

Thinking about Organised Crime Measurement



Dr Michael Levi
Professor of Criminology
Cardiff University

Levi@Cardiff.ac.uk 44-29-20874376

Mexico, 2014

What Does Organised Crime Constitute?

The Rorschach Test Through the Decades

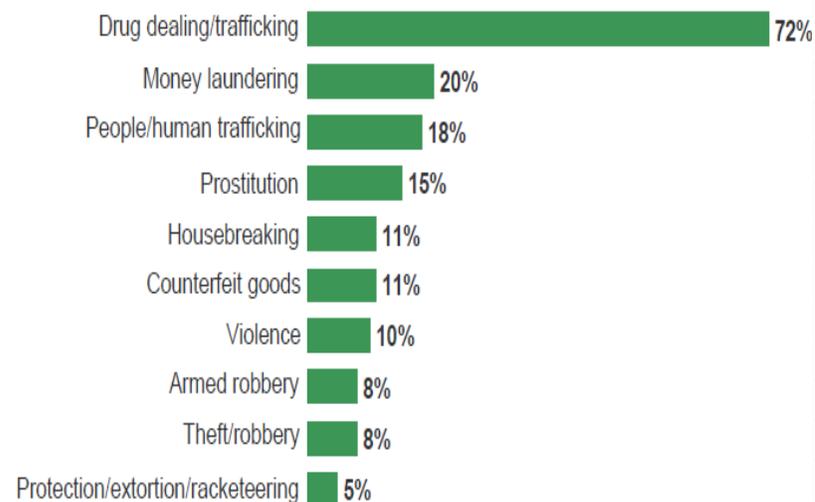


© 2010 The Rorschach Test Through the Decades. All rights reserved. This cartoon is a parody of the Rorschach Test. It is not intended to be a serious analysis of organized crime. It is a satirical commentary on the changing perceptions of organized crime over time.

Scottish Perceptions of Organised Crime

Abstract Images of OC

Q. What types of illegal activity do you associate with organised crime?

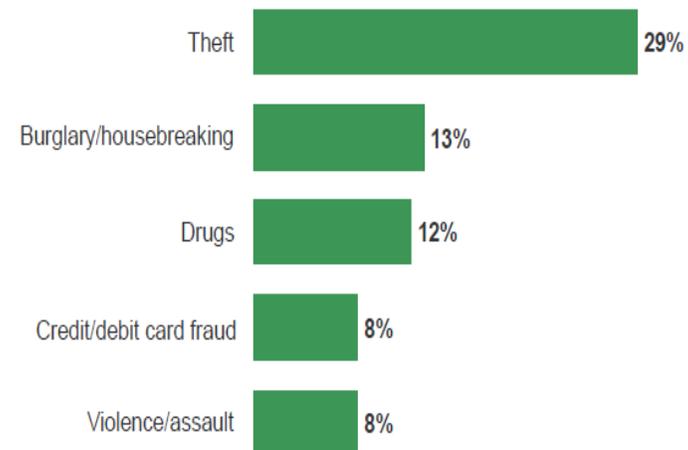


Base: All (1,001)
*Top 10 responses

Source: Ipsos MORI

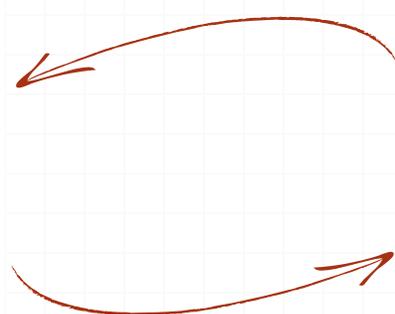
Personal Direct Attributions (10% affected by oc in 3 yrs)

Q. Can you tell me how you have been affected by organised crime in the last three years?



Base: All who have been personally affected by organised crime in the last three years (102)
*Top 5 responses

Source: Ipsos MORI



How Harmful and Dangerous is 'It'?

Three dimensions of harm and risk:

1. Economic costs (present/future) & impact upon victims and upon third parties who fear crimes *within and outside the jurisdiction*
2. Media imagery of risks – drives & reflects politics
3. Continuing risks arising from the kind of people who are committing crimes and the wealth/access to credit they have
 - Are Organised Criminals *in the jurisdiction(s) researched* 'polymorphous criminal networks', responding to changes in their markets by looking for alternative – licit and illicit – ways to secure their position and income' (Rand Europe)?
 - Are they always so accomplished and successful?
 - Are they always trying to expand their spheres of interest?
 - Growing merger of traditional organised crimes with *some forms* of fraud & environmental crimes
 - Transnational, cross-uk border and local
 - Insider threats and economic crimes
 - Cumulative wealth and net profits (not proceeds) flow
 - Includes variable political infiltration impacts at local, regional and national levels

Measuring OC – the issues

- The crucial attribution threshold: mafia-type associations versus looser ‘organisation’ of 3 or more people
- How do we decide what are the appropriate metrics – incidence, prevalence and/or costs of what sets of acts attributable to OC?
- Costs can be direct, indirect and ‘parochial’ (communication about risk among networked people)
- Data are a product of intelligence sources *and* attributions to OC
 - ‘Draining the swamp to catch the fish’ - How can we improve our intelligence away from traditional areas like drugs *and use it?*
- On what basis do we actually/rationally rank crimes by or against *corporations & governments* versus non-violent & violent crimes for gain against *individuals*?

Minimum Costs of OC in the EU + UK

o Levi, Innes, Reuter and Gundur European Parliament study (2013)

- o Human trafficking - €30 billion*
- o Fraud against EU (cigarette smuggling) - €11.3 billion*
- o Fraud against EU (VAT/MTIC fraud) - €20 billion*
- o Fraud against EU (agricultural and structural funds) - €3 billion*
- o Fraud against EU individuals - €97 billion*
- o Unrecovered motor vehicle theft - €4.25 billion*
- o Payment card fraud - €1.16 billion*
- o Insurance fraud - €1 billion (in UK alone)*
- o +up to 500 homicides, mainly in Italy, Belgium and Bulgaria*

o Home Office estimate €29 billion for the UK 2013 (0.0006% of GDP)

- o + 17 homicides by oc groups*

o What Metrics would we use for Central and South America?

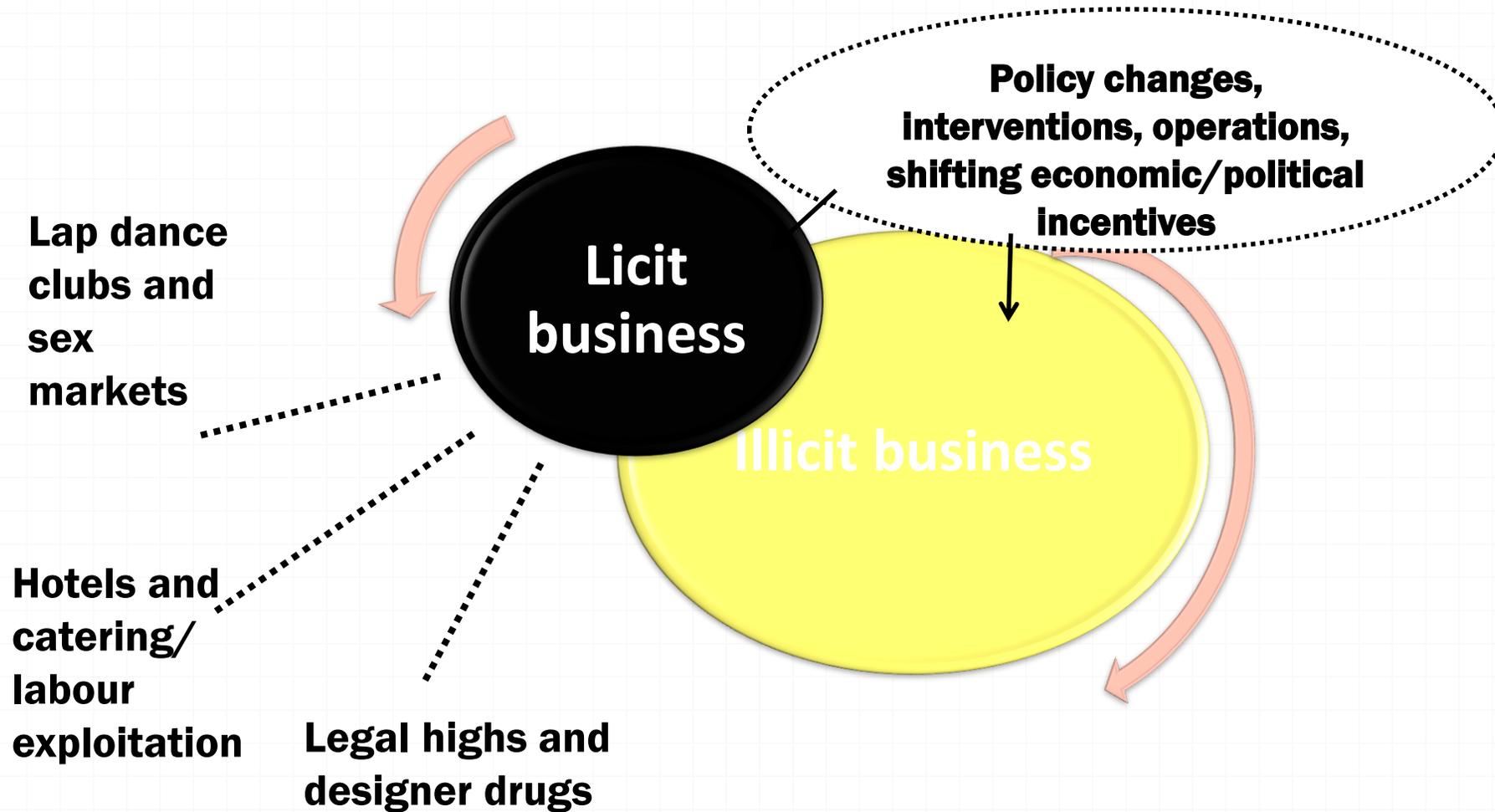
Harms & Threats

- To translate past harms into plausible future threats, we need to know what resources – from ‘conscious opponents’ and from unknowing + wilfully blind intermediaries - are required/likely to become available to enhance the *capacity* to raise harm levels **substantially – we should not expect this to be universal**
- Impact of ICT in different phases of the organisation of crime *and its limits*
- The local and ‘community’ component of criminal enterprise
 - **Most crimes – market-based/consensual or predatory – are still delivered and experienced locally**
 - But some locals are happy or neutral about that
 - And what does ‘local’ mean for businesses or for official reported and recorded crimes?
 - ***So National Security Threat or Human Security Threat or both/neither?***

Polymorphous criminal networks

- Criminals join forces in loose or tighter networks, adapt and change shape, draw on wider networks and diversify their criminal activities in response to internal and external pressures, demands and profit motives
- In the illicit drug field this is in terms of **geographic diversification** (changing routes when one route comes under pressure) or **drug diversification** (moving from one substance to include other drugs)
- But diversification includes trafficking and trade in **other illicit goods and services**, as well as in to the licit economy, though there is modest *systematic research* as contrasted with rhetorical claims on this flexibility
- Without a better picture we cannot build policy and operations best tailored to tackle these 'polymorphous' (and other) criminal networks

Building an approach to better understanding of the 'organised' criminal ecosystem (Rand Europe)



Interventions

- Resisting media and political demands for Big Numbers
- The larger the figures for costs of organised crime and benefits to offenders, the less likely it is that *any law enforcement or commercial/ public-private preventative* measures will impact significantly on them and can be demonstrated to have a 'sufficient' impact
- Future of Serious Crime Prevention and Asset Recovery strategies
- Lessons from the 'demise' of the UK Serious and Organised Crime Agency?
- OC at the local level - Getting local and regional buy-in
 - What can we do about e-enabled crimes?
 - Balancing reactive cases v proactive targeting of established offenders and 'criminal upcomers'
- Translating harms into evaluated interventions