useless.

Nonetheless co-operation and continuity are clearly required for successful criminal enterprise. However, rather than being centrally planned, it makes more sense for the underworld to form sporadic partnerships and thus spread risks, pool resources, utilise different contacts and exploit divergent objectives. This dynamic operation contrasts with the infamous stifling properties of the bureaucracy. It is far more flexible and responsive, it does not require a permanence that renders it vulnerable to police, nor complex co-ordination from a multi-tiered command that is prone to confusion and delay. Phil Williams points out that networks also cross easily from the illicit sector to licit activities.¹⁴ Perhaps one may deduce that this is caused by hierarchy's prohibitive demand for ongoing inclusion.

Furthermore, an additional dent in the superiority of bureaucracy is that being an operator in a network may be somewhat more satisfying than being a member of a rigid bureaucracy, especially considering the personality types that might tend towards a career in crime. A network allows a certain freedom and spontaneity that is lacking in a bureaucracy. Patricia Adler, who conducted a classic ethnographic study of drug dealers, wrote, "In contrast to the bureaucratisation of most conventional forms of work, drug dealing and smuggling were flexible, creative, exciting and personal enterprises".¹⁵ The aversion to being part of a formal organisation is complemented by Haller's picture of the Mafia operating as a sort of informal blue-collar fraternal organisation. The Mafia, rather than intrusively directing its members, provided a loose framework for people to make contacts and network. Its success was further bolstered by the informal collective governing power that an association tends to generate via expectations, and an implicit code of ethics; this ultimately strengthened *trust*, the central co-ordinating mechanism of the network model.

Recently there have been two contrasting case studies that have highlighted the network model well. Carlo Morselli analysed the business operations of the (in)famous British drug dealer, Howard Marks, and highlighted the network mechanisms inherent in the drug trade. Contrary to the popular belief that violence is a key method to obtain a competitive advantage, Morselli showed that Marks became so successful because he positioned himself as the critical node in a network of independent entrepreneurs, achieving this position this by building trust and contacts rather than by eliminating or intimidating competitors.¹⁶

Similarly, in the study by MacGaffey and Bazenguissa-Ganga of informal West African traders, the authors stressed the importance of trust between traders that is sustained by personal ties and the norm of reciprocity.¹⁷ This characteristic of informal trade is largely due to the precarious and uncertain nature of the business that means buyers and sellers prefer to work with people they know or to whom they have been introduced by a reliable source. Such introductions and reciprocity form the essence of networked operations.

Markets

The market model as used in criminological discourse is elusive. In contrast, over the last forty years the market as a co-ordinating mechanism in legitimate spheres of life has received much attention and has been regularly championed as the method *par excellence* for economic efficiency.

The difficulty in locating the market model in criminological texts is partly due to the ambiguity of the oft-used term, *market*. Where one will find it applied most frequently is by denoting a given trade in a specific commodity, thus we read about the market in drugs, the market in endangered species, etc. Organised crime is therefore involved in ‘the market’ or with ‘illegal market activity’. However, the market model can be used to explain the process of criminal co-ordination, or how and why criminal activity is co-ordinated the way it is.

To compare the market model with that of hierarchy and networks, it is perhaps useful to consider the different co-ordinating mechanisms of each. As has been explained above, a hierarchy operates on the basis of rules from a central authority whereas a network operates on the basis of trust among independent entities. A market, in contrast, operates on the basis of competition. The market system is one in which related independent units (i.e. firms or people) strive for survival and profit and in doing so naturally compete with each other. The units in a market model are rational economic actors, they are predictable in as much as they want to survive and make money. To continue with the terminology developed by Hirschman, the central communicative mechanism in a market can be considered as *exit*—independent actors in the market vote with their feet, so to speak.

In its ideal state, *entry* is determined by specific barriers. These may be natural barriers created by the economics of the industry, i.e. economies of scale and expertise, or they may be artificial barriers created by specific people, i.e. intimidation and price fixing.

It is not surprising that the market model has been developed and used most notably by economists who have turned their focus from the 'upperworld' to the underworld. The most famous researcher and author of this ilk is Peter Reuter, who is, somewhat conveniently for the continuity of this paper, another American academic who studied the Mafia. As with Haller, Reuter sort to undermine the conventional wisdom of the hierarchy model. Primarily Reuter was concerned with the image of the Mafia commanding monopolistic power over the underworld. Again, through research in New York in the mid-1970s on gambling and loansharking, he unearthed a rather more fragmented reality. However, unlike Haller who depicts the relationship between gangsters as one formed by partnerships and networks, Reuter offers a rather different image and one clearly formed by an alternative academic discipline:

...contrary to common beliefs, [illegal markets] were populated by numerous, relatively small, often ephemeral, enterprises whose relationships were closer to competition than collusion.¹⁸

However, the relevance of Reuter's work for this paper is not because he argued crime was organised differently to the image presented by the mainstream hierarchical model or those sketching notions of networks. Indeed, Reuter agrees that it is possible, and in past times probable, that criminal organisations develop monopoly power over markets. The key distinction between the models is that Reuter presented an alternative explanation as to why crime was organised the way it was. In doing so, he was answering the question Thomas Schelling, perhaps the first economist to glance at the underworld, had asked in 1967: "What market characteristics determine whether a criminal activity becomes 'organised'?"¹⁹ According to the hierarchical model, crime is co-ordinated on the basis of *rational thought*—the more advanced criminal organisations become (the more rational they are), the more they will tend towards bureaucracy. This is because bureaucracy is, supposedly, naturally the most efficient form of organisation. According to the market model however, crime is co-ordinated on the basis of purely economic considerations—the co-ordination of crime, and thus criminal organisation, will be shaped by *market forces*. Unlike networks and hierarchies, "market co-ordination is the result of human actions but not of human design".²⁰

Reuter went on to argue that the specific market forces that are common to illegal markets make it highly unlikely that large monopolistic entities will emerge. These market forces can be divided between conventional economic forces (such as economies of scale) and factors largely peculiar to illegal markets. The later includes "the riskiness of participation in the activity, the nature

of the distribution system, physical characteristics of the good involved and the policies of law enforcement".²¹ The one force that does assist criminal operations in gaining an increased market share is violence—what Reuter sees as a key dimension of illegal markets arising precisely because of their illegality. However, implying the 'competitive process' approach that follows from a belief in the dynamics of market forces, Reuter argues that those organisations that increase their market share by violence will over time be undermined by new violent groups. Moreover, established criminal organisations who invested heavily in violent labour will have to shed this extra work force in order to enjoy the profitability of monopoly. In doing so they will further deplete their stronghold. In sum, Reuter argues that dynamic market forces will undermine monopoly.

A further good example of how market forces directly influence the nature of organised crime was pointed out by Sidney Zabudoff in his essay on the organisation of the cocaine trade.²² Zabudoff explained that the nature of the firms involved in the supply of different drugs are partly dictated by the characteristics of the underlying commodity. For example, cocaine is a relatively compact yet high-cost global commodity that is grown predominantly in one region of the world. These market characteristics have, in the past, allowed specific cartels to gain significant market share and grow into exceptionally wealthy organisations that can attempt to monopolise the global market. In contrast, marijuana is a relatively bulky and far less expensive commodity that is grown all over the world, meaning it is highly unlikely for participants to capture a significant share of the market. In other words, to a degree, market forces dictate the nature and size of criminal organisations involved in drug trade, not just the rational business brains of certain 'drug barons'.

Surprisingly few economists have researched illegal markets. Nevertheless, the market model is gaining influence in the criminological literature and a growing number of scholars have recognised that if crime is co-ordinated by market forces, then traditional micro-economic analysis is pertinent. Fiorentini and Peltzman introduce a collection of essays by economists on organised crime by explaining that the contributing economists share "the belief that some conceptual tools, theoretical results and empirical facts obtained by economists working on other issues can be put to work to reach a better understanding of (criminal organisations) origins and activities".²³ Moreover, Fiorentini and Peltzman suggest that the reason why few economists had previously made forays into studying the underworld is that they shared a widespread impression that criminals did not act as rational economic beings, but rather that their behaviour was irrational in the economic sense and thus best "left to the sociological analysis of pathologies and deviations".²⁴

Clans

The clan model in criminological literature has been applied in two rather separate areas. The more obvious of these is the criminal *gang*, a term used most familiarly for groups comprising youthful urban deviants. However, and conveniently for this essay, the other application concerns the large-scale criminal organisations that have featured prominently in the research over the past three models, including La Cosa Nostra. A recent and clear example of using the clan model to describe such criminal formations has been offered by Letizia Paoli.²⁵

The key dimension to Paoli's analysis that draws on the clan model concerns the nature of membership in classic 'Mafia-type associations' (i.e. the Sicilian Mafia, the Calabrian 'Ndrangheta, the Chinese Triads and the Japanese Yakuza, as well as La Cosa Nostra). In a bureaucracy membership is achieved via a formal contract that stipulates expected goals and functions for the employee, which can be classed as a *purposive contract*. In a network or market, membership is achieved purely on the basis of individual transactions—membership of a network or market lasts only as long as business continues. Within these classic Mafia-type associations, however, membership is based on ritual kinship, an age-old practice that once dominated social organisation throughout the world, defined by Max Weber as a *status contract*. This alternative form of membership is not based on any specific duties, transactions or expectations; rather, it is achieved by becoming part of the group, which can involve a life-long pact that requires the acceptance of a new *social status* where one must "subordinate all previous allegiances to the Mafia". Under this arrangement there is a process of fraternisation—new members are made brothers of the "family" and are "bound to share a regime of generalised reciprocity," a regime often enshrouded in secrecy.

It is common for such groups to use symbolic gestures to mark membership, especially uniforms and tattoos. The process of fraternisation is also achieved via a symbolic ceremony where the new member is sworn in, sometimes involving the transfer of blood from a member to his new brother. Terminology is also used to strengthen the notion of kinship; Mafia units are often referred to as families and relationships between novices and experienced members are portrayed as a relationship between father and son.

Also in sharp contrast to the other three models, Paoli wrote that in such groups the adherence to brotherhood and reciprocity means that wealth is shared among the members:

In most 'Ndrangheta families, as well as in some Sicilian Mafia groups, this practice is fully institutionalised to the extent that each month, the heads of the families pay regular salaries to all the members of the *cosca*. All associations, furthermore, have a common account that is used to cope with exceptional financial needs of the affiliates, to meet their legal expenses in case of trial, to support the families of the imprisoned or dead members and, occasionally, to integrate the monthly salaries.²⁶

In further distancing her view of the Mafia from those made by proponents of our other three models, Paoli dismisses the claim that Mafia associations are simply “products of illegal market dynamics”. To achieve this Paoli insists that all of these distinct groups were established well over a hundred years ago with a plurality of goals that were never clearly designed from the outset and which did not centre around the provision of illegal services or goods. In agreement with Diego Gambetta’s influential thesis,²⁷ Paoli suggests that the “provision of protection has always been one of the most important functions”. Though at times such groups were involved with outright extortion, helping those of high social status, or lending a hand in vote rigging, they have also “defended the interests of the poor” and “fought for revolutionary aims”. In familiar fashion, Paoli also argues that these Mafia organisations are not hierarchically organised in the way Cressey described. They are a “consortia,” albeit one that retains a clear unitary organisation.

From Paoli’s contribution we can start teasing out the parameters of the clan model. Again, to illustrate the clan model of criminal co-ordination, it is useful to distinguish the central co-ordinating mechanism. In hierarchies it is *central authority*; in networks it is *trust*; in markets it is *competition*. Completing Hirschman’s famous trio of malleable concepts, in clans it is *loyalty*. Thus, while bureaucracies are governed by *rules from above*, markets are governed by *market forces*, networks are governed by *mutual expectations and reciprocity*, governance in a clan-based structure is maintained by *norms and tradition*. Unique to clans, and of key importance to their existence, such norms *must* be shared by all members—giving rise to what Durkheim referred to as *organic solidarity*. In contrast, the goals of members of bureaucracies, networks and markets need not be shared or internalised.

These attributes of the clan model are clearly evident in the less grandiose criminal formation popularly referred to as a ‘gang’. As in Paoli’s Mafia, membership of these groups is clearly demarcated; this is often achieved by use of

colours, flags, tattoos and uniform clothing. It follows, unlike the classic Weberian bureaucracy, that this membership can be considered highly discriminatory. Discrimination may take different forms and need not be simply based on where one lives or ethnicity, but may stem from common interests and allegiances (i.e. support for a football team).

Such strength in membership brings with it strict codes of practice. If these codes are breached onerously then a form of expulsion from the clan is usually exacted. In larger clan formations a court of some sort may exist. Expulsion might simply involve divorcing the member from the group—to mark them as an outcast—or it may involve the more extreme option of execution. The story of the assassinated Mafiosi who shamed the family is a familiar one.

As an ‘ideal type’ some may argue that the clan formation is egalitarian and segmentary—there is a lack of differentiation between members and there is no hierarchy governing the group. As described by Paoli, the spoils of the group’s activities are thus shared equally among the members. A vivid example of this ideal type can be found in some of the gangs in Cape Town. Here, certain street gangs operate with no clear leadership, which has frustrated police or those instigating peace talks as there is no single representative who can speak on behalf of the gang. This type of organisation is in contrast to the uneven or meritocratic distribution systems of the other three models. David Ronfeldt²⁸ argued that the emergence of a head of a clan represents an early move towards a simple form of bureaucracy. This purist vision certainly seems consistent with the notion of organic solidarity. However, an alternative perspective seems to grant some rudimentary legitimised leadership, i.e. a clan head or chief. Such leadership is always evident in Mafia organisations and tends to be present in most urban gangs. Although this provides a slight blurring between a hierarchical entity and a clan, there remain sufficient differences between the hierarchical organisation described above and the clan with a leadership as described here. Furthermore, the type of leadership in a clan is somewhat different from that in a bureaucracy. In a clan the leader lays claim to *social authority* that is sustained by members’ *status contract*. In comparison, the boss of a business has legitimacy to govern only in matters directly related to the purposive contract.

The prevalence of loyalty as the co-ordinating mechanism points to a further quintessential aspect of the clan model as opposed to three other three models—clans need not be formed for a specific goal-oriented activity. Instead, their formation may serve a plurality of functions, including social, psychological, and—perhaps less important—economic. Unlike that of the network, gratification among members might be based on a sense of belonging rather than a

sense of freedom as an individual entrepreneur—membership of a traditional gang is often associated with a sense of status. Thus, Mark Thrasher, in his classic text based on research into gangs in the Chicago area in the 1920s, noted that a defining feature of these gangs was their orgiastic and festive nature. Thrasher wrote:

The most rudimentary form of collective behaviour in the gang is inter-stimulation and response among its own members—motor activity of the playful sort, a ‘talkfest’, the rehearsal of adventure, or a ‘smut session’. It may be mere loafing together. It may assume the character of a common festivity such as gambling, drinking, smoking, or sex. It is in this type of behaviour that the gang displays and develops at the outset its enthusiasms, its spirit, its *esprit de corps*.²⁹

It follows that the cohesion of a clan-based structure demands a level of intimacy between members, i.e. face-to-face relationships and frequent get-togethers. Consequentially, clans are usually territorially bound; Mafia preside over a certain region (although they may be active in others) while less noble gang members either share a neighbourhood or some other common space (school, work, prison, etc.). This differs from the network and market model in which members exist at arms length and have relationships that are often anything but intimate. Bureaucracies are also less dependant on face-to-face relationships and the function of a hierarchy is in part one of distancing levels from each other. In Cressey’s description of the La Cosa Nostra, for example, rigid hierarchy kept each layer isolated from the next so as to increase immunity from detection and infiltration, while also acting as a justification for greater personal reward for members higher up in the organisation.³⁰

Over time, intimacy and cohesion generate tradition and group awareness—“a heritage of memories which belongs more or less to all its members and distinguishes the (clan) from more ephemeral types of group such as the crowd or the mob”.³¹ Such tradition may give rise to the group creating their own style, particularly the use of its own cant. This further serves to isolate the members from the outside, which may help strengthen solidarity and the sense of kinship. Unlike the image created by Haller of the Mafia working along the lines of a fluid gentleman’s club, the clan has a unitary cohesion that separates it starkly from the outside world. There is clearly a *Them* and an *Us*. This contrast between the group as a unit and the outside world seems fundamental for the clan’s existence. Protesting against perceived adversity or an invading ideology or culture is perhaps a key dimension to the formation and continuation of a clan-style entity.

With relation to its normative aspect, in the criminological sphere the clan formation is generally considered an inefficient and weak mode of criminal co-ordination, especially in relation to gangs. When compared to other forms of organisation, gangs are depicted as less sophisticated, less organised and vulnerable to infighting. These images fit the stereotype of gangs as primarily a formation of degenerate youths, whose main aim seems to be random terrorising of their community. Consequentially, this normative view of gangs leads commentators to depict successful gangs as experiencing a process of maturation and increasing sophistication. Indeed, according to numerous writers, the efficient bureaucratic criminal entities often had their roots in primitive gang-like structures. For example, in Gus Tyler's book on American organised crime, the third chapter is entitled "The forerunner of the syndicate" and comprises a collection of essays on America's early urban gangs whose violence and eccentricities gradually gave way to more business-like ventures.³² The essay mentioned above by Anderson on the bureaucratisation of the Sicilian Mafia is a further good example; the peasant face-to-face groups formed by kinship ties responding to their modern setting by reinventing themselves as Weberian international combines.

Clans are also thought to be at a disadvantage due to their relative inflexibility and discriminatory approach to recruiting new members. Unlike those who are active in the other three models, participants in clans might not be specialised or particularly good at certain jobs. Paoli suggests this is why Mafia have struggled to enter new markets and why they have been forced to outsource aspects of their operations, especially in technical areas such as arms dealing or money laundering.

In contrast to these negative aspects, clans do offer certain clear competitive benefits. The key advantage of clan-like structures stem from members' selfless devotion to the group's objectives. William Ouchi argued this point with reference to Japanese firms who have long sought to hire inexperienced workers and socialise them to the extent that they internalise their company's goals as their own. Ouchi writes:

...industrial organisations can, in some instances, rely to a great extent on socialisation as the principle mechanism of mediation or control, and this 'clan' form...can be very efficient in mediating transactions between interdependent individuals.³³

The goal congruence that is created in a group characterised by organic solidarity not only reduces strain and promotes cohesion among the group, it may

also provide a particularly strong sense of morale and trust. This morale seems closely related to the emergence of ‘honour among thieves’—the clearly constructive tacit agreement of honesty and respect between members of illicit clan-like entities that has been regularly noted by various commentators.³⁴ Trust need not be created by building reciprocity, unlike that in networks where to get something one must promise to give in return. In clans trust should be based on altruistic sentiments, i.e. “I give because you are a brother”. Moreover, such a strong sense of camaraderie should motivate individuals to act sacrificially or at least to take extreme risks and fight more aggressively than the so-called rational economic actor or the self-seeking networked individual.

A synthesis

Up to this point the four models have been discussed and presented as essentially contrasting. A summary of their divergent properties is presented in table 1 on page 18. The decision to present the models as contrasting types is not only to help simplify their basic nature, but also to reflect the spirit of criminological discourse on the subject. There has been a tendency toward presenting the co-ordination of crime in absolute terms. Criminal organisations have been discussed as either working along the lines of hierarchies or markets or networks or clans. This discrimination between models is strengthened by their normative aspect—crime is of a particular form because of the benefits of that method of co-ordination.

It would seem rather straightforward to muddy the water on the subject. A given criminal entity is unlikely to conform to just one of these models and is far more likely to contain elements of all or some of the four models. Indeed, crime formations may well be *hybrids* of these four models. Here it is perhaps worth considering La Cosa Nostra, which has been prominent in the literature behind each of the four models.

So far, our discussion has described the work of various authors who have depicted the operation of the American Mafia with explicitly contrasting paradigms and evidence. Cressey thought he had discovered a coherent national organisation that operated as a bureaucratic entity, Haller and others thought the reality was far less orchestrated and what was referred to as the Mafia was merely a network of connected individual entrepreneurs loosely related to each other via a type of gentleman’s club. Reuter and others argued that the reality was far less congenial and stressed the role of market forces that kept the underworld competitive and fragmented, whereas Paoli depicts a large,

Table 1. Properties of four models of criminal coordination				
	Hierarchies	Networks	Markets	Clans
1. Coordinating mechanism	Authority via rules Surveillance	Trust Reputation	Competition	Loyalty (organic solidarity)
2. Internal dispute resolution	Administrative fiat Supervision Coercion Expulsion (i.e. firing)	Voice Negotiations Divorce	Exit	Loyalty Tradition Expulsion (i.e. outcast)
3. Rewards for individuals	In line with rank	Negotiated	Meritocratic Competitive	Shared Egalitarian
4. Recruitment	Based on specialisation Impartial	Introductions Personal contacts Discriminatory	Determined by economic barriers to entry Impartial	Based on similarities – discriminatory
5. Information for decisions	Rules	Relationships	Price	Norms and traditions

secretive, egalitarian society whose members are bound together via a status contract, or kinship relations.

As one would expect, mingling among these polar views are scholars who cut-and-paste, taking bits from each and offering a picture of La Cosa Nostra and other crime groups as a pastiche of the primary models. Even in the writing of authors who vehemently put forward an original and contrasting view of La Cosa Nostra, we find a blurring of the models. For example, in Paoli's essay arguing that the large-scale Mafia are neither firms nor bureaucracies, Paoli concedes that at times the segmentary organisations may have developed hierarchical formations, and that the egalitarian members who are sworn to brotherhood do in fact double-cross each other and pursue selfish ventures.

The difficulty Paoli faces here may well lie with historical changes within these groups that bring deviations from traditional formations. From testimonies of

Triad members it seems that traditions have gradually given way to a bastardised criminal organisation, as one writer explained:

[Now] Triad members are more concerned with individual financial gain than they are with Triad norms and values. Consequently, loyalty and brotherhood exist only on paper and in the rhetoric of ceremonial oaths, not in practice.³⁶

Given the voluminous evidence and theorising about how La Cosa Nostra operates it is unlikely that any one picture will gain ascendancy. Indeed, one feels that each model may lay claim to representing something real, at least when and where the research was conducted. The nature of research into such organisations may mean that researchers will at best derive glimpses of the true whole—like data gleaned from petrol attendants about the oil industry. Differing methodologies or academic perspectives may work as filters that produce snapshots emphasising varying hues and forms. As Kelly puts it:

Conceptual models fix the mesh of the nets that analysts drag through information in order to describe and explain structure and action for a phenomenon...Models direct analysts to cast their nets across select ponds, at particular depths, to catch their prey. These tools are more than simple angles of vision or approaches to a phenomenon. Each framework consists of a cluster of assumptions and categories that influences what the analyst finds puzzling, how questions should be formulated, where evidence might be, and what counts as a satisfactory answer to questions posed.³⁷

It follows that the process of understanding elusive criminal organisations or systems requires a combination of these models. Crucially, they must be combined. Too often scholars have worked with one model exclusively, which can provide a blinkered comprehension.

Moreover, a bias towards one model may mean that researchers will experience a self-fulfilling prophecy. Mesmerised with a particular model, a researcher is quite likely to find plenty of evidence of its manifestation—look through the network window and everything is tainted by networks.

This tendency may exacerbate stereotypes surrounding the subject, i.e. it may be assumed through stereotypes of gangs that the materialisation of the clan model will be found mostly in unpoliced ghettos, which is confirmed by researchers armed with the clan model researching ghettos. The same research

may overlook that numerous gangs are networked for mutual benefit and that their size may be contingent on basic market forces.

In combining these four models it may be tempting to see hierarchies in networks, networks in hierarchies, markets in tribes, hierarchies in tribes and so on until the four models blur and eventually evaporate. Yet it must be remembered that the four models are ideal types that depict different ways in which crime can be co-ordinated in a specific space and time. Crucially, *they should not be used to represent criminal typologies*. As William Ouchi wrote, these models are “distinct mechanisms which may be present in differing degrees, in any real organisation”.³⁸ The normative aspects of criminal co-ordination suggest that the way in which crime is co-ordinated will be influenced by the context in which it operates, as well as personal considerations of those involved. This context is dynamic and thus methods of criminal co-ordination will vary over time. Each model can be considered a remedy for the failings of the other—in one situation it may make more sense to compete, while in another it may make more sense to foster co-operative agreements, as Powell noted:

In markets the standard strategy is to drive the hardest possible bargain in the immediate exchange. In networks, the preferred option is often one of creating indebtedness and reliance over the long haul. Each approach thus devalues the other: prosperous market traders would be viewed as petty and untrustworthy shysters in networks, while successful participants in networks who carried those practices into competitive markets would be viewed as naïve and foolish.³⁹

One of Cressey’s limitations was not, as many of his critics would suggest, that a hierarchical crime organisation exists. Rather, it was his assertion that as crime organisations become more sophisticated, the co-ordination of crime moves in one direction only, and that is towards greater bureaucracy—it is as if an organisation degenerates if it experiences a reverse bureaucratisation. Mary McIntosh convincingly refuted this claim in the 1970s in her influential text *The organisation of crime*. She developed four typologies of organised crime: picaresque, craft, project and business, and argues that each type of crime is characterised by a type of organisation that suits the nature of the activity as well as being influenced by the context in which it operates:

There is thus no simple tendency towards a business type of organisation, of the kind that Cressey suggests. For many kinds of crime it is not the most efficient and certainly not the safest.⁴⁰

A wider application

Having established the basic principals of each model, it is important to appreciate that they may have a wider application than simply explaining how and why crime is co-ordinated the way that it is.

For example, future work may explore the dynamic link between the four models and the context in which crime exists. This may lead to answering questions such as: What conditions encourage the dominance of one of the models? How does law enforcement influence the way in which crime is co-ordinated? Is there a relationship between the models and types of intervention?

Some scholars have already contemplated such questions and have begun grappling with the answers. For example, Phil Williams has been interested in exploring how criminal networks seem to be emerging as the method *par excellence* for transnational organised crime. Williams has been very influenced by the work of David Ronfeldt who attempted an ambitious framework for societal evolution based on the idea that there have been four periods of societal evolution where one of the models dominated.⁴¹ This history starts with the clan form of organisation that enabled primitive man to “band and survive”. This period was gradually eroded, principally because of the major difficulty clans had with dealing with “problems of rule and administration”, especially with regards complex tasks such as running large agricultural production or governing another conquered clan. These difficulties led to the formation of hierarchies—common ancestry gave way to a common ruler, a process that was at the heart of the formation of the state. Under hierarchy, members of society specialised and were co-ordinated.

The hierarchical form excels at activities like building armies, defending a nation and expanding its domain, organising large economic tasks, dispensing titles and privileges, enforcing law and order, ensuring successions, imposing religions, and running imperial enterprises—all activities at which the tribal form was lacking.⁴²

Yet the major problem of the hierarchical form was its cumbersome ability to deal with complexity, especially in the economic sphere. Thus, due in part to poor information flows, hierarchies faced increasing difficulty in dictating production and prices from a central authority. It was due to this failure that the third organisational form arose during the era of industrialisation—the competitive market. Under this new form of social co-ordination, people could act

as autonomous beings and could therefore dictate prices and production. The result was a diversified and innovative economy. Ronfeldt's criticism of the market that leads to the rise of the fourth model is not clear, yet Ronfeldt stresses the importance of the "information technology revolution and the related managerial innovations".

Phil Williams argues that in our contemporary era networks have assumed centre stage in the criminal underworld for reasons connected to their ability to "flow around borders".⁴³ Unfortunately, Williams's work suffers from a lack of detail and his understanding of the network model seems muddled. He tends to invoke the notion of networks to describe a flexible and covert system of moving goods and people around the world. Yet he does not explore the notion of trust in these transactions, nor does he contemplate how globalisation may also be producing conditions favouring the other three models. For example, globalisation may have increased competition in certain illegal trades which has led to a breakdown of trust in trade networks. Moreover, globalisation may also have increased the feeling of alienation among certain populations, which may have led to a proliferation of clan-like entities. One wonders whether Williams fell prey to the pitfall of concentrating on one model exclusively, perhaps because networks are currently *la mode*.

In similar fashion to Williams, Suzan Karstedt also argues that in our contemporary era one of the models has become dominant in organised crime.⁴⁴ Karstedt suggests that the clan formation has proved exceptionally successful in global markets and that crime groups organised along the lines of "pre-modern" or feudal structures are gaining strength. Again, Karstedt's thesis is open to criticism as she contemplates the clan model in isolation. No attempt is made to consider how globalisation may also work to create the conditions where other types of crime flourish.

Exploring these issues further will not be attempted here. Needless to say, an initial hypothesis may be that there is no simple relationship between global conditions and one or other of the models. It may be more useful to consider less grandiose case studies first, to expand our understanding of how the four models relate to each other and how the context in which crime occurs may influence the way in which it is organised.

A further area in which scholars have tried to apply these models has been in relation to law enforcement policy. There has been an attempt at linking one model to a method of law enforcement. Again, some initial attempts have had mixed outcomes, yet they do inspire further work.

Again, Williams has contemplated how networks comprise critical nodes. Such nodes can be identified with the aid of network analysis software that works out which node is the most densely connected. Once such nodes are identified, police may then set about removing the node so that maximum disruption is caused. While this notion may seem exciting to those who realise that police work can be haphazard and ineffectual, Williams may have underestimated the complexity involved in identifying nodes within a criminal network. These may be in a constant state of flux and will remain hidden from preying policemen engaged in time consuming and expensive network analysis. Moreover, it is also worth considering that even if a critical node is removed, many illegal trades will find easy replacements—they will ‘flow around’ such fleeting inconveniences.

Policy implications may seem alluring from an understanding of the market model. Micro-economic analysis may lead to the ability to disrupt crime associated with illegal trade by altering the *market equilibrium*—in a market where demand exceeds supply we may wish to focus on supply side initiatives, whereas in the reverse situation we may wish to curve demand. Alternatively, market analysis may help show the elasticity of demand and tell us what the impact will be of a rise in price for an underlying commodity. Peter Rydell and Susan Everingham presented an excellent example of how such a market-style analysis can inform policy debate. The two authors convincingly showed how supply side intervention in the cocaine industry has a limited impact on reducing consumption, whereas a demand side intervention targeting heavy users is far more cost effective and may lead to a significant reduction in the amount of cocaine traded.⁴⁵ Similarly, Jonathon Caulkins and Peter Reuter conducted research into the price data of the cocaine trade and showed how law enforcement and prohibition have inflated the price of cocaine dramatically, but they also show that a significant increase in law enforcement will have a limited influence on raising prices further and will therefore not deter consumption.⁴⁶

Again, an exploration of these applications of the four models will not be attempted here. What is important to note is that the four models may be the key tools for much future work on organised forms of crime.

CHAPTER 3

ORGANISED CRIME: THE EVOLUTION OF A MAINSTREAM DEFINITION

The remainder of this monograph is concerned with a mainstream definition of organised crime. In this section, the evolution of this definition is sketched. In the next, the underlying assumptions are described and critiqued.

Before beginning this analysis, it is necessary to make clear the importance of a definition. The subject of organised crime has generated substantial interest in academia, the media, politics and in law enforcement. In most criminology courses there is a module on organised crime; in most libraries there is a sizeable section on organised crime, filled with dedicated books and specialists journals; in most law enforcement bodies there is a specialised unit for combatting organised crime; the UN now has a Convention on Transnational Organised Crime. Organised crime is not just a potential international threat, it is a hugely influential concept. The debate on clarifying precisely what it is will influence public spending and the activities and focus of law enforcement, as well as scholarly exploration.

Unfortunately, organised crime—some would suggest by its very nature—is a topic that seems frustratingly beyond objective measure, and so beyond easy classification. According to some, the reason for this inherent ambiguity lies predominantly in the problems of doing sound empirical research on an entity that is obscured in the murky criminal underworld. The reality of organised crime is therefore not easy to discover because academics and journalists cannot conduct extensive and reliable research. This situation is made worse by the fact that writers looking to sell newspapers, ‘true-crime’ books and light-weight academic publications readily and unquestioningly accept poor empirical data. Regrettably, many feel that sensationalist reporting has helped spawn a vast fascination with organised crime that has led to fantasy depictions of *the Mafia* that have obscured serious research still further.

However, disagreement over what organised crime is, is not simply caused by incomplete data or ‘bad research’—criminologists are not waiting for improved data-gathering techniques before the intricacies of organised crime are finally revealed. As will be shown in the next two sections, deciding what or who the underlying unit of measurement is has been the real stumbling block.

Organised crime as criminal business activities

Most comprehensive insights into the origin of the concept of organised crime begin in America early in the last century. The first major attempt to provide an official definition was made by those involved with a federal commission set up by President Hoover in 1929. The Wickersham Commission, as it was later known, was not principally interested in organised crime *per se*, but was initially established to address the heated debate surrounding the prohibition of alcohol brought about by the Volstead Act. As was commonly acknowledged at the time, this piece of legislation was clearly unsuccessful for the consumption of alcohol remained commonplace and the clandestine businesses of ‘gangsters’ flourished as a result. Although this concern formed the basis of the Wickersham Commission, Hoover later expanded the scope of the investigation to cover the enforcement of all federal government laws, including those on the narcotics trade, immigration and trade restraints. As an overarching theme, the Commission was tasked to answer a rather straightforward question: “Why don’t citizens obey the law?”.⁴⁷

Hoover was the first president to use the term ‘organised crime’. When he spoke to the Commission prior to the investigations, he stated that:

The American people are deeply concerned over the alarming disobedience of law, the abuses of law enforcement and the growth of organized crime, which has spread in every field of evil doing and in every part of our country.⁴⁸

It is hard to know what President Hoover meant by organised crime. Prior to 1929 it was a concept that had made only fleeting appearances in mainstream publications and few scholars had addressed it systematically. In 1927 Fredrick Thrasher produced the classic text *The gang* which contained explicit reference to organised crime.⁴⁹ However in this book, which concentrated on urban, working class street gangs, organised crime seemed to be used to describe the way in which the economy of the underworld was structured. It was not a term Thrasher used as a criminological category and nor did he provide a clear definition.

From a comprehensive study of published material, Michael Woodiwiss has argued that until the early 1930s most ‘serious’ references to organised crime saw it as synonymous with ‘racketeering’, a term that for most Americans meant illegal and fraudulent businesses interests such as selling illegal or stolen goods, insurance frauds, forgery and illicit gambling. Woodiwiss suggested that for the

most part these so-called serious commentators were not naïve about who was involved in organised crime and it was generally understood that criminal networks often included the active involvement of police, politicians, judges, lawyers and ostensibly legitimate businessmen.⁵⁰ Woodiwiss, however, pointed out that less prudent commentators saw the perpetrators of racketeering to be predominantly outside the formal world, drawn from some mysterious criminal conspiracy. This view was particularly popular in sensationalist media reporting, as it still is.

Given the confusion underlying the notion of organised crime, it was interesting to see how the investigators involved in the Wickersham Commission dealt with their task. Overall the Commission produced muddled findings and it failed to provide a reasoned answer to the prohibition conundrum, at least one that would sway pre-conceived views held by the public and politicians alike. However, in one of the Commission's main reports, Goldthwaite Dorr and Sidney Simpson did provide the first detailed insight into what they understood organised crime to be. In doing so they provided a conceptual understanding that was both short-lived, and, academically speaking, ahead of its time.

The report in question was concerned with the cost of crime to the USA. In trying to arrange information on criminal costs, Dorr and Simpson produced four categories of losses caused by criminal acts: those due to crimes against the person; those due to crimes against property; those incidental to the administration of justice; and a class referred to as "losses due to other crimes affecting wealth".⁵¹ That these four categories may seem incoherent is not important here, for what was interesting was the details of the fourth category, as this was concerned with the public impact of organised crime.

This category had two parts. The first was commercial fraud, about which Dorr and Simpson wrote the following:

...criminal frauds which cause the largest losses are organized schemes, carried on as a regular business, and, in many of the most serious cases, masquerading as legitimate business enterprises. Such criminal schemes shade off by imperceptible degrees into enterprises which are so conducted as to avoid criminal liability although employing unethical or even illegal methods of doing business; and the line between criminal and non-criminal activity is thus frequently a rather arbitrary one.⁵²

The second part comprised extortion and, more importantly, racketeering. Of the latter Dorr and Simpson were frustrated by the lack of evidence, but their enquiries led them to believe that in order to understand racketeering one must be aware of the ongoing, and at times mutually beneficial, relationship between the racketeer, the consumer, legitimate business and the law enforcement official. Indeed, a report dealing with the illegal supply of alcohol stated that distribution often depended on “flagrant corruption” involving the active participation of police, politicians and gangsters.⁵³ Implicating such a wide range of people seemed to fit in with the broad thrust of the rather damning Commission in as much as it concluded that the problems of crime clearly indicated fundamental flaws in American laws and institutions.⁵⁴ Writing in 1931, Walter Lippmann summarised this opinion as follows:

[The underworld] is integral to the policy which our laws have laid down, and to the assumptions upon which Americans have been taught to govern themselves. It is the creature of our laws and conventions, and it is entangled with our strongest appetites and our most cherished ideals. The fact that the underworld breaks the law which we all respect in principle, that it employs methods, such as bribery, terrorism, and murder, which we all deeply deplore, should not divert our attention from the main point, which is that the underworld performs a function based ultimately upon a public demand.⁵⁵

The significance of Dorr and Simpson’s report was not only that it reproached American policy and laid blame on a whole host of actors: equally important was the decision to lump together the crimes of legitimate businesses and racketeering under the general heading of organised crime. Both these crimes, they posited, were examples of “organized crime as business”. Apparently this was not viewed as a particularly contentious move by the two researchers, as the Commission accepted this conceptualisation. As confirmation of this approval, the final report to the President ended by saying that, “dealing effectively with organized crime, whether commercialized fraud or extortion, can not be overemphasized”.⁵⁶

Writing in the 1990s, Dwight Smith pointed out that this interpretation of organised crime flew in the face of conventional wisdom, particularly in our own era. The gangster believed to be the architect of racketeering is rarely viewed in the same light as the businessman who commits fraud. The two are seen to exist in sufficiently different environments making them worthy of separate criminological compartments. However, Dorr and Simpson began their inves-

tigation by considering specific *activities* and not specific *criminals*. From this point of departure it is straightforward to see how they ended up putting the criminal businessman in the same basket as the gangster. Dwight Smith explained this via two observations:

First: the circumstances in which the businessman engages in criminal frauds ‘shade off by imperceptible degrees’ so that ‘the line between criminal and non-criminal activity is thus frequently a rather arbitrary one’. That is, in cases of criminal fraud, businessmen come to behave like gangsters. Second: like criminal fraud, what gangsters do is an illustration ‘of organised crime as a business’. Therefore, if businessmen and gangsters behave like each other, what is the sense of having two categories that, by definition, are not mutually exclusive?⁵⁷

Organised crime as a criminal conspiracy

The Wickersham Commission reports, and more specifically the writings of Dorr and Simpson, have provided rich pickings for generations of organised crime scholars. However, much hard work and the conceptual brilliance behind their reports seemed to fail to achieve the desired outcome. In sum, the key findings of the Wickersham Commission were largely ignored. This should hardly come as a surprise. Tasked with explaining why Americans did not choose to abide by Federal laws, Wickersham answered by blaming the legal and political foundations of the country. President Hoover was in no mind to lambaste the laws and institutions at the heart of the nation and thus the Wickersham Commission produced little in the way of legislative legacy.

The perception of organised crime presented by Dorr and Simpson also proved moribund. This is also unsurprising given the two key aspects of their understanding, these being that:

- organised crime stood for business activities that included both the commercial crimes of businessmen, and crime normally associated with gangsters, namely extortion and racketeering; and
- to understand organised business crimes, especially racketeering, one had to bear in mind the mutually beneficial relationships between various actors, including politicians, businessmen, police as well as gangsters.

Tasked with updating the official understanding of organised crime, the next generation of government consultants produced a definition that fundamentally contrasted with the first. It was also a definition that had a far greater impact in academia, politics and the media.

The weak legacy of Dorr's and Simpson's conceptualisation is hard to explain. Dwight Smith implicated the ground-breaking studies of Edwin Sutherland in undermining the first core tenet of Dorr's and Simpson's definition. Sutherland achieved this through his pioneering work on white-collar crime, made public to much acclaim in 1939.⁵⁸ He conducted research into 70 leading corporations and 15 public utilities, revealing that crimes committed by men in positions of respectability and power were commonplace and as harmful as conventional crimes. Sutherland also brought attention to the fact that these corporate criminals were, incorrectly, viewed in a different light to the common criminal. He went on to try and construct a general theory of crime applicable to both common criminal and corporate deviant, albeit rather unconvincingly.

Few criminologists have anything but respect for Sutherland's project and his work continues to raise debate and dominates theoretical discussions in the field of white-collar and corporate crime. However, Dwight Smith points out that Sutherland's work contrasted to Dorr's and Simpson's in the important respect that he separated crimes involving legal businesses from racketeering. Where Dorr and Simpson had used organised crime to cover all business crime, Sutherland captured the limelight by creating a unique category for the crimes of those in positions of 'respectability'—normally men who held high-ranking positions in the economy. In doing so, Sutherland also compartmentalised crime not by criminal activities, as had the Wickersham Commission, but by the characteristics of the offender. Dwight Smith recognised that once the "businessmen were segregated into a new category with a catchy heading of 'white-collar crime,' the gangsters were left as the sole and indisputable occupants of organized crime".⁵⁹

Dwight Smith was correct in noting this point of departure in criminology, but he probably overstated the relationship between Sutherland's work and the demise of Dorr's and Simpson's progressive understanding of organised crime. In contrast, Michael Woodiwiss's historical study of organised crime⁶⁰ focused on the systemic way in which the second tenet of Dorr's and Simpson's definition was eroded, namely, the idea that organised crime was conducted by a wide range of people who occupied key positions in politics, law enforcement and business. Woodiwiss noted that almost immediately after the Wickersham

Commission, government and law enforcement—particularly the newly formed Federal Bureau of Investigation (FBI)—set about improving the image of the police. They achieved this largely via media propaganda such as banning films and radio programmes that glorified gangsters—a theme that was at the heart of many popular films during the Great Depression. Instead, law enforcement investigators became glamourised and depicted as the front line in the fight against unscrupulous gangsters who threatened the American way of life. Put simply, the sordid image of law enforcement officers, judges and politicians working with gangsters was reinvented for political ends as a simple case of *Them versus Us*—the dangerous criminal against the fearless protectors of the vulnerable law-abiding public.

Success in distancing the involvement of police, judges and politicians in racketeering made way for a new description of organised crime. From the mid-1940s onward an increasingly popular theory, largely driven by journalists and agents of the Federal Bureau for Narcotics (FBN), was that the underworld was centrally organised by an Italian organisation that was both ruthless and efficient. This view was initially substantiated by evidence that men of Italian origin occupied leading roles in all forms of racketeering throughout America. The history of this organisation was traced to the immigration of Sicilians prior to the Great War. Among these Sicilians were key members of a secret structure known as the Mafia, who arrived in America and were quick to re-organise and adjust to their new environment. As noted earlier, Robert Anderson explained this process as a qualitative adaptation to modern urban life that involved peasant organisations becoming *bureaucratised*. The result was a criminal organisation known to its members as *La Cosa Nostra*.

Despite exceptionally weak evidence of the existence of *La Cosa Nostra*, it was an image that captured the imagination of the public, politicians and law enforcement. In 1950 a Senate Crime Investigating Committee (the Kefauver Committee) was established to look into illegal gambling. As an aside to its central theme, it provided the first endorsement of the new vision of organised crime, although it was far from original and merely gave official authority to a perception borne by investigative journalists and select crime fighters.⁶¹

The Kefauver Committee's conclusions were later elaborated by the McClellan Committee in 1960, noted for the—some would say confused—testimony of Joseph Valachi, an Italian turncoat gangster who famously testified on his experience of *La Cosa Nostra*, and then in 1967 by a President's Commission on Law Enforcement and the Administration of Justice. The latter notably defined organised crime as, "*a society that seeks to operate outside the control of the*

American people and their governments". One year later the President's Commission led to the first comprehensive organised crime bill, the Omnibus Crime Control and Safe Streets Act, which defined organised crime as follows:

[Organised crime is] 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, loansharking, narcotics, labour racketeering and other lawful activities.⁶²

In 1967 the new understanding of organised crime was given a degree of academic legitimacy. In so doing, one academic was swiftly crowned scholar supreme of organised crime. Sceptics see the involvement of an academic as a gesture, one merely designed to boost the credibility of a model that was previously constructed by a group of law enforcement officials. Be that as it may, working under extreme time constraints, Donald Cressey produced a Task Force Report for the Commission that was later turned into a book, entitled *Theft of a nation*. Perhaps not entirely coincidentally, this was published in the same year as Mario Puzo's *The Godfather*, the two being highly consistent. As described earlier, the most important aspect of Cressey's work was his belief that due to its bureaucratic nature, La Cosa Nostra was particularly *efficient* and represented the most advanced form of criminal organisation. Cressey also made clear that the term 'organised crime' was a noun reserved for this type of criminal organisation.

With the publication of *Theft of a nation* the new view of organised crime was cemented—academia had joined popular media, law enforcement, government and even the entertainment industry in agreeing on a view of what organised crime was. In contrast to the early perspectives encapsulated by Dorr and Simpson, it was a sophisticated criminal entity that threatened the foundation of America. Its origins could be traced to secret organisations formed in Italy and Sicily that were imported among the waves of immigrants who flocked to the USA early in the 20th century. No longer seen as simply illegal business activities, organised crime was a concept that described a group of special criminals. No longer did the concept implicate American policemen, judges and politicians as key members of a criminal network; rather, these people were the first line of defence against organised crime, to whom government and the public should give further support and backing.

Moreover, no longer was organised crime seen as an outcome of contradictory laws; rather, it was a conspiracy of outsiders who were intent on undermining the country's moral policies, as set out by successive governments.

The view of organised crime as a sophisticated conspiracy involving Italians was boosted from the late 1960s onwards. Fictional work such as *The Godfather* proved particularly popular and was copied endlessly by others. Furthermore, law enforcement made much out of any new evidence or new arrests that somehow backed up the Mafia model and politicians seemed keen to sustain public fear. To what extent these images reflected reality is a matter open for debate. Numerous sceptics have argued that the evidence for the Italian conspiracy model was grossly inadequate and that hidden agendas were being served. For example, in 1957 sensationalist talk of the Mafia led *Time* magazine to assign a dedicated reporter to cover the story. The following is from his report:

I spent some two weeks in New York, Washington and Chicago running down every clue to the so-called Mafia that I could find. I talked to a large number of Federal, state and local law enforcement authorities; to police, reporters, attorneys, detectives, non-profit civic groups such as the Chicago Crime Commission. Nobody from the FBI and Justice Department officials on down, with the exception of a couple of Hearst crime reporters—always happy for the sake of a street sale to associate the ‘Mafia’ with the most routine bar shooting—and the Narcotics Bureau believed that a Mafia exists as such. The Narcotics Bureau, which has to contend with a big problem in dope-trafficking, contends that a working alliance operates between an organized Mafia in Italy and Sicily and a US Mafia. But the Bureau has never been able to submit proof of this, and the FBI is skeptical. The generally held belief is that there is no tightly knit syndicate, but instead a loose ‘trade association’ of criminals in various cities and areas, who run their own shows in their own fields but have matters of mutual interest to take up...At any rate, nobody has ever been able to produce specific evidence that a Mafia is functioning.⁶³

While it was true that certain Italian-Americans were prominent figures in specific rackets, concluding that there was a centrally co-ordinated nation-wide organisation lurking behind all illegal operations was a precarious leap of faith, albeit an entertaining one. Indeed, such was the gap between fact and conclusion that some sceptics have advanced their own conspiracy theories. These have dwelled on the possibility that in an era embroiled with Cold War politics, the new version of organised crime was politically convenient. It gave ample justification for the state to expand specialist law enforcement budgets and increase its covert powers, especially in its ability to monitor and remove potentially subversive individuals, some of whom may have been more politi-

cal than criminal. Indeed, Woodiwiss pointed out that measures brought in to fight organised crime, such as increased wiretapping and eavesdropping powers, were used far more often against perceived American dissidents than against American-Italians accused of racketeering.⁶⁴

The growth of organised crime and the ‘pluralist revision’

While the true picture of Italian criminal organisations may be obscure and open to question, from the late 1940s onwards the paradigm within which organised crime was understood had been completely overhauled. From a technical point of view, the new approach used organised crime as a noun for a specific entity. The previous approach had used the term as a catch-all notion of criminal business activity. One method focussed on the ‘who’, the other on the ‘how’.

The change in the use of the term was noted in the 1970s by the Scottish criminologist John Mack who argued that the USA was alone in understanding organised crime as some sort of unique phenomenon. Mack reported that, “on this side of the Atlantic ‘organised’ carries its ordinary dictionary meaning”, and thus organised crime referred to “all criminal operations, however small-scale, in which more than one person participates and some rudimentary role-differentiation occurs”.⁶⁵ Mack argued that the American use of the term led to a “special ambiguity”, or, in other words, was fundamentally incoherent.

In retort, a long line of American commentators, perhaps mesmerised by the image of the Mafia, justified such a selective use of the term. Thus, Michael Maltz wrote in 1976:

Of course, we could just define organised crime by characterising it as ‘crime that is organised’, which gets us nowhere...I feel that it is more appropriate to distinguish within that classification the activity of those criminal enterprises that most observers agree are part of the more virulent type of ‘organised crime’.⁶⁶

Identifying the list of traits to describe accurately what was believed to be the more virulent phenomena has been behind most of the definitional literature on organised crime, much of which emanates from the USA. This task proved difficult enough when one major criminal organisation was believed to dominate

US crime. However, by the mid-1980s, it was clear that American-Italians were not—or perhaps no longer—the dominant party in the criminal underworld.

The revelation that new groups were appearing was given ‘official status’ during President Reagan’s commission on organised crime, chaired by Judge Kaufman in 1982. The explicit mandate for the Kaufman Commission was to investigate both traditional organised crime (i.e. the Mafia) and emerging organised crime groups. The latter category included Cuban, Colombian, Japanese, Chinese, Vietnamese, Mexican, Russian, Canadian, Irish, and Jamaican gangs, as well as prison and motorcycle gangs. Where earlier crime commissions were tasked with investigating activities such as gambling and prohibition, President Reagan’s commission was explicitly geared to look at specific crime groups. The ‘who’ was now of uppermost importance.

The realisation that Italian-Americans did not dominate American racketeering may have gone some way in undermining the ‘alien conspiracy’ model, i.e. that organised crime was largely a phenomenon conducted by a distinct group of outsiders. However, as highlighted by scholars such as Stephen Mastrofski and Garry Potter, the new proliferation of organised crime was used to merely expand the old model. The new groups were all defined as ethnically, racially or culturally homogenous and they were all presented as having a rational structure, being ‘rabidly expansionist’ and having alien origins.

However, in an era with more ‘official’ organised crime groups, precise definitions of organised crime were strained. No longer could lists of traits describe what was believed to be the Mafia; they now had to incorporate emerging organised crime as well. In other words, a successful definition had to be malleable so as to include the greater number of underlying groups. It was in this era that squabbling over definitions became a mainstay of organised crime literature.

In one popular text on organised crime, containing contributions from leading mainstream scholars on the subject, the introduction noted the task of developing a definition and that numerous commentators had their own ideas. However, the editors of the book, Einstein and Amir, explained that all agreed there were ‘special elements’ to organised crime that made such groups different from more mundane criminal operations. The authors wrote that:

While organised crime contains the elements of organized criminality, and uses organized criminality, organized crime has its own special elements. These include:

- Greater continuity of structure and activities
- Greater *rationality in structure and activities* (in the licit and illicit economic arenas) and
- Their attempt to gain *control over the licit and illicit markets and/or geographical areas*.⁶⁷

This was a vague attempt to explain to readers what the distinguishing features of organised crime were. Others have been more precise, providing lists of traits that any group must satisfy before it can be considered part of organised crime. Albanese conducted a study of the definitional literature and presented his findings as a list of descriptions in descending order of prevalence:⁶⁸

- organised hierarchy continuing;
- rational profit through crime;
- use of force or threat;
- corruption to maintain immunity;
- public demand for services;
- monopoly over particular market;
- restricted membership;
- non-ideological;
- specialisation;
- code of secrecy; and
- extensive planning.

Both the list above, and the three points raised by Einstein and Amir, can be encapsulated by the influential and oft-quoted definition of organised crime offered by Howard Abadinski:⁶⁹

A non-ideological enterprise that involves a number of persons in close social interaction, organised on a hierarchical basis for the purpose of securing profit and power by engaging in illegal and legal activities. Positions in the hierarchy and positions involving functional specialisation may be assigned according to skill... Permanency is assumed by the members who strive to keep the enterprise integral and active in pursuit of goals. It eschews competition and strives for monopoly over particular activities on an industry or territorial basis. There is willingness to use violence and/or bribery to achieve ends or maintain discipline. Membership is restricted, although non-members may be involved on a contingency basis.

By the mid-1980s US mainstream discourse had come a long way since the investigations of Dorr and Simpson. From the 1950s to the mid-1980s the definition of organised crime had evolved, perhaps to accommodate changes in the nature of organised crime in the US. For most, this change would have been viewed as a maturation of a collective expertise. To others, this so-called progress of knowledge was a process built on a faulty paradigm. For them, the perception of organised crime since the 1930s had deteriorated because people were looking at it from the wrong perspective and were eager to accept questionable evidence. In agreement with other critical criminologists, Michael Woodiwiss has described this as a gradual process of “dumbing down”:

The Kaufman Commission’s understanding of organized crime was representative of a pervasive dumbing down since the early conceptualisations...These had focussed on defects in US laws and institutions and found them responsible for America’s organized crime problems. Kaufman’s group focussed on different groups of criminals and found them responsible for America’s organized crime problems. The logic of early conceptualisations suggested the repeal of unworkable laws and the honest and effective enforcement of the rest. The Kaufman group’s restricted understanding of organized crime allowed them to avoid confronting faults in US laws and institutions, leaving only recommendations of tougher and more intrusive policing of unworkable laws.⁷⁰

(Transnational) organised crime and the Palermo Convention

From the late 1980s, the subject of organised crime received rapidly growing attention. Mainstream commentators agree that this reflects the worldwide expansion of organised crime. Indeed, if we are to believe the quantitative and qualitative changes that have occurred in organised crime in the last few decades, then our contemporary era must approximate what evolutionary biologists call a period of ‘punctuated equilibrium’. As two leading scholars put it: “The rise of transnational organised crime in the last decades of the twentieth century was as unexpected as the end of the Cold War”.⁷¹

In recent years the conventional wisdom has been that the forces of globalisation have presented organised crime with the opportunity to vastly expand their operations. The familiar traditional organised crime formations underwent an internal revolution and expanded their operations from being primarily domestic to being truly global. At the same time thousands of new crime entities

emerged that were sophisticated, highly mobile, hi-tech and could cross national borders with impunity—hence the notion of *transnational* organised crime. This burgeoning international underworld was fed by the creation of new organised crime hotspots—as the parameters of the Cold War collapsed, troublesome transitional countries performed as criminal epicentres, spreading waves of crime formations throughout the globe. Most noticeably, the disintegration of the Soviet Union gave rise to hundreds of crime groups that quickly ventured overseas and set up criminal businesses in places such as New York and London. So terrifying have these occurrences been that it is now standard to hear organised crime referred as the ‘dark side of globalisation’, the ‘new evil empire’ or as a ‘new form of authoritarianism’.

Due to the perceived development of organised crime, the era since the early 1990s has been one in which a growing number of countries have identified it as a national security threat. This in turn has led to new regulations, new police departments and a spread of academic interest. As both a cause and effect of this burgeoning concern, over 120 countries ratified a United Nations’ Convention on Transnational Organised Crime, at a conference organised in Palermo (often referred to as the Palermo Convention). Accompanying the growth in the desire to combat organised crime was the necessity of a workable definition. In the early days countries seemed to seek independent solutions to the definitional question, however, as one of the core dimensions to the UN Convention is international co-operation, it was almost inevitable that constructing a universal official definition would be high on the agenda.

One can sense in the laborious notes from early meetings that led to the Convention that much confusion and disagreement accompanied this process. It seemed that multi-national perceptions of organised crime brought forth divergent perspectives on the salient features. Consequentially, the process gave rise to a very broad definition that was probably a compromise by weary delegates:

Organised criminal group shall mean a structured group of three or more persons existing for a period of time and acting in concert with the aim of committing one or more serious⁷² crimes or offences established pursuant to this Convention, in order to obtain, directly, or indirectly, a financial or other material benefit.

On the surface, it may seem that the process of reaching an unproblematic terminology did much to undermine US-style definitions. Where Americanised definitions were explicitly designed to describe something rather specific, the UN version is exceptionally broad and inclusive. Although the UN definition

still stresses that organised crime is a noun for a group, when considered literally one can not help but summarise the definition as: *Organised crime is any crime that is organised, as long as it is serious*. If one conducted research based only on popular definitions, then an obvious conclusion is that in recent years the Americanised definitions have been ousted—Abadinski's definition is in stark contrast to the UN's and the special elements that Einstein and Amir mentioned are no longer thought defining.

However—and it is here where the definitional debate becomes really muddled—it seems that the majority of those who favour the UN definition remain transfixed by the notion that organised crime is a unique criminal entity. If one takes the UN definition literally, then one would not expect the distinction between organised and corporate crime to persist—the crimes associated with terrorist groups, law breaking businesses and criminal government departments will all be perpetrated by a number of individuals working in collusion, making them *ipso facto* organised crime. Yet, in the contemporary world of law enforcement and official parlance, crimes committed by legal businesses or by government officials are almost always not dealt with, nor conceptualised, under the label organised crime. Indeed, some commentators brand some legitimate corporations and even governments as organised crime, but typically this is intended as a metaphorical insult rather than as a call for definitional consistency.

The enduring belief that organised crime is some sort of unique criminal conspiracy can easily be detected by the language one regularly encounters on the subject. For example, the secretary of the Ad Hoc Committee for the Elaboration of the United Nations Convention against Transnational Organised Crime, Dimitri Vlassis, warns:

Organised crime is a threat to all the values that the democratic world holds dear. There are fundamental changes that have brought this about. The traditional roles of organised crime are being reviewed and altered... The old, well known 'Mafias' have revamped their structures and operations, while smaller and much more flexible groups have emerged and are operating all over the world.⁷³

Similarly, Pino Arlacchi, the Executive Director of the United Nations for Drug Control and Crime, stated that, "organised criminals have established links with ordinary and juvenile crime".⁷⁴ So Arlacchi is in agreement with Amir and Einstein who claimed organised crime is "more than just organised criminality, it has its own special elements". Numerous law enforcement

personnel, government officials and academics warn that organised crime is a global threat, it has capitalised on the information technology revolution, it is transnational, it exploits legal loopholes, corrupts legitimate business and threatens democracy. Phil Williams describes organised crime as operating in the same 'murky world' as terrorism.⁷⁵ These descriptions do not seem intended for any criminal conspiracy that involves two or three people—they are intended for something specific, elusive, and intangible; a thing with an essence that makes it organised crime.

Official definitions have been painstakingly constructed by government representatives, are designed for national and international legislation and are intended to aid law enforcement co-operation. However, these definitions have acted as a smokescreen for a deeply entrenched notion of what organised crime is. The UN definition does not describe the pictures in most people's heads when they imagine organised crime. Instead, it is likely that these pictures have been constructed by the legacy of powerful stereotypes on the subject, most of which emanated from post-Second World War USA. Moreover, one can sense that the revival of this broad approach was not caused by a disagreement with the US perspective, but more likely due to a desire to establish an unproblematic nomenclature for the international crime fighting community, organised via inter-governmental agreements and a UN convention. For these arrangements, a specific definition may only serve to confuse and may act as a stumbling block for greater international co-operation.

In sum, this section has provided an overview of the evolution of the mainstream understanding of organised crime. Early US definitions formed in the late 1920s interpreted organised crime as criminal business activities, including both racketeering and commercialised fraud. It was a concept used to denote a type of activity and did not assume the characteristics of the offenders. Indeed, early commentators noted how organised crime often involved a relationship between members of the criminal justice system, politicians and gangsters. During this era, a widespread view was that organised crime was an outcome of the contradictions inherent in the USA, most notably prohibition, which was neither popular nor properly enforced.

Organised crime changed in meaning from the mid-1930s onwards. This was due in part to the separation of business crime into a unique category, as well as a sustained public relations campaign by the police that presented a self-image of an incorruptible force, stressing its role as protector of the public.

Two key tenets of organised crime were therefore undermined and the concept became exclusively used as a noun for criminal organisations involved in racketeering. Furthermore, during this era the government accepted a theory that all racketeering was being organised by a nation-wide Italian organisation known as La Cosa Nostra, famously described by the academic Donald Cressey in his book *Theft of the nation* and by Mario Puzzo in his best selling novel *The Godfather*. Sceptics found the notion incredulous and suspected that the invention of the Mafia was politically convenient for both law enforcement and the government, as well as captivating to a gullible public. The new view of organised crime led mainstream analysts to view racketeering as an outcome of a criminal conspiracy imported into the USA from Europe. This organisation had the potential of threatening the security of the USA and therefore law enforcement needed extra powers to fight it.

In the early 1980s, the pre-eminence of La Cosa Nostra was diluted by the perceived emergence of new crime organisations, which were conceptualised as culturally homogeneous, usually comprising ethnic minorities. The definition of organised crime was updated to be applicable to these groups and the standard technique was to list traits that they all shared. The exact list of these traits was a matter of contention among commentators and thus organised crime was felt to be hard to define precisely. More critical commentators continued to insist that organised crime was being misunderstood due to a faulty 'alien conspiracy' paradigm, as well as dubious data.

In the early 1990s, international fear over organised crime grew dramatically. This was in part due to the perception that globalisation was providing increased opportunities for old crime groups to expand their operations, and in part due to the belief that troubled transitional countries were generating a wave of sophisticated and ruthless crime formations. International concern culminated in a UN Convention, an initial task of which was to develop a non-problematic definition in order for member states to work together more efficiently. This process gave rise to a broad understanding of organised crime that seemed to reverse the US trend of seeing it as being synonymous with unique criminal entities. However, there is ample evidence to suggest that broad official definitions are not used literally and that most mainstream commentators still share a conceptual understanding of organised crime based on an American mainstream model. This model depicts organised crime as a culturally homogenous structured criminal conspiracy that exists independently of, and at odds with, the formal economy.

The concept of organised crime in Southern Africa

Ad-hoc official statements confirm that since the early 1990s organised crime has been identified as a growing security threat throughout Southern Africa. However, apart from a small number of publications from South African commentators, member states of SADC have yet to produce substantial research on organised crime in the region. The contribution to global literature on the subject is therefore minimal. As a first move to remedy this situation, in 2001 the Institute for Security Studies conducted two studies that set out to capture general information on organised crime in the SADC region. Peter Gastrow undertook research on police perceptions of the problem in nine of the twelve countries of SADC⁷⁶ (Angola, the DRC and Mozambique did not respond) and Charles Goredema arranged a series of papers on legislation against organised crime prepared by experts throughout the region.⁷⁷ These seem to be the only published sources of information on the concept of organised crime outside of South Africa. Within South Africa there have been a handful of independent research efforts, although none can be considered 'in-depth'.

Official definitions

All nations in Southern Africa have either signed the Palermo Convention or have made a commitment to sign it in due course. We may therefore predict that in the near future most SADC countries will adopt the UN's definition. However, at present only one country—Zambia—has actually done so. In the remaining SADC nations, according to Peter Gastrow's study, only four police forces operate with an official definition of organised crime, although all seemed familiar with the concept. Of the four, South Africa and Swaziland use definitions that seem heavily influenced by Americanised definitions, i.e. they rely on lists of traits that a certain group must adhere to before it can be considered an organised crime group. According to the respondent to Gastrow's study, in Swaziland, organised crime is defined elaborately as follows:

Any group of individuals whose primary activity involves violation of criminal laws to seek illegal profits and power, by engaging in racketeering activities, and when appropriate, engaging in intricate financial manipulations. The term 'organised crime' consists of the following:

- A group of people (criminals), more than one
- Participating in unlawful activities
- Seeking money and power

- Forms a syndicate, group, cartel, racket, mafia etc
- Money laundering

Organised crime has taken the following characteristics:

- Structure
- Limited number of membership
- Cell forming and secrecy
- The use of violence and intimidation
- Access to corrupt police officials
- Money laundering.⁷⁸

Similarly the South Africa Police Service (SAPS) state that “organised crime is the systematic commissioning of crimes motivated by a craving for profit and/or power”.⁷⁹ However, this is not seen as a sufficient definition on its own and to identify organised crime the SAPS has developed a system whereby a crime group can only be classed as an organised crime group if it complies with a minimum number of listed traits. These are as follows:

All four of the following criteria must be complied with:

- collaboration of more than two persons;
- involvement in serious criminal offences;
- involvement in such serious criminal activity for a prolonged or indefinite period; and
- motivation by the pursuit of profit or power.

In addition, two of the following must be evident:

- use commercial or businesslike structures;
- have members with appointed tasks;
- employ disciplinary sanctions;
- engage in money laundering;
- use violence for intimidation;
- attempt to exert political influence; or
- abuse borders.

Somewhat confusingly, SAPS have also used a definition based on Interpol’s notion of organised crime. It is not clear when and where the different definitions are used by the SAPS, which perhaps suggest that definitions are not crucial for their work against organised crime—there is a sense of knowing what organised crime is irrespective of a precise definition. The alternative definition reads:

Any group of criminals that have a corporate structure, whose primary objective is to obtain money and power through illegal activities, often surviving on fear and corruption.⁸⁰

In Tanzania—the first country in the region to attempt to define the phenomenon—the official definition of organised crime was contained in the Economic and Organised Crime Control Act of 1984. This definition is hard to decipher and it is not clear what organised crime really means. The Act reads:

Any offence or non-criminal culpable conduct which is committed in combination or from whose nature a presumption may be raised that its commission is evidence of the existence of a criminal racket in respect of acts connected with, related to or capable of producing the offence in question.⁸¹

Unofficial perceptions of organised crime

Although there may be few publications on organised crime in the SADC region, it seems that an underlying uncertainty behind the concept has encouraged almost every author to offer their own interpretation. There are as many definitions as there are publications. Yet while these definitions vary considerably, all commentators show a common understanding based on a shared underlying paradigm.

At the heart of this paradigm is a view that sees organised crime as a noun for a homogenous, structured group of criminals that exists independently of, and at odds with, the formal economy. However, in this mainstream understanding there is a simple spectrum—at one end are those who see organised crime tending towards a well structured ‘corporate-like’ entity, and at the other are those who see organised crime as tending to be far less structured.

An example of a definition based on the more structured end of this spectrum was offered by Chris Peter, Professor of Law at the University of Dar es Salaam.⁸² Although he cited both the official Tanzanian definition and the UN definition in his brief contribution to the subject, he elaborated with further descriptions of his own. In doing so Peter used the Mafia model as first presented by Kefauver to represent a typical organised crime group. While he does not explain whether such Mafia-like structures occur in Tanzania, Peter seemed to suggest that such criminal groups are forming.

Similarly, Jenny Irish also seemed to take direct inspiration from Americanised definitions and essentially offered a reworking of the most common traits found in mainstream academic literature. Irish identified the following as necessary components of organised crime:

- the criminal offence should be serious;
- the group should operate for a prolonged or indefinite period;
- the offences committed should be for profit or power;
- the group should have a clear structure;
- there should be division of labour or tasks within the group;
- the group should have some form of discipline or control;
- the group should have money laundering as a component; and
- the group should be able to exert influence, which can be done through corruption, violence or intimidation.⁸³

Further along the spectrum, another approach has been offered by Peter Gastrow. In line with the UN perspective on organised crime, Gastrow raised concern with the notion of 'corporate structure', preferring a more generalised terminology. However, perhaps due to the recognition that organised crime can be used as either a noun for a group or as an activity, Gastrow introduced a second concept—the criminal syndicate. Apparently for him, organised crime is an activity committed by a criminal syndicate and is not meant to denote a group. Thus he offered two definitions, one for organised crime and one for a criminal syndicate. He wrote:

Organised crime consists of those serious criminal offences committed by a criminal organisation, which is based on a structured association of more than two persons acting in concert over a prolonged period of time in pursuit of both their criminal objectives and profits.⁸⁴

Gastrow added:

The majority of crime syndicates are involved in some form of organised crime. In line with the above definition of organised crime, 'crime syndicates' can be defined as follows:

A crime syndicate is a criminal organisation, engaged in the commission of serious criminal offences, which is based on a structured association of more than two persons acting in

concert over a prolonged period of time in pursuit of both their criminal objectives and profits.⁸⁵

However, the decision to differentiate organised crime seems to have been dropped by Gastrow in later publications. Elsewhere he returns to the common habit of using organised crime as a noun for a group of criminals. Although offered as an alternative to the problematic SAPS definition, Gastrow is essentially offering the same definition but merely transplanting the phrase 'corporate structure' with the less grandiose term 'structured'.

Finally, again disagreeing with the more *exclusive* approach adopted by SAPS and Irish, Jean Redpath adopts the broadest possible approach:

No attempt was made to use a strict definition of organised crime. This was so as not to exclude any information purely on the basis that requirements of a definition were not met. Indeed, the relatively complicated terms of the definition of organised crime used by...the South African Police Service (SAPS) for their 2000 Crime Threat Analysis may lead to groups falling outside the information net.⁸⁶

This simple spectrum in the available literature does not spoil a relatively consistent view of who the main organised crime groups are. Indeed, the fact that all commentators list the same type of groups as being organised crime groups shows quite clearly that the same basic paradigm is being used to understand the—apparently ambiguous—concept. For example, of the handful of published material in South Africa, the same lists of organised crime groups are covered, no matter what definition of organised crime introduces the text.

To summarise these main groups it is important to introduce a further trait that is used by all South African commentators to compartmentalise types of organised crime. Following the international standard, organised crime is divided into that which involves domestic criminals and that which involves foreigners.

The latter category is normally referred to as 'transnational organised crime'—a misleading concept if only for the reason that it is generally acknowledged that domestic groups are engaged in frequent cross-border trade. Transnational organised crime groups are also seen to be culturally homogeneous as they are categorised by their country of origin, i.e. the Russian Mafia, the Chinese Triads and so on.

Implicit in the South African literature is that international organised crime is a more sophisticated entity than its domestic counterpart. Indeed, this belief has been explained to the author on numerous occasions by high-ranking law enforcement officials.

Evidence for this view can also be seen by the fact that transnational organised crime groups almost always receive the lion's share of analysis in research reports.

For example, in two recent documents on organised crime, written by Jenny Irish and Jean Redpath, organised crime groups involving foreigners are described in far greater depth than their domestic counterparts. Jenny Irish writes:

There exists in South Africa both domestically based organised crime groups and transnational groups. Domestic groups are increasingly linking up with these transnational groups to either offer their services to such groups, or co-operate on joint ventures or even merge with them.⁸⁷

Similarly, the late Steve Tshwete lamented:

Since its return to the global arena, [South Africa] has felt the effects of transnational organised crime syndicates attempting to extend their tentacles to 'new markets'. Given South Africa's relatively well-developed infrastructure, modern telecommunication systems, technology and business practices, it would appear that the scope of organised crime has evolved from generally small-scale local operations to international syndicates.⁸⁸

Peter Gastrow also differentiated between 'indigenous' and 'transnational' criminal groups in his police perceptions survey. The results show that police forces throughout the region have identified certain foreign nationalities as being particularly problematic in cross border organised crime affecting their own nation.

One question asked police in SADC countries to provide the nationalities of the top three main transnational organised crime threats to their country. The results were as shown in table 2 on the following page (Malawi did not provide an answer):⁸⁹

Table 2. Police perceptions in SADC countries of top three transnational organised crime threats

Respondent country	Nationality of transnational organised crime threat
Botswana	Zimbabwe, South Africa, Zambia
Lesotho	China, Nigeria and South Africa
Namibia	South Africa, Angola and Zambia
South Africa	Nigeria/Cameroon, Pakistan and Zimbabwe, Russia
Swaziland	Nigeria, India and Mozambique
Tanzania	Pakistan, South Africa, Kenya
Zambia	South Africa, Zimbabwe
Zimbabwe	Nigeria, Zambia, South Africa

Organised crime and gangs

The definitional literature on organised crime is made more complex (or confused) by the notion of a gang—a rather notorious concept in South Africa. For Redpath, gangs are included under the broad terminology of organised crime, and indeed true to her inclusive definition (or more accurately, non-definition) she included gangs in her study. This is in contrast with other South African commentators. Following on from his description of what a criminal syndicate is, Gastrow offered a precise explanation of what a gang is and why it differs from a criminal syndicate:

In general, gangs tend to be less formally structured than syndicates. They are often territorially based, their criminal activities involve less sophistication than those of syndicates, their members tend to be youths and they tend to identify themselves by a gang name. The many different manifestations of criminal gangs makes it highly unlikely that one single definition will ever be adequate or comprehensive enough to cover all the shades and variations. As a guide, and to indicate a general understanding of the nature of a gang, the following definition is provided:

A criminal gang consists of an organised group of members which has a sense of cohesion, is generally territorially bound, creates an atmosphere of fear and intimidation in the community and whose members engage in gang-focused criminal activity either individually or collectively.⁹⁰

Similarly, in his widely cited article, *The development and control of organised crime in post-apartheid South Africa*, Mark Shaw stated that:

According to SAPS definitions syndicates are seen as more sophisticated organisations operating on a wider level than gangs, which are considered to be criminal organisations of a lower order of influence and sophistication. Gangs may often be employed by syndicates to do the dirty work at street level, with the latter often acting to co-ordinate the activities of different gangs.⁹¹

A different view is presented by Irvin Kinnes in his monograph on the development of gangs in the Western Cape.⁹² He agreed with Gastrow in that “no one definition of what a gang is seems to be adequate”. However, Kinnes listed a series of traits that were designed to enrich the reader’s general understanding of this form of criminal organisation, as follows:

- gang members may range in age from youngsters to adults between 20 and 40 years of age;
- the nature and activities of gangs are mainly determined by their social context;
- membership of gangs may include persons both inside and outside of jails;
- gang members may be anything from street level operators to sophisticated syndicate bosses;
- they may belong to the category regarded by the government and its agencies as being at risk of becoming involved in criminal activities, or may make a choice to become involved with full cognisance of the associated risks; and
- gangs may be involved in criminal activities for the sake of survival, or may be high-level, structured criminal organisations.

Clearly Kinnes’ list starts to blur the distinction between gangs and organised crime. However, while Kinnes suggested the overlapping of the two concepts, the notion that organised crime represents a higher form of criminality persists.

CHAPTER 4

THE CONCEPT OF ORGANISED CRIME RECONSIDERED

In this final section the basic assumptions of the mainstream understanding of organised crime are described and briefly critiqued. These arguments—when considered collectively—suggest that the term has lost worth as a serious criminological concept.

Assumption 1: Organised crime groups can be defined by their similar internal characteristics

One of the core aspects of the mainstream definition of organised crime is a belief that organised crime should be defined by its organisational characteristics. For some, this has meant defining organised crime as an entity that is highly structured, possesses a hierarchy or has a corporate structure, and so on. In addition, many definitions include traits that provide further information on the internal organisation of organised crime. For instance, many people point out that organised crime has secrecy among members, has a limited membership, that there is planning involved, that there is discipline and that there is a division of labour and tasks. The implied notion behind these descriptive definitions is that certain criminal organisations are more organised and sophisticated than others—organised crime is considered a term for groups that are ‘more virulent’ or show ‘greater rationality’.

In chapter 1, the synthesis of the four models—hierarchy, networks, markets and clans—suggested that different mechanisms of organising criminal activity will be effective in different contexts and for different reasons. The nature of the most sophisticated organised crime will therefore depend on the context in which it occurs as well as on the aims of the leading personalities involved. For example, the network model illustrates that in some situations it is far more beneficial to develop trusting relations than it is to operate in an aggressive fashion, whereas hierarchical formations may be particularly efficient in organising ongoing complex tasks and may also be effective at protecting high-ranking members of the group. Thus, there is no straightforward way in which

some crime is organised 'better' than other crime and no single list of traits can be applicable to all organised crime operations.

Perhaps at the root of this error in the definition of organised crime has been a flawed methodology. To develop a definition the approach has often been to research prominent groups to highlight the distinguishing features of organised crime. There is a circularity here—what one defines as organised crime will be chosen to be the subject of study to unearth the defining characteristics of organised crime. As argued above, this process is vulnerable to a self-fulfilling prophecy—a bureaucratic outlook will find bureaucratic organisations. The popular adage *I know it when I see it*, becomes *I will see it where I choose to look*.

A good example of this circular reasoning was offered by Irvin Kinnes in his attempt to define gangs in South Africa. Kinnes used his considerable knowledge of criminal organisations in the Western Cape to construct a general definition of gangs. However, he lamented that a satisfactory definition is probably not possible because of the continually shifting nature of the criminal entities being studied. Perhaps the difficulty noted by Kinnes stemmed from wanting to provide a typology of gangs rather than a definition. He may have been more successful if he had started with an abstract framework comprising the four primary models. Using this method, Kinnes may have explained that the groups in his study were co-ordinated on the basis of the clan model. Moreover, his analysis may have gone further if he had used all four models for he may have shown how the organisation of these groups vary over time. Indeed, a core hypothesis that can be extrapolated from Kinnes' work was that many of the larger gang structures have evolved away from clan-like entities and become hierarchically organised, hence the title of his publication, *From urban street gangs criminal empires*.

It may be worth pointing out here that the typology approach is precarious if used exclusively. The danger may lie in creating endless lists of crime groups based on arbitrary criteria. Within such lists it may be unclear where similarities and differences lie. Furthermore, it is possible that these lists will be in a constant state of flux as new types of crime emerge and new methods are used. In contrast, the strength of the four models outlined in chapter 1 lie in their ability to clearly highlight different *organising mechanisms*—each contrasts clearly with the other. Where typologies are designed to be applicable to real situations, they will help with further analysis by only providing analogies, i.e. analysis of a new crime group may note how it shares traits with typology X and typology Y. However, the models of hierarchy, networks, markets and clans

provide abstract tools that are not bound by time or place and are therefore more pliable and revealing.

Assumption 2: Organised crime is an external threat

The success of the mainstream paradigm of organised crime depends on the ability to isolate organised crime from other structures. One powerful way this is achieved is by presenting organised crime as a sinister entity that threatens the civilised world. Kofi Annan made this distinction resoundingly clear at the opening of the UN Convention at Palermo when he contrasted global organised crime to civil society and coined the phrase '*uncivil society*'. Of organised crime Annan stated:

They take advantage of the open borders, free markets and technological advances that bring so many benefits to the world's people. They thrive in countries with weak institutions. And they show no scruple about resorting to intimidation or violence. Their ruthlessness is the very antithesis of all we regard as civil.⁹³

The image of an ominous external threat has often encouraged the metaphor of organised crime emerging like a cancerous growth or a mysterious virus.⁹⁴ As with many exotic diseases, the origin of this virus tends to be rather murky—traced frequently to an alien culture often residing in developing countries (see below). What makes this virus particularly threatening is its ability to cross national borders with impunity, as Ruggerio explains:

The terms 'transnational organised crime' and 'cross-border crime' generate indefinable fears... [they] are suggestive of a powerful and evasive menace, a looming peril whose lingering across countries adds to its destructive potential character.⁹⁵

However, an objection to this view is that rarely does organised crime operate as a predatory 'raiding' force. More often, organised crime is an internal problem created by contradictions in so-called civil society.

As described in chapter 2, the tendency to externalise the threat of organised crime in the USA was artificially constructed from the mid-1930s onwards. Before that, organised crime was generally perceived to involve local professionals, politicians, police and gangsters. This led to an official commission that explained the prevalence of organised crime as the result of fundamental flaws

in US society. As Walter Lippman pointed out, racketeering served a widespread public craving that American governments had decided to prohibit through federal legislation, albeit enforced by police who were easily corrupted. However, the revised definition of organised crime operating as a distinct criminal conspiracy—a *society outside the control of the American government and people*—encouraged a less critical analysis that saw the USA as the victim of an imported criminal organisation. This shift in the definition of organised crime has been interpreted as convenient for it steered blame away from public institutions and government policy.

Since the early 1990s, the same dubious isolation of organised crime has been expanded to a global level. This is achieved by explaining the growth of transnational organised crime as a result of *opportunities* globalisation has *inadvertently* provided—organised crime is thus depicted as an external, opportunistic force. The processes of globalisation as well as the policies of governments and international institutions are presented as innocent and it is through the nefarious agendas of self-seeking crime groups that transnational crime can be explained. For example, a keynote speaker at a US conference on intelligence reform said:

In recent years... criminal groups have dramatically increased the scope of their activities by taking advantage of many post-Cold War opportunities such as the lowering of economic and political barriers; the end of communist regimes and the founding of fragile new democracies; the increase in legitimate international trade; and the advances in technology that facilitate global communication and transport.⁹⁶

In South Africa, the same paradigm is often heard. Former Minister for Safety and Security, Steve Tshwete, invoked a cliché when he described the tentacles of transnational organised crime invading South Africa after 1994.⁹⁷ To explain why South Africa is such an enticing victim, commentators such as Tshwete have emphasised that South Africa has—*inadvertently*—developed into a conducive environment for *rogue elements* to thrive in. The characteristics of this environment are listed as good internal telecommunications, efficient infrastructure, porous borders and a developed banking system. In other words, transition to an open and democratic country has regrettably provided expanded criminal opportunities that organised crime groups gleefully exploited. Mark Shaw has done much to elucidate this perception, explaining:

Comparative evidence suggests that organized crime grows most rapidly in periods of political transition and violence, when state resources

are concentrated in certain areas only and gaps emerge in which organized criminal groups may operate.⁹⁸

Shaw thus created an image of organised crime taking advantage of weaknesses, hijacking transition and catching the police off guard. However, while the factors listed by most South African commentators on organised crime are no doubt relevant, this aetiology of organised crime in the country is, at best, incomplete. The architects of this mainstream story rarely go on to explore why South Africa has such high demand for the principal commodities and services associated with organised crime groups. For instance, why is there such a strong demand for illegal guns, drugs such as mandrax and marijuana, stolen goods and prostitution? Are we to believe that South Africa's demand for these services and commodities stems from the activities of rogue elements who have benefited from an environment conducive to business? Again, this seems a convenient explanation for those uncomfortable or unwilling to question the policies and principles of institutions of civil society.

Assumption 3: Organised crime tends to involve culturally homogenous groups, distinct from, and at odds with, the formal economy

The disposition to externalise organised crime is closely related to the widespread tendency of defining it as culturally homogenous. In doing so the mainstream model implies that there is a special type of person who engages in organised crime—an 'organised crime person'. Moreover, as described above, the vast majority of organised crime groups are labelled with the ethnicity of members of the group, i.e. the Italian Mafia, the Chinese Triads and so on. Thus, the mainstream model presents a picture of organised crime being a distinct phenomenon made up of persons from outside the mainstream culture.

The case of ethnicity

There may be some truth to the assumption that ethnicity is important in organised crime. It seems plausible that immigrant ethnic minorities who live in a relatively closed community may be prone to developing strong Mafia-like structures. Such organisations may provide an alternative governance mechanism for a population who are unfamiliar with, or untrusting of, the local formal criminal justice system. Moreover, it also seems plausible that certain ethnic

minorities will play strategic roles in the import and export of specific illegal commodities that are either destined to, or originate from, their country of origin. For example, in Southern Africa, Chinese nationals are regularly implicated in the illegal export of the endangered shellfish, *abalone*, to China.

However, while ethnicity may be relevant in some instances, there are reasons to doubt that organised crime is overwhelmingly dominated by culturally distinct groups, especially ethnic minorities. Many of these reasons are key to what Jay Albanese dubbed as the “ethnicity trap”.⁹⁹

First and foremost there is evidence that when it comes to the main business activities associated with organised crime a diverse group of nationalities are involved. For example, Peter Gastrow’s study of organised crime in the SADC region highlighted that all countries have identified that citizens of almost all SADC countries are involved in organised crime throughout the region.¹⁰⁰ Moreover, although host nations seem to lay blame on a long list of foreigners, many criminal ventures involve members of the host nation itself. Put simply, there is no empirical evidence to validate the theory that certain ethnic minorities dominate organised crime.

Unfortunately, in South Africa many commentators have stumbled into an ethnicity bias. For example, in her study on organised crime Jenny Irish claimed that South Africa was a victim of “Russian organised crime”.¹⁰¹ Although there have been no major investigations into, or convictions of, Russians in South Africa, Irish compiled a long list of the criminal activities perpetrated by Russian organised crime in South Africa based on two interviews with law enforcement officials. These activities included drug smuggling, illegal arms dealing, theft of solar power technology, car theft, illegal gambling, providing transport for smuggling, supplying Russian women to South African brothels, immigration fraud, art smuggling and money laundering involving South African real estate.

Unfortunately, the evidence to support these claims is precariously weak. Indeed many of the conclusions Irish makes seem based merely on activities associated with Russian Mafia in other countries. For example, Russian art has certainly been looted in recent times and sold overseas, probably by Russians or art dealers who work with Russians. However, without citing any evidence, Irish suggested that South Africa is “both an end destination point and a transshipment point for some of these art works”. To support the accusation of Russian organised crime being involved in the drug trade Irish merely stated that one drug bust in 1997 in a port in Mozambique was linked to “Russian

networks". To support the accusation that Russian organised crime is involved in technology theft from South Africa, Irish merely stated that those involved in stealing solar power technology may have used Russian scientists to "adapt the technology".

On the basis of this evidence, it is hard to see how it can be deduced that there is such a thing called 'Russian organised crime' in South Africa, especially when we contemplate most mainstream definitions of organised crime (see chapter 2). A common misjudgement may involve being too hasty in making conclusions that may have been better stated as hypotheses requiring further investigations.

Similarly, Jean Redpath's study of organised crime in South Africa—also based on interviews with police—notes how she came across instances of foreign nationals being involved. Redpath provided a list of such nationalities with short descriptions of their main crimes. Apart from the usual suspects (Nigerians, Moroccans and Chinese), Redpath added, somewhat originally, Peruvians and Bulgarians. Of the latter, based on one instance of three Bulgarians being merely implicated in a fraud case, Redpath suggests these may be "part of a larger group consisting also of persons of Bulgarian nationality".¹⁰² However, the decision to devote a sub-section to Bulgarians in her final report seems strange, for Bulgarians are likely to be responsible for a negligible amount of South African organised crime.

What is disturbing about much mainstream research into organised crime is that at no point is the relevance of nationality considered, let alone justified. The end product is xenophobic and may exacerbate racist stereotypes. This is not to suggest that certain ethnic minorities do not play an important role in smuggling or selling prohibited goods. Nor is it to suggest that many authors are being purposely xenophobic. However, the analysis of this phenomena must make a concerted effort to dispel crude forms of racial determinism. Merely stating that not all Italians/Nigerians/Chinese/Russians are criminal does not go far enough.

In the rare instances where mainstream commentators offer an in-depth explanation of the importance of ethnicity, a common ploy is to describe the 'ethnic succession thesis'. One of the first scholars to favour this line of reasoning was Daniel Bell in his book, *End of ideology*.¹⁰³ To describe the function of organised crime in the USA, Bell coined the phrase "the queer ladder of social mobility". He argued that successive immigrant communities who found themselves on the bottom rung of American society turned to organised crime to

ascend the social and economic hierarchy. When they had succeeded in climbing off the bottom tier, they gradually set about integrating with the rest of America, only to be replaced by the next wave of immigrants who would also turn to organised crime to get a foothold in society.

While the ethnic succession thesis flirts with criticising an unequal society, it essentially gives credence to the notion that the cause of organised crime can be found in the lower classes or in the communities at the fringe of the host nation. Bell, and many others after him, failed to note that organised crime was perpetrated by all levels of the ladder and on numerous occasions those occupying the top rung were far more successful at organising crime than those at the bottom. He also failed to notice that many immigrant communities are easy *victims* of organised crime, especially criminal exploitation in the labour market. Moreover, criminological analysis has regularly shown that criminal justice systems are heavily skewed against those on the fringes of society. This should raise alarm bells for criminologists who rely on official data to create pictures of organised crime.

On a global level, the tendency to blame a 'lower class' for organised crime can be seen by the popular image of transnational organised crime originating from the 'third world' and threatening the 'developed world'. Dick Ward, executive director for the Office of International Justice, wrote that the "western world has become the primary target of organized crime but many of the activities originate in underdeveloped regions".¹⁰⁴ Similarly Professor Louise Shelly, recognised to be an expert in transnational crime, writes:

While legitimate multinational corporations are based almost exclusively in the developed countries, the majority of transnational criminal organizations are based in third world countries. Multinational corporations market their products in industrialized countries and also have significant market share in many developing countries. Many transnational criminal organizations make enormous profits by marketing their illicit products such as drugs and trafficked human beings in developed countries. They represent large and successful examples of entrepreneurship in many parts of the world where third world entrepreneurs are not able to compete in the legitimate international economy.¹⁰⁵

Shelly's bold thesis is typical of the Americanised mainstream discourse in as much as it relies heavily on a notion of *Them* versus *Us*. In retort to this simple polemic, it could be argued that Shelly fails to consider that the West has long

since exported illegitimate goods to developing countries (arms, synthetic drugs, pornography, etc.). Furthermore, Shelly may want to consider that for hundreds of years certain legal multinationals originating from the West have grown rich and powerful by criminal business practice in developing countries—as some may say, a process that has done much to create the unequal global economy. Shelly should perhaps also contemplate that the rampant and condoned consumerism of the West drives much demand for illegal commodities originating in the developing world. This demand can destabilise both politics and the economy in developing countries, which become precariously dependent on the proceeds of exporting illegal goods. Such countries may suffer further as they gain an international stigma of being run by criminal elements, which in turn may hinder foreign direct investment from the West. Moreover, Shelly may question to what extent the “enormous profit” from transnational crime actually ends up in Third World countries. Much may be invested in more profitable economies elsewhere or a high proportion may fall to final retailers who live in chief consumer countries. For example, the profit for heroin farmers in countries such as Afghanistan is minuscule when compared to the profits enjoyed by people selling the refined drug in rich Western countries. It is unlikely that this “enormous profit” will find its way back to Afghanistan.

The organised crime person

Returning to the local level, be it in the West or in some ‘dangerous’ Third World country, a further potential problem to the mainstream model involves the notion that organised crime is perpetrated by a special group of criminals. As Dorr and Simpson made clear in the Wickersham Commission, during their era a combination of officials, elites, politicians and gangsters perpetrated what was known as racketeering. A public relations drive reinvented this sordid image so that racketeering was considered the sole activity of distinct criminal groups made up of ‘organised crime people’.

It is possible that the 1920s and 1930s in America was unique in the respect that there was a high level of corruption in racketeering. However, evidence since then tells us that ongoing illegal business activities associated with organised crime involve active participation from a wide range of people, including the types noted by Dorr and Simpson. Indeed, it is revealing that the US FBN, which had been a major supporter of the national conspiracy theory of organised crime, had to be closed down in 1968 following the revelation of gross corruption and drug dealing. Woodiwiss recalled this well:

Almost every agent in the New York office of the FBN was fired, forced to resign, transferred, or convicted, and this constituted about one third of the agency's total manpower. The chief investigator of the affair...testified that FBN agents had taken bribes 'from all levels of traffickers', had sold 'confiscated drugs and firearms', had 'looted searched apartments', had provided tip-offs 'to suspects and defendants', and had threatened 'the lives of fellow agents who dared to expose them'. Effectively, federal drug enforcement in New York during these years was a form of organized crime.¹⁰⁶

Similarly, William Chambliss conducted primary research into a small city in Pennsylvania and contrasted official perceptions of organised crime with the reality of a network involving of powerful elites.¹⁰⁷ He argued that researchers relying on government agencies for information had inadvertently created a misleading impression that organised crime was populated by members of a criminal society. While Chambliss may be criticised for rushing to his own extreme conclusions, namely that all racketeering is controlled by a cabal of business and political elites, his research does strengthen the hypothesis that organised crime is populated by various persons, some of whom take advantage of their official status and formal occupations in society.

Similarly, in South Africa there are regular accounts of police corruption and collusion with members of gangs. Indeed, a strong case has been put forward that members of the former apartheid regime forged links with various types of criminal entrepreneurs during the late 1980s. For example, to aid sanctions-busting operations security officials colluded with foreign entrepreneurs who had expertise in smuggling. After 1994 when the security state was dismantled, some of these corrupt links continued and many of the country's most powerful criminal entrepreneurs seem to have close links to former and present members of the security forces. These links keep many notorious individuals virtually immune from prosecution. Stephen Ellis, who has done much to uncover these relationships wrote:

...some explicitly criminal gangs have developed close relations with the security forces. This has produced in some sections of the security forces a highly ambiguous attitude towards certain types of crime. During the last phase of the guerrilla war some police and army officers even developed criminal enterprises of their own, such as in weapons, gems, ivory and marijuana trades, partly for their own profit and partly as a covert means of providing arms and funds for informal militias opposed to the ANC and the SACP. The range of state-sanctioned

law-breaking included sophisticated smuggling operations and currency frauds which brought the government's own secret services into business relationships with major smuggling syndicates, Italian Mafia money launderers and other operators in the international criminal underworld.¹⁰⁸

In developing the notion that there is no simple criminal society that exists outside civil society, Vincenzo Ruggiero provides an insight into the blurring of traditional organised crime and the formal economy via an analysis of 'dirty economies'—commodity economies where the "licit and the illicit overlap". Prominent examples are the illegal trade in weapons, cigarettes and people. Ruggiero argues that legal businesses are deeply entrenched in prominent illicit markets, and in many cases can be seen as the principal beneficiaries and architects of illicit trade. At the same time, members of criminal groups can merely play the role of service provider to the corrupt legitimate firms. What is more, according to Ruggiero, in certain instances (i.e. the arms trade) the functioning of informal criminal groups is under threat as the licit sector realises that "illegal trade is too lucrative to be left in the hands of conventional criminals".¹⁰⁹

Rather than the term 'dirty economy', it may be preferable to consider *criminal economies*, i.e. economies in prohibited goods and services such as drugs and prostitution, and *criminalised economies*, i.e. economies in legal goods and services that rely on criminal business practices. Again, a spectrum of enterprises seem to be involved in both types of economies and it is misleading to imagine that organised crime groups are the sole enterprises in criminal economies or that white-collar criminals are the sole culprits in criminalised economies.

A good example of a criminalised economy operating in Southern Africa seems to be the fishing industry. It has been noted regularly that firms involved in local fishing and export rely on criminal exploitation, corruption and the selling of poached stock. For example, recently investigations into the lucrative shellfish industry has revealed that a large multinational company has been systematically bribing officials tasked with enforcing quotas. In addition, investigators discovered that the company had been regularly buying poached lobster and *abalone* from local independent fisherman for a lower cost than legally caught stock. The so-called legal organisation had therefore been actively encouraging a massive illegal trade, which has been both devastating to the local marine environment and enormously profitable to the management of the company.

Assumption 4: Organised crime is different from other types of serious economic crimes

As alluded to in section 2, the mainstream definition of organised crime depends on the compartmentalisation of various economic crimes, organised crime being an activity worthy of its own compartment. This separation is justified because organised crime represents a unique criminal group made up of 'organised crime people' who pose a unique threat to society.

On a technical level there is no clear reason why organised crime is not a catch-all term that could be applied to all businesses that break the law or government departments that commit ongoing crimes. Most official definitions of organised crime work well for these other types of serious crimes. For example, a group of senior government officials in Malawi, including the former Minister for Agriculture, were accused in 2002 of selling 166 000 tonnes of maize held in reserve for famine situations.¹¹⁰ Few would have anything but contempt for these criminals, but would their actions be considered as being organised crime? There were more than three people involved and there was probably a structure to their operation, with the Minister at the top. However, as mentioned above, if such a group was dubbed 'organised crime' it would more than likely be as an insulting analogy. Thus, it should come as no surprise that mainstream analysts and international crime fighting bodies have yet to develop a category in their lists of organised crime threats that is entitled *government syndicates* or *corporate syndicates*. A good indication of this is the fact that official statistics of organised crime—where they exist in places such as South Africa—do not pretend to include legal corporations prosecuted for serious crimes, nor revelations of ongoing corruption involving the police or public officials.

An objection to this mainstream interpretation of the definition is that serious crimes that fall under the category of white-collar crime are no different from the types of crime that are associated with the concept of organised crime. What divides the two may simply be popular stereotypes about the two types of criminals. As Smith pointed out, the Wickersham's approach to criminal business activities was replaced by a new approach that focussed not on activities but on the nature of the offenders. The result is the popular belief that *gangsters do organised crime* and *businessmen do white-collar crime*—the two can not be compared because one originates from the dangerous underworld and the other from respectable business.

The mainstream retort to this criticism lies in a quantitative differentiation. Organised crime groups, it is argued, are organisations that are conceived purely to commit crime. Corporations studied under the banner of white-collar crime are organisations that are set up for legal business but that transgress the law. For one crime is central, for the other, peripheral.

Here, Edwin Sutherland's research may come back to rescue the Wickersham definition. Sutherland's research suggested that crime was systemic for many large corporations and public utilities. It was not peripheral but rather critical. Indeed, since his ground breaking study numerous deviant corporations have shown how important crime was in making the difference between business success and failure. This is not to suggest that all corporations require crime to survive; it is to say that those who do turn to crime often rely on the competitive advantage breaking the law brings.

One may also argue that crime is not always central to what has been dubbed 'organised crime'. Most in-depth case studies of 'traditional crime formations' have revealed that members have a diverse portfolio containing many legal business interests as well as illegal ones. Mainstream analysts interpret these interests as evidence that organised crime is trying to *infiltrate the legitimate sector*, often to help launder the proceeds of crime. This sinister image plays to the metaphor of the virus for it suggests that organised crime may contaminate civil society if the two are allowed to mix. Donald Cressey wrote:

...criminal organizations dealing only in illicit goods and services are no great threat to the nation. The danger of organized crime arises because the vast profits acquired from the sale of illicit goods and services are being invested in licit enterprise, in both the business sphere and the government sphere. It is when criminal syndicates start to undermine basic economic and political traditions that the real trouble begins.¹¹¹

This sort of rhetoric becomes fairly noxious when combined with the view that organised crime primarily originates from a non-mainstream culture. A more palatable perspective may be that a great number of those who earn money from illegal activities are shrewd businessmen who can succeed in both informal and formal markets. The distinction between legal and illegal activities for many businessmen is probably less important than it is to the criminologist.

The separation of organised crime (as well as corporate crime) from other types of crime is also achieved by the notion that organised crime is non-ideological.

This belief suggests that there are other groups of criminals that may conduct crime for political ends, who should therefore be analysed separately. An objection to this distinction may lie in pointing out that many of the crimes perpetrated under the banner of ideology are nothing more than activities designed to enrich the perpetrators. Moreover, a philosophical debate into the nature of politics may raise doubts over the ability to distinguish all ideological intentions from concerns of personal enrichment.

One may also doubt the notion that organised crime is simply non-ideological. Infamous organised crime groups such as the Colombian Cartels amass considerable wealth and influence in their large constituencies. Not only do these criminal formations contain active members of political parties, but they have also been guilty of intimidating and murdering members of opposing political parties as well as offering large sums for party political fund raising. The same can be said for legal corporations who have a poor track record of supporting political regimes offering favourable business conditions.

Again, by way of retort to these arguments, one may adopt the popular position espoused by scholars such as Phil Williams, who explains that where organised crime seeks to influence a political situation, such efforts are designed to protect or promote business interests rather than an actual ideological concern.¹¹² However, the idea of creating a favourable climate for business has been prominent in political ideology. One may speculate that making the distinction between political and non-political crimes may be influenced by one's own ideological leaning—traditional organised crime may simply be rather conservative in its outlook. This must be a peculiar conclusion for the majority of commentators who depict organised crime as a serious threat to our global democratic civil society.

The case of wildlife trade

An example of the application of the incoherent term 'organised crime' can be seen in the illegal wildlife trade. During the 1990s there was a widespread increase in the concern that organised crime was becoming involved in the illegal trade in rare animals. In 1994 an article published in *Time* claimed that sophisticated organised crime had "muscled in on the illegal wildlife trade".¹¹³ At the 10th UN Congress on the Prevention of Crime and the Treatment of Offenders a call was made for a "study on the extent to which organised crime groups are getting more involved in the trade [in]...endangered species". Later the G-8 leaders announced their "concern about ever-growing evidence of

violations of international environmental agreements, and particularly the involvement of international organised crime". Thus, a study was conducted by the United Nations Interregional Crime Institute (UNICRI) to discover the extent of organised crime's involvement in environmental crimes.¹¹⁴

Using the European definition, which the UNICRI study did and the UN Congress does, it makes little sense to talk of organised crime muscling in on the trade, for the entire supply industry of illegal wildlife is, by definition, organised crime—most tasks in the supply industry are carried out by people working together to make money and escape the law. Typically the people involved are local peasants, who aid in poaching the wildlife; a relatively small skilled workforce, who can carve or process the products (i.e. ivory, rhino horn); middlemen, who buy the products off the processors and arrange to have them delivered to the final retailers; and public officials, who either accept money to aid transshipment or act as major investors in the operation. Supply may require smuggling across national borders, an activity for which there are countless volunteers, some of whom may be experienced while many may simply need some cash to help immigrate into the destination country. The illegal wildlife trade has been organised crime ever since laws were passed making the activities illegal.

We may speculate that what commentators meant when they warned of organised crime was that the supply industries were changing in structure. Perhaps there was evidence that the groups involved in aspects of the trade were different from those that had previously been involved? These new groups may have been larger, more bureaucratic and sophisticated, perhaps foreign. Indeed, there was widespread worry that the new players were experienced in other well-organised illegal trades, such as drugs. However, not only is the evidence to suggest this transformation rather poor, but the logic of the concern seems rather weak.

As has been argued above, the notion that greater organisation equates to greater criminal efficiency is predicated on a faulty model of criminal co-ordination. The networks that some people may describe as disorganised, unsophisticated etc. are increasingly seen as dynamic and efficient. Moreover, it is not absolutely clear why drug dealers are any more threatening to wildlife than non-drug dealers. Indeed, given that drugs command the uppermost concern by police and customs, it would seem plausible that smuggled wildlife will become more vulnerable to detection if coupled with drugs and smuggled by drug smugglers.

This clamour to locate organised crime in the wildlife trade was quite possibly an attempt to get wildlife trade *on the agenda*. As Tom Farer noted, “to get (organised crime) attached to some person, institution or transaction, one has normally succeeded in eliminating compromise and accommodation, or simply neglect, from the agenda of public-policy responses”.¹¹⁵ It is revealing that the concern over organised crime turning to the wildlife trade made no reference to an increase in the actual trade itself. The danger of organised crime was implicit, or perhaps too obvious for qualification?

Conclusion

This chapter has so far described and critiqued the core assumptions behind the mainstream definition of organised crime.

First, it was argued that the mainstream approach relies on a simplistic understanding of how crime can be co-ordinated. The synthesis of the four models described in chapter 1 shows how no single list of traits can describe all types of organised crime, and that there is no one way in which crime can be organised effectively. Different co-ordinating mechanisms will be preferred in different contexts.

Second, it was argued that the mainstream perspective relies on a misleading view of organised crime as an *external threat* to civil society. This mindset depicts organised crime as a predatory force that capitalises on opportunities inadvertently provided by nation states. An alternative view should note that organised crime is an *internal problem* created by contradictions in so-called civil society.

Third, it was argued that evidence and theoretical justification does not support the taken-for-granted view that organised crime involves culturally distinct homogeneous groups, made up of ‘organised crime persons’. Mainstream scholars, including in South Africa, have fallen into an ethnicity trap that may stem partly from relying on selective law enforcement data. Instead, it seems that organised crime involves a wide range of nationalities and people, some of whom may take advantage of their high-ranking status in civil society.

Finally, it was argued that the distinction between organised crime and other types of crime was incoherent and was based on popular stereotypes rather than persuasive arguments as to why conventional organised crime is qualitatively different from white-collar crime, government crimes and terrorist activities.

CHAPTER 5

AN ALTERNATIVE TO ORGANISED CRIME: ILLICIT ENTERPRISE AND ILLEGAL ECONOMIES

The second and third chapter of this monograph have sketched the history of a mainstream conceptualisation of organised crime that relied on core assumptions. These assumptions are highly problematic and are not only based on poor empirical research, but also flawed theoretical arguments.

By focussing only on the definitional debate, the monograph has provided a partial view of a mainstream paradigm on organised crime. Those who adhere to the mainstream paradigm will provide the same sort of arguments on a range of issues relating to organised crime. For example, the policy conclusion that is consistent with the mainstream outlook tends to stress the need to attack organised crime with ever-greater law enforcement. The aim is either to make the business environment of organised crime so risky that criminals will think twice, or it is to arrest criminals and therefore remove the threat. Numbers of arrests or the quantity of assets and contraband seized are therefore used as measures of success for anti-organised crime initiatives. Such aggressive law enforcement, it is stated, needs to work on a global level because organised crime is now transnational.

The evolution of the mainstream discourse—gaining momentum in America in the 1930s and becoming a truly global discourse by the mid 1990s—has regularly been accompanied by a critical voice from criminology. However, no scholar has yet produced a clear picture of the mainstream discourse—what its main assumptions are, what language it uses to describe these assumptions, how it has evolved, what methods of research it relies on, how criticisms have been internalised in the discourse, why it has been so successful, and so on. This is a task that needs to be done before an alternative paradigm can be successfully promoted. However, the nature of this alternative paradigm seems to be tantalisingly close. Numerous non-mainstream scholars seem to be agreeing with a contrasting perspective, which could develop its own assumptions, language and methods.

Dwight Smith will be regarded as making one of the first contributions to such a rival view. Arguing against the alien conspiracy model, Smith has repeatedly pointed out the inconsistencies behind separating organised crime from white-collar crime.¹¹⁶ In developing this argument Smith put forward a concept to replace both criminal categories, termed *illicit enterprise*. He reasoned that a perspective that focuses on criminal activities rather than on the nature of the offenders will highlight a continuum in business. This continuum of enterprise spans *the most saintly to the most sinful*. Organised crime and white-collar crime are subjective points on that continuum, based on popular stereotypes.

In agreement with Smith, the term *illicit enterprise* seems far more attractive than the muddled concept of organised crime. *Illicit enterprise* does not rely on structural or ideological assumptions. It is straightforward, inasmuch as it is a term for an activity, rather than a noun for a mysterious entity. However, in order for *illicit enterprise* to make sense, it must be a catch-all term for any illegal activity designed for profit. This makes it a huge category of activities that requires further compartmentalisation.

In a bid to organise the notion of *illicit enterprise* into more manageable subjects, one approach could be to focus on separate illegal trades in commodities and services—those relating to prohibited goods and services can be termed *criminal economies* and those dirty economies involving legal goods and services that rely heavily on criminal business practices, *criminalised economies*. Unlike the study of organised crime, the study of *illicit economies* is concerned with systems and not groups. This is unfamiliar territory for people who adhere to a mainstream discourse, for the usual unit of analysis is either types of crimes or types of offenders—illegal economies are interrelated systems that involve numerous different crimes and offenders.

An analysis of specific illegal economies will depend on the development of a framework as well as new research tools. Developing an understanding of how and why participants in these economies are organised should explore the dynamics and tensions between the four models outlined in the first chapter. Much may be learnt from micro-economics, although the dry functionalist analysis of legal markets by many scholars in this field should be resisted. *Illegal economies must not be abstracted from the political, social and economic contexts in which they operate.*

The following are some key points of departure for research into illegal economies that may form the basis of an alternative to the mainstream paradigm on organised crime.

- Actors in illegal economies should be distinguished by their role in the system, not by characteristics such as race or employment status. That is not to say that race or employment status are not relevant factors to understanding the dynamics of illegal trade, but rather that these characteristics need to be explored in a wider context. For instance, if the hypothesis is accepted that certain ethnic minorities dominate aspects of an illicit economy, then the question that must follow is *why?*
- An alternative perspective must challenge the *class bias* that has been evident in mainstream discourse. Research should be conducted bearing in mind that the ability to impose rents on illegal enterprise and the ability to conduct illegal enterprise immune from law enforcement, are both correlated with *power*. Such power is often bestowed to individuals through occupying positions of public office or positions in the formal private economy.
- The analysis of illegal economies should not see the nation state as simply passive. Mainstream discourse on organised crime shies away from noting how contradictions in government policy may be creating the conditions for illegal economies to thrive. The cause of organised crime can not always be attributed to a raiding external force. In doing so, the result can be politically convenient as well as theoretically misleading.
- The impact of illegal trade—be it detrimental or positive—should be considered and made explicit. The mainstream discourse on organised crime has relied on a vague sense of threat based on the notion that criminal groups have a sinister agenda. Too often images of the corrupting virus are not substantiated and this gives the impression that analysts have not fully identified the true harms of organised crime. Any alternative analysis must be prepared to make a thorough appraisal of what the threats and harms of illegal economies are. This will be crucial if policy debates can be steered away from simply incarcerating criminals.
- The mainstream discourse relies on law enforcement statistics to indicate the success of law enforcement policy on reducing the impact of organised crime. Such statistics tend to be seizure data and arrests. However, it should be noted that these do not provide an insight into the success of law enforcement in reducing the harms associated with an illicit economy. An alternative approach must measure the success of

policies with indicators of an actual reduction in the detrimental impact of the economy.

- Research into illegal economies must develop inventive and deductive research methods. The mainstream discourse has relied heavily on law enforcement data, which has often been used uncritically. That is not to suggest that law enforcement data should never be used. However, it should be done so with recognition that the work of police is selective and their knowledge often incomplete.
- A dynamic theory of criminal organisation needs to be explored using the four models of hierarchy, networks, markets and clans. This theory must explore the conditions under which certain co-ordinating mechanisms are favoured and what the ramifications are of different organisation in an illegal economy. For example, how do external factors influence changes in the way in which participants in the economy are related to each other? Does a change in the co-ordination of the economy influence the impact of the economy? We may notice, for instance, that a shift in demand for the underlying commodity may bring about greater competition in the supply industry that may result in an increase in competitive violence.
- Policies for dealing with illegal trade should identify clear objectives. Due to the underlying metaphor of the virus, mainstream discourse has continued with a general policy that sees the removal of organised crime as the key objective. A systematic view of illegal economies may show that this is neither possible nor entirely desirable. Indeed, an alternative perspective must critically analyse the impact of law enforcement. The mainstream discourse tends to assume that *more is always better*.

CHAPTER 6

CONCLUSION

The monograph has attempted to provide an insight into how crime can be organised, as well as how people have defined organised crime. It has ended by presenting the basis of an alternative perspective to the mainstream, one that replaces the term organised crime with the notion of *illicit enterprise*.

The first task involved extrapolating four models from contrasting views on the organisation of famous crime groups, particularly the American Mafia. The four models—hierarchy, networks, markets and clans—have been isolated in criminological literature, which has the potential to impair analysis. It was argued that the necessary tools for a comprehensive understanding of crime lie in a combination of the four models—real crime entities may well be *hybrids* of some or all of the four models. Although the monograph did not explore the wider analytical application of these models, it was suggested that future work should explore their dynamics and research how the organisation of crime relates to the context in which it operates. Such analysis may also help with policy debates surrounding organised forms of crime.

The second task of the monograph involved providing the history of a mainstream definition of organised crime, starting from the 1930s in the USA and ending with its present status as a world-wide concept. This history showed how the term was reinvented from the 1930s onwards to denote a culturally homogeneous structured criminal conspiracy that exists independently and at odds with the formal economy. Within Southern Africa official and non-official definitions seem highly influenced by the mainstream model.

The third section comprised both a description and a critique of the underlying assumptions behind the mainstream definition of organised crime. In particular, it was argued that:

- the mainstream approach relies on a simplistic understanding of how crime can be organised;
- it misleadingly isolates organised crime from civil society via the notion that organised crime presents a sinister threat akin to a global virus;

- it tends to define organised crime as being culturally homogeneous and comprising of a special 'organised crime person', whereas the available evidence suggests organised crime involves a wide range of actors, many of whom occupy key positions in civil society; and
- the distinction between organised crime and other serious economic crimes is based on spurious stereotypes of offenders, rather than a meaningful distinction between the types of activities.

These critical arguments of the mainstream definition were used to justify the call for an alternative paradigm for the study of organised forms of crime. This alternative approach replaces the incoherent distinction between organised crime and other types of serious crimes with the unifying notion of *illicit enterprise*. However, within this broad category, it was suggested that future analysis should concentrate on specific *illicit economies*—both *criminal economies* and *criminalised economies*. This alternative research direction should be based on a series of core principles that in sum should help future work to overcome many of the shortcomings of the mainstream paradigm.

Notes

- 1 Donald Cressey's research was first published as a Task Force Report for the Kefauver committee. However, a more detailed version was later published as his first book on the subject: D Cressey, *Theft of the nation*, Harper and Row, New York, 1969.
- 2 D Cressey, Extract from Appendix A of the Task Force Report: Organized Crime for the President's Commission on Law Enforcement (originally published in 1967), in R Ryan & G Rush (eds), *Understanding organised crime in global perspective: A reader*, Sage, London, 1997, p 10.
- 3 P Blau, *Bureaucracy in modern society*, Random House, New York, 1956.
- 4 D Cressey, *Organized crime and criminal organizations*, W Heffer & Sons Ltd., Cambridge, 1971.
- 5 Cited in D Beetham, Models of bureaucracy, in G Thompson, J Frances, R Levacic, & J Mitchell (eds) *Markets, hierarchies & networks: The co-ordination of social life*, Sage, London, 1991, p 131.
- 6 Cited in M Thrasher, *The gang* (abridged version), University of Chicago Press, Chicago, 1966, p 292.
- 7 R Anderson, From Mafia to Cosa Nostra, *American Journal of Sociology* 61: November 1965, pp 302–310.
- 8 Cited in G Tyler, *Organised crime in America*, The University of Michigan Press, Michigan, 1962, p 7.
- 9 D Bell, *The end of ideology*, The Free Press of Glencoe, Illinois, 1960.
- 10 Cressey, 1997, op cit, p 8.
- 11 D Smith, *The Mafia mystique*, Basic Books, New York, 1975.
- 12 M Haller, Bureaucracy and the Mafia: An alternative view, cited in R Ryan & G Rush (eds) *Understanding organised crime in global perspective: A reader*, Sage, London, 1997.
- 13 A Hirschman, *Exit, voice and loyalty: Responses to decline in firms, organizations and states*, Harvard University Press, Harvard, 1970.
- 14 P Williams, Organizing transnational organized crime: Networks, markets and hierarchies, in P Williams & D Vlassis (eds) *Combating transnational crime: Concepts, activities and responses*, Frank Cass, London, 2001.
- 15 P Adler, *Wheeling and dealing: An ethnography of an upper-level drug dealing and smuggling community*, Appleton-Century Crofts, New York, 1985, p 148.
- 16 C Morselli, Structuring Mr. Nice: Entrepreneurial opportunities and brokerage positioning in the cannabis trade, *Crime, Law & Social Change*, 35, 2001, 203–204.

- 17 J MacGaffey & R Bazenguissa-Ganga, *Congo-Paris: Transnational traders on the margins of the law*, James Curry, Oxford, 2000.
- 18 P Reuter, *The organization of illegal markets: An economic analysis*, National Institute of Justice, Washington, 1985, p vii.
- 19 T Schelling, Economic analysis of organized crime, in President's Commission on Law Enforcement and Administration of Justice, *Task Force report: Organized crime*, Government Printing Office, Washington, 1967.
- 20 Cited in W Powel, Neither market nor hierarchy: Network forms of organisation, in G Thompson, J Frances, R Levacic & J Mitchell (eds) *Markets, hierarchies and networks: The co-ordination of social life*, Sage, London, 1991, p 271.
- 21 Reuter, op cit, p 32.
- 22 S Zabudoff, Colombian narcotics organizations as business enterprises, *Transnational Organized Crime*, 3(2), 1997, p 20–50.
- 23 Fiorentini, Gianluca & Sam Peltzman (eds) *The economics of organised crime*, Cambridge University Press, Cambridge, 1995, p 1.
- 24 Ibid, p 2.
- 25 L Paoli, Criminal fraternities or criminal enterprises?, in P Williams & D Vlassis (eds) *Combatting transnational crime: Concepts, activities and responses*, Frank Cass, London, 2001.
- 26 Ibid, p 97.
- 27 D Gambetta, *The Sicilian Mafia: The business of private protection*, Harvard University Press, Harvard, 1993.
- 28 D Ronfeldt, *Tribes, institutions, markets, networks: A framework about societal evolution*, Rand Institute, California, 1996.
- 29 Thrasher, op cit, p 407.
- 30 Cressey, 1969, op cit.
- 31 Ibid, p 412.
- 32 Tyler, op cit.
- 33 W Ouchi, Markets, bureaucracies and clans, in G Thompson, J Frances, R Levacic, & J Mitchell (eds) *Markets, hierarchies and networks: The co-ordination of social life*, Sage, London, 1991, p 248.
- 34 See for example M McIntosh, *The organisation of crime*, Macmillan, London, 1975, and E Hobsbawm, *Bandits*, Abacus, London, 2000 (1st edition 1969).
- 35 This table is loosely based on a table presented by Walter Powell, although it differs not only for the inclusion of the fourth category 'clan' but also in respect to

- some of the categories listed to differentiate between each model. See Powel, op cit, p 269.
- 36 Chin, Ko-Lin, Triad societies in Hong Kong. *Transnational Organised Crime*, 1, Spring, 1995, p 51.
 - 37 R Kelly, Trapped in the folds of discourse: Theorizing about the underworld, in R Ryan & G Rush (eds) *Understanding organised crime in global perspective: A reader*, Sage, London, 1997, p 49.
 - 38 Ouchi, op cit, p 248.
 - 39 Powell, op cit, p 270.
 - 40 McIntosh, op cit, p 73.
 - 41 Ronfeldt, op cit.
 - 42 Ronfeldt, op cit, p 7.
 - 43 Williams, op cit.
 - 44 S Karstedt, Knights of crime: The success of “pre-modern” structures in the illegal economy, in S Karstedt & K Bussmann (eds) *Social dynamics of crime and control new theories for a world in transition* Hart, London, 2000.
 - 45 C Rydell & S Everingham, *Controlling cocaine: Supply versus demand programs*, Rand, California, 1994.
 - 46 J Caulkins & P Reuter, *What price data tells us about drug markets*, Rand, California, 1998.
 - 47 D Smith, Wickersham to Southerland to Katzenbach: Evolving an “official” definition for organized crime, *Crime Law & Social Change*, 16, 1991, p 135.
 - 48 Ibid, p 137.
 - 49 F Thrasher, *The gang*, University of Chicago Press, Chicago, 1927, p 409.
 - 50 M Woodiwiss, Organized crime—The dumbing of discourse, *British Criminology Conference: Selected Proceedings*, 3, 1999, p 2.
 - 51 Smith, op cit, p 138.
 - 52 Cited in Smith, *ibid*, p 139.
 - 53 Cited in M Woodiwiss, *Organized crime and American power*, University of Toronto, Toronto, 2001, p 193.
 - 54 Woodiwiss, 1999, op cit, p 5.
 - 55 W Lippman, *The underworld as servant*, 1931, in G Tyler, *Organised crime in America*, The University of Michigan Press, Michigan, 1962, p 59–60.

- 56 Cited in Smith, 1991, op cit, p 141.
- 57 Ibid, p 142.
- 58 Sutherland first published his studies without the names of the businesses. Later he did publish the full version. See E Sutherland, *White collar crime: The uncut version*, Hale University Press, New Haven, 1983.
- 59 Smith, 1991, op cit, p 144.
- 60 Woodiwiss, 2001, op cit, p 236–243.
- 61 US Congress, Senate Special Committee to Investigate Crime in Interstate Commerce, 82nd Congress, *Third interim report*, 'The Kefauver conclusion', Washington, section 38, 1951.
- 62 Cites by G Potter, Definitions and models of organized crime, <www.policestudies.eku.edu/POTER/crj401_2htm> (accessed on 15/10/2002).
- 63 Cited in Tyler, op cit, p 350.
- 64 Woodiwiss, 2001, op cit, p 269–270.
- 65 J Mack, The 'organised' and 'professional' labels criticised, *International Journal of Criminology and Penology*, 1, 1973, May, p 103.
- 66 M Maltz, On defining organized crime, in R Kelly, K Chin & R Schatzberg (eds) *Handbook of organized crime in the United States*, Greenwood Press: London, 1994, p 25.
- 67 S Einstein & M Amir, *Organized crime: Uncertainties and dilemmas*, University of Illinois Press, Illinois, 1999, p xi (italics in original).
- 68 J Albanese, Causes of organised crime, paper presented at the International Conference on Organized Crime, University of Lausanne, Interdisciplinary Research Institute, October, 1999.
- 69 H Abadinsky, Organized crime, *Nelson-Hall Series in Law, Crime, and Justice*, Nelson-Hall, Chicago, 4th edition, 1994, p 2.
- 70 Woodiwiss, 2001, op cit, p 310–311.
- 71 P Williams & D Vlassis (eds) *Combatting transnational crime: Concepts, activities and responses*, Frank Cass, London, 2001, p 1.
- 72 The ambiguous word 'serious' meant any crime that could be punishable by at least four years in prison.
- 73 D Vlassis, Drafting the United Nations Convention against Transnational Organized Crime, in P Williams & D Vlassis (eds) *Combatting transnational crime: Concepts, activities and responses*, Frank Cass, London, 2001.

- 74 P Arlacchi, The dynamics of illegal markets, in P Williams & D Vlassis (eds) *Combatting transnational crime: Concepts, activities and responses*, Frank Cass, London, 2001.
- 75 P Williams, Getting rich and getting even: Transnational threats in the twenty-first century in S Einstein & M Amir, *Organized crime: Uncertainties and dilemmas*, University of Illinois Press, Illinois, 1999, p 20.
- 76 P Gastrow, *Organised crime in the SADC region*, Institute for Security Studies, Pretoria, 2001.
- 77 C Goredema, *Organised crime in South Africa: Assessing legislation*, Institute for Security Studies, Pretoria, 2001.
- 78 Gastrow, 2001, op cit, p 33.
- 79 Ibid, p 32.
- 80 P Gastrow, *Organised crime in South Africa: An assessment of its nature and origins*, Institute for Security Studies, Pretoria, 1998, p 5.
- 81 Gastrow, 2001, op cit, p 34.
- 82 C Peter, Combating organised crime in Tanzania, in C Goredema, *Organised crime in South Africa: Assessing legislation*, Institute for Security Studies, Pretoria, 2001, p 73–93.
- 83 J Irish, The structure and modus operandi of organised crime groups in South Africa, Institute for Security Studies, Pretoria, forthcoming, 2003.
- 84 Gastrow, 1998, op cit, p 9.
- 85 Ibid, p 9.
- 86 J Redpath, *The hydra phenomenon, rural sitting ducks and other recent trends around organised crime in the Western Cape*, Institute for Human Rights and Criminal Justice Studies, Cape Town, 2001, p 4.
- 87 Irish, op cit, p 4.
- 88 S Tshwete, *Legislative responses to organised crime in the SADC region*, in Goredema, *Organised crime in South Africa: Assessing legislation*, Institute for Security Studies, Cape Town, 2001, p 10.
- 89 Gastrow, 2001, op cit, p 64.
- 90 Gastrow, 1989, op cit, p 9–10.
- 91 M Shaw, The development and control of organized crime in post-apartheid South Africa, in S Einstein & M Amir, *Organized crime: Uncertainties and dilemmas*, Illinois: University of Illinois Press, Illinois, 1991, p 99.

- 92 I Kinnes, *From urban street gangs to criminal empires: The changing face of gangs in the Western Cape*, Institute for Security Studies, Cape Town, 2000, p 5–6.
- 93 The full text of this speech was accessed in June 2001 from www.odccp.org.
- 94 This analogy has been continually used by Phil Williams in his many publications on transnational organised crime.
- 95 V Ruggiero, *Transnational crime: Official and alternative fears*, unpublished/forthcoming paper in possession of the author, 2000, p 1.
- 96 M Stephens, *Global organized crime as a threat to national security*, paper presented at the Woodrow Wilson School Policy Conference on Intelligence Reform in the Post-Cold War Era, January 6, 1996.
- 97 Tshwete, *op cit*, p 9–13.
- 98 Shaw, *op cit* p 98.
- 99 J Albanese, *Organized crime in America*, Anderson, Cincinnati, 1996.
- 100 Gastrow, 2001, *op cit*, p 64.
- 101 Irish, *op cit*, p 23–24.
- 102 Redpath, *op cit*, p 15.
- 103 Bell, *op cit*.
- 104 D Ward, *Gray area phenomena: The changing nature of organized crime and terrorism*, 1995, <www.acsp.uic.edu/oicj/pubs/cji/110201.htm> (accessed July 2001).
- 105 L Shelly, *Identifying, counting and categorizing transnational criminal organizations*, *Transnational Organized Crime*, 5, Spring, 1999, p 1.
- 106 Woodiwiss, 2000, *op cit*, p 256–257.
- 107 W Chambliss, *Vice, corruption, bureaucracy and power*, *Wisconsin Law Review*, 4, 1971, 1150–73.
- 108 S Ellis, *The new frontiers of crime in South Africa*, in J Bayart, S Ellis & B Hibou, *The criminalization of the state in Africa*, Indiana University Press, Indianapolis, 1999, pp 61–62.
- 109 V Ruggiero, *Criminals and service providers: Cross-national dirty economies*, *Crime, Law & Social Change*, 28, 1997, pp 27–38.
- 110 Malawian Minister faces fraud charge, *Independent Newspapers (UK)*, 7 August 2002, p 10.
- 111 Cressey, *op cit*, p 3–4.

- 112 Williams, 1999, op cit, p 21.
- 113 Animal genocide, mob style, *Time*, 144(14), 20, November, 1994 p 77.
- 114 S Soyland, *Criminal organisations and crimes against the environment: A desk-top study*, UNICRI, Turin, 2000.
- 115 T Farer, Fighting transnational organized crime: Measures short of war, in T Farer, (ed) *Transnational crime in the Americas*, Routledge, New York, 1999, p 247.
- 116 See for example, D Smith, Paragons, pariahs, and pirates: A spectrum-based theory of enterprise, *Crime & Delinquency*, July, 1980, pp 358–385.