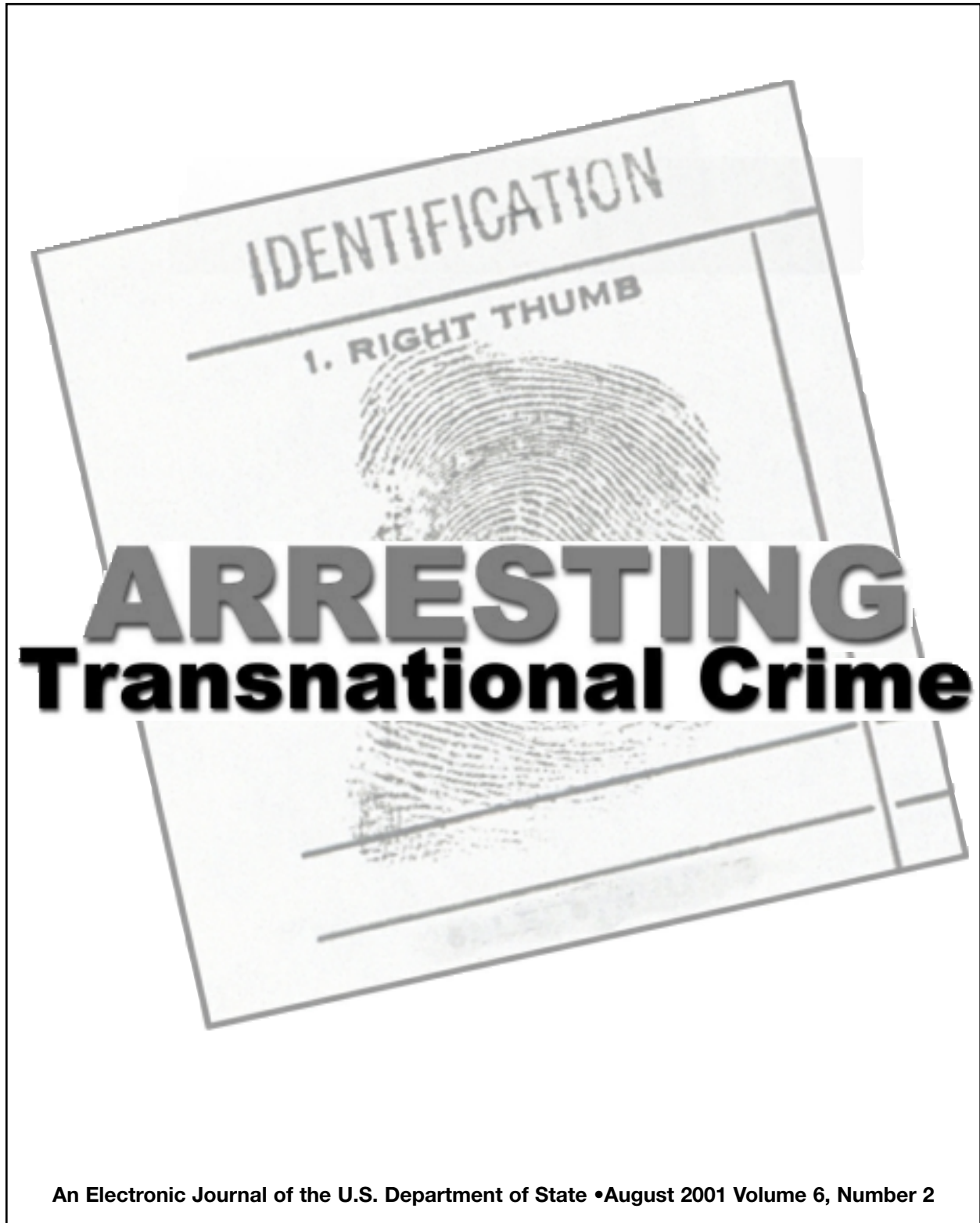


g l o b a l i s s u e s



An Electronic Journal of the U.S. Department of State • August 2001 Volume 6, Number 2

From the Editors

Transnational organized crime has been likened to a cancer, spreading across the world. It can undermine democracy, disrupt free markets, drain national assets, and inhibit the development of stable societies. In doing so, national and international criminal groups threaten the security of all nations.

The international community is responding to this menace with speed and unanimity that are rare on the world stage. This journal opens with an essay by U.S. Under Secretary of State for Global Affairs Paula Dobriansky. She identifies the ways in which major elements of transnational crime threaten the United States and the world community, and describes U.S. policies to respond to these threats. The journal also includes information on how other world nations are working together to meet this challenge with a variety of initiatives. Bibliographic and Internet sources provide additional information.

table of contents

Arresting Transnational Crime

focus

- The Explosive Growth of Globalized Crime**5
Burgeoning crime activity threatens U.S. and world security.
By Paula Dobriansky, U.S. Under Secretary of State for Global Affairs
- U.S. Joins Global Convention Against Transnational Organized Crime**7
The United States and 123 other nations sign a crime-fighting agreement.
By Elizabeth Verville, senior member of the U.S. delegation that negotiated the United Nations Convention against Transnational Organized Crime
- Helping the World Combat International Crime**9
The U.S. Department of Justice conducts a multi-pronged effort to help emerging nations strengthen their law enforcement and criminal justice systems.
By Bruce Swartz, Deputy Assistant Attorney General, Criminal Division, U.S. Department of Justice
- U.S. and Multinational Coalition Disrupts Migrant Smuggling Operations**12
The United States works with other nations to stop human smuggling and save its victims.
By Joseph R. Greene, Assistant Commissioner for Investigations, U.S. Immigration and Naturalization Service

commentary

- Trafficking in Human Beings: The Slavery that Surrounds Us**15
Victims of human trafficking can be treated like criminals themselves by authorities unmindful of their plight.
By Ann Jordan, Director, Initiative Against Trafficking in Persons, International Human Rights Law Group
- Crime Victimized Both Society and Democracy**19
Organized crime has claimed fearsome power in some transitional nations, and nationhood itself is threatened.
By Professor Louise Shelley, Director, Center for Transnational Crime and Corruption, American University

Organized Crime and Cybercrime: Synergies, Trends, and Responses22
 Criminal enterprises have moved rapidly to exploit new opportunities in changing political environments, and expanding technological capabilities.

By Professor Phil Williams, Editor, "Transnational Organized Crime," Professor of International Security Studies, University of Pittsburgh

Nations Build Alliances to Stop Organized Crime27
 Crime occurs in a global context, and must be countered in the same manner.

By Pino Arlacchi, Executive Director, United Nations Office for Drug Control and Crime Prevention

additional resources

Victims of Trafficking and Violence Protection Act of 2000 31
 An excerpt from the counter-trafficking law passed by the U.S. Congress.

Resolutions on Organized Crime, Trafficking Adopted 34
 In the Paris Declaration of July 2001, the Organization for Security and Cooperation in Europe Parliamentary Assembly adopted anti-crime provisions.

Bibliography 38
 Books, documents, and articles on crime and justice issues.

Internet Sites40
 A list of Internet sites offering further information on the global effort to combat transnational crime.

global issues
An Electronic Journal of the U.S. Department of State
 ejglobal@pd.state.gov

Publisher Judith S. Siegel
 Editor William Peters
 Managing Editor Charlene Porter
 Text Editor Jim Fuller
 Internet Editor Tim Brown
 Associate Editors Jenifer Bochner
 Melissa Cooper
 Wayne Hall
 Cynthia LaCovey
 Ellen Toomey
 Reference and Research Joan Taylor
 Art Director Chloe Ellis
 Graphics Assistant Sylvia Scott
 Editorial Board Howard Cincotta
 Judith S. Siegel
 Leonardo Williams

The Office of International Information Programs of the U.S. Department of State publishes five electronic journals that examine major issues facing the United States and the international community. The journals—*Economic Perspectives*, *Global Issues*, *Issues of Democracy*, *U.S. Foreign Policy Agenda*, and *U.S. Society and Values*—provide analysis, commentary, and background information in their respective thematic areas. All journal editions appear in English, French, and Portuguese language versions, and selected issues also appear in Arabic, Russian, and Spanish. A new English-language issue is published every three to six weeks. Translated versions normally follow the English original by two to four weeks. The order in which the thematic editions appear is irregular, as some editions publish more issues than others.

All issues appear in English, French, Portuguese, and Spanish language versions, and selected issues also appear in Arabic and Russian. English-language issues appear at approximately a one-month interval. Translated versions normally follow the English original by two to four weeks.

The opinions expressed in the journals do not necessarily reflect the views or policies of the U.S. government. The U.S. Department of State assumes no responsibility for the content and continued accessibility of Internet sites linked to herein; such responsibility resides solely with the publishers of those sites. Articles may be reproduced and translated outside the United States unless they carry copyright restrictions.

Current or back issues of the journals can be found on the Office of International Information Programs International Home Page on the World Wide Web at <http://usinfo.state.gov/journals/journals.htm>. They are available in several electronic formats to facilitate viewing online, transferring, downloading, and printing. Comments are welcome at your local U.S. Embassy (attention Public Diplomacy Section) or at the editorial offices:

Editor, Global Issues & Communications
 Office of International Information Programs
 IIP/T/GIC
 U.S. Department of State
 301 4th Street, SW
 Washington, D.C. 20547
 United States of America.

FOCUS

The Explosive Growth of Globalized Crime

By Paula Dobriansky
U.S. Under Secretary of State for Global Affairs

The urgency of the world crime problems has elevated the issue to a priority position on the international agenda.

To appreciate the growing phenomenon of globalized crime, consider the following:

- The drug ecstasy, manufactured primarily in the Netherlands, is trafficked to the United States by, among others, Israeli organized crime groups.
- A computer virus designed and sent from the Philippines caused computers at many U.S. government agencies to be shut down, some for as long as a week.
- A major U.S. bank discovered that it was being used by Russian organized crime to launder money.
- Colombian crime groups reportedly check via computer the bank accounts of drivers stopped at roadblocks to select rich kidnapping victims.

These examples represent the new face of crime. The extent of such illegal activity has increased enormously in the wake of globalization. And those involved in it have no respect for, or loyalty to, nations, boundaries, or sovereignty.

Certain types of international crime — terrorism, human trafficking, drug trafficking, and contraband smuggling — involve serious violence and physical harm. Other

forms — fraud, extortion, money laundering, bribery, economic espionage, intellectual property theft, and counterfeiting — don't require guns to cause major damage. Moreover, the spread of information technology has created new categories of cybercrime.

For the United States, international crime poses threats on three broad, interrelated fronts. First, the impact is felt directly on the streets of American communities. Hundreds of thousands of individuals enter the United States illegally each year. Smuggling of drugs, firearms, stolen cars, child pornography, and other contraband occurs on a wide scale across our borders.

Second, the expansion of American business worldwide has opened new opportunities for foreign-based criminals. When an American enterprise abroad is victimized, the consequences may include the loss of profits, productivity, and jobs for Americans at home.

Third, international criminals engage in a variety of activities that pose a grave threat to the national security of the United States and the stability and values of the entire world community. Examples include the acquisition of weapons of mass destruction, trade in banned or dangerous substances, and trafficking in women and children. Corruption and the enormous flow of unregulated, crime-generated profits are serious threats to the stability of democratic institutions and free market economies around the world.

The U.S. State Department is committed to meeting the challenge posed by the growth of globalized crime. Our policy includes increasing resources devoted to fighting transnational crime, reaching out to other nations to develop a global response, and maintaining a steadfast determination to use all available legal means to counter this threat.

To confront the problem of globalized crime, the United States has developed several lines of defense. First, we are intensifying the activities of our law enforcement agencies abroad, so that the threat of foreign-based crime is initially met far away from our shores. The next line of defense is safeguarding U.S. borders through enhanced inspection, detection, and monitoring. We need to deny international criminals safe havens by cooperating with foreign law enforcement agencies and negotiating strong extradition agreements.

We can fight international financial crime, particularly money laundering, by hindering the movement of illegal

proceeds and closing down offshore centers of fraud and counterfeiting. Trade crime can be attacked through interdiction of illegal technology exports and protection of intellectual property rights. The emerging global threat of high-tech crime requires not only meeting basic needs, such as law enforcement training and equipment, but also international legal cooperation regimes that will allow police and prosecutors to assist each other in "real time."

Our overarching policy is to build international support for the rule of law. In support of this goal, the State Department is active in a wide range of international fora. At the direction of the heads of state and government of the G-8, we are working in the Lyon Group to build a consensus for action on a wide range of initiatives to fight transnational crime.

In the United Nations, we are looking to follow up last year's landmark Convention Against Transnational Organized Crime, a major step in global cooperation to fight international crime. We also participate in negotiations at the Council of Europe on a Cybercrime Convention. As a member of the Financial Action Task Force, the U.S. Government has helped to create and strengthen an international coalition to combat money laundering. Finally, the State Department is launching a new office to address the problems of trafficking in persons overseas.

In addition to its diplomatic initiatives, the department provides direct support through anti-crime funds for law enforcement abroad. This runs the gamut from counter-narcotics support for nations in Latin America and Asia, increased foreign law enforcement training through international law enforcement academies, and building the capacity of foreign law enforcement to investigate and prosecute child pornography on the Internet. In support of activities like these, President Bush is seeking \$45 million in his budget request for fiscal year 2002, an increase of 50 percent above the 2001 funding level.

Meeting the threat of transnational crime is a priority of the Bush Administration. The United States, as a free nation and the world's largest economy, has a tremendous stake in building an international consensus for action against globalized crime. As new dangers emerge, we must be dynamic and flexible in our approach. Only through determined, sustained, and united action can we succeed.

Ms. Dobriansky as the Under Secretary for Global Affairs, is responsible for a broad range of foreign policy issues, including human rights, labor, counter-narcotics, and law enforcement.

U.S. Joins Global Convention Against Transnational Organized Crime

By Elizabeth Verville

Senior member of the U.S. delegation that negotiated the United Nations Convention against Transnational Organized Crime

Nations of the world have acted with unusual speed and unanimity to develop a global accord to obstruct the activities of criminal enterprises, and to improve international cooperation in investigation, apprehension, and prosecution of suspects.

The United States and 123 other countries signed the United Nations Convention against Transnational Organized Crime during a high-level signing conference December 12-15, 2000 in Palermo, Italy. The impetus for the United Nations to begin negotiations on this first multilateral treaty to fight organized crime was the post-Cold War realization that many forms of transnational organized crime pose a serious threat to democracy. This is particularly true in the developing world and in countries with fragile economies in transition.

The convention will enable governments to prevent and combat transnational organized crime more effectively through a common toolkit of criminal law techniques and through international cooperation. It requires member states to outlaw some of the most prevalent types of offenses committed by organized crime groups. These include obstruction of justice, money laundering, corruption of public officials, and conspiracy.

The convention encourages cooperation among states to assist each other in catching suspects from organized groups involved in serious crimes that have a transnational element.

The convention will significantly expand the ability of the United States to work with other states around the globe on organized crime investigations and prosecutions. This is especially important in countries where the United States does not have a mutual legal assistance treaty already in place. Cooperation can include seizing and confiscating assets that are proceeds of illegal activities, conducting joint investigations, employing special investigative techniques, and exchanging information on organized criminal groups.

The convention will broaden the scope for extradition of fugitives between the United States and other countries with which we have existing extradition treaties by

incorporating organized crime-related offenses into those treaties.

The convention has three protocols: to combat trafficking in persons, smuggling of migrants, and illicit manufacturing of and trafficking in firearms. Each of the protocols focuses on a particularly dangerous type of organized criminal activity for which coordinated international efforts are essential. The protocols require that member states have laws criminalizing these activities, all of which have become more and more dangerous and widespread in recent years.

The United States and 80 other countries signed the protocol addressing trafficking in persons. Seventy-eight countries, including the United States, signed the protocol on migrant smuggling. The third protocol was completed in May and opened for signature in July 2001. Countries that also become parties to the protocols will be able to utilize the convention's mechanisms for international cooperation in these specialized areas of organized crime as well.

Developing countries need technical assistance to implement these instruments, and this kind of assistance is a central element of the convention and protocols. Donor countries, like the United States, will contribute funds to a special U.N. account to support the work of experts in this regard. They will assist developing countries to adopt laws and regulations and to establish or improve enforcement capabilities.

The convention will enter into force when at least 40 countries become parties to it. The same is true for each protocol. To be a party to a protocol, a state must be a party to the convention.

Texts of the convention and protocols are on the Internet at www.uncjin.org/Documents/Conventions/conventions.html

Ms. Verville is currently serving as Acting Deputy Assistant Secretary of State for International Narcotics and Law Enforcement Affairs.

Helping the World Combat International Crime

By Bruce Swartz
Deputy Assistant Attorney General, Criminal Division
U.S. Department of Justice

The U.S. Justice Department is engaged in a variety of initiatives to help emerging democracies build stronger law enforcement and criminal justice systems as a strategy to curtail the activities of organized crime.

The complex and growing threat of international crime requires a multi-faceted response. The U.S. Justice Department's response to international crime is threefold: investigation and prosecution of criminal activity; creation of a network of international agreements to facilitate cooperation in the fight against international crime; and training and technical assistance programs for foreign countries that are striving to improve their legal infrastructure and law enforcement capabilities, the focus of this article.

The 1998 U.S. International Crime Control Strategy, a White House policy document, states:

Police and judicial systems in many developing countries are ill-prepared to combat sophisticated criminal organizations because they lack adequate resources, have limited investigative authorities, or are plagued by corruption. Many countries have outdated or nonexistent laws to address corruption, money laundering, financial and high-tech crimes, intellectual property violations, corrupt business practices, or (trafficking in humans.) Moreover, many governments have been slow to recognize the threat posed by criminal activities and increasingly powerful organized crime groups.

Without capable and reliable foreign law enforcement partners, the United States, as well as other countries, will remain vulnerable to criminal groups that conduct activities from countries where law enforcement is weak.

The United States attempts to address these dangers by providing technical assistance and training to improve the criminal justice capacities of other governments, and helping their police forces, prosecutors, and judges become more effective crime fighters. Such assistance not only helps build a framework for international law enforcement cooperation, but also enhances the ability of foreign governments to control their own crime problems before they extend beyond their borders.

The U.S. Department of Justice's Office of Overseas Prosecutorial Development, Assistance and Training (OPDAT) is specifically tasked with providing assistance to strengthen criminal justice institutions in other nations and enhancing the administration of justice abroad. Often working in tandem with OPDAT is its sister unit within the Department of Justice, the International Criminal Investigative Training Assistance Program (ICITAP), which provides assistance to police forces in developing countries throughout the world. ICITAP's assistance is designed to strengthen police investigative capacities and imbue respect for human rights and the rule of law in emerging police forces.

Currently, the department provides justice-sector development assistance in Africa, Asia, Central and Eastern Europe, Latin America and the Caribbean, the Newly Independent States, including the Russian Federation, and the Middle East. The department focuses its resources on six core areas that are critical to the efforts of the U.S. government in the battle against international crime: 1) organized crime; 2) money laundering and asset forfeiture; 3) corruption; 4) narcotics trafficking; 5) trafficking in human beings; and 6) intellectual property. These core substantive areas are specifically identified in the U.S. government's 2000 International Crime Threat Assessment as major international crimes affecting national interests.

Based on assessments conducted by experienced U.S. prosecutors and investigators, the Justice Department has concentrated on two "building blocks" that are fundamental to the successful investigation and prosecution of criminal activity, especially transnational crime. First, we promote the modernization of criminal procedure codes to introduce adversarial concepts, such as public hearings, cross-examination, and live testimony to bring greater transparency to the criminal justice process. Such a system also includes effective investigative techniques such as electronic surveillance, witness protection, and access to financial records — consistent with basic civil liberties. Second, we emphasize the importance of greater cooperation — or "team building" — between prosecutors and police.

As a result of our assistance, several countries in Central Europe are adopting expedited trial procedures and other adversarial concepts that enable them to better investigate and prosecute complex cases. The Justice Department has also worked closely with the Russian Duma's Committee on Legislation as it prepared a new

and more effective Code of Criminal Procedure, which, among its other features, provides for plea-bargaining and suppression hearings, concepts previously unknown in Russia. The Duma recently provided a successful second reading to the code, which is expected to be enacted into law prior to the end of 2001.

Cooperation between prosecutors and investigators was a previously unknown concept in Central Europe, where the initial investigation of a crime and the collection of evidence for trial typically have been compartmentalized. Now several Central European countries receiving assistance have proven receptive to adopting new ideas. In Bosnia, for instance, a U.S. prosecutor helped facilitate a task force of Bosnian prosecutors and police whose investigation of a bank fraud case resulted in the arrest of a former high-level politician suspected of converting more than a million dollars for his personal use. In Albania, the nation's chief prosecutor reorganized his office into six specialized teams with their own dedicated investigators. Additionally, a number of countries, including Bulgaria and Czech Republic, have formed financial intelligence units that work closely with prosecutors.

The Justice Department's assistance programs often draw upon the expertise of its specialized units. For example, the Child Exploitation and Obscenity Section of the Criminal Division has been instrumental in the drafting of a model statute designed to combat the exploitation of persons through trafficking and prostitution. This model statute serves as an important point of reference in the assistance designed to help countries strengthen their capacity to combat human trafficking. Further, in collaboration with the Public Integrity Section of the Criminal Division, we have integrated into our assistance projects a protocol known as the Group of States Against Corruption (GRECO), an initiative conceived within the Council of Europe that promotes the implementation of legal and policy measures to combat corruption through mutual evaluation by member states.

U.S. law enforcement agencies also provide training to their counterparts in other nations. In addition to providing in-country training, law enforcement has worked with host countries to establish International Law Enforcement Academies (ILEAs) in Hungary, Botswana, Costa Rica, and Thailand. At these academies, U.S. law enforcement experts introduce innovative investigative techniques and methods to law enforcement personnel and foster exchanges with their counterparts around the world.

The U.S. approach to international crime is thus forward-looking. It attempts not only to address today's crime threats, but also to lay the foundation for effective international law enforcement in the future. As criminal groups continue to exploit globalization and technological developments, and extend their enterprises across national borders throughout the world, the challenge of combating international crime will only increase. No country can successfully meet that challenge on its own. It is imperative that law enforcement agencies around the world continue to develop the capacity for

enhanced international cooperation, and that the United States and other developed countries assist developing countries in strengthening their criminal sector institutions through training and other technical assistance.

Mr. Swartz supervises the Office of Overseas Prosecutorial Development, Assistance and Training (OPDAT) and the International Criminal Investigative Training Assistance Program (ICITAP).

U.S. and Multinational Coalition Disrupts Migrant Smuggling Operations

By Joseph R. Greene
Assistant Commissioner for Investigations
U.S. Immigration and Naturalization Service

The Immigration and Naturalization Service (INS) is the leading U.S. agency in the enforcement of immigration laws and border security. The global traffick in human beings has led the INS into far-reaching multinational relationships to stop migrant smuggling.

Threats from terrorists, alien smugglers, and organized criminals are serious international problems affecting democratic societies everywhere. To counter these threats, INS works beyond immediate national borders to ensure the security of the United States and to curtail the activities of unscrupulous criminal organizations that engage in trafficking human beings.

The volume and sophistication of alien smuggling organizations have increased dramatically in recent years, violating U.S. laws to insure orderly immigration, and threatening national security. The global economy and instability of governments worldwide contribute to an ever-increasing flow of people seeking entry into the United States.

Alien smuggling organizations operate internationally with near impunity. Public corruption in source and transit countries contributes to a smuggling organization's ability to move large groups of aliens destined for the United States.

Smuggling organizations have entered this 21st century slavery for the money. The emergence of international smuggling organizations has brought a dramatic rise in smuggling fees, some as high as \$70,000 a person. These organizations have also developed highly innovative methods and new smuggling routes. Some organizations have gone so far as to purchase ocean-going vessels with the express purpose of transporting human beings. New routes of travel may include transit through multiple countries, utilizing various conveyances, and fraudulent or counterfeit documents.

Since 1997, the U.S. INS has countered the trafficking in human beings with the National Anti-Smuggling Strategy, part of the agency's Interior Enforcement Strategy. The strategy involves overseas districts and domestic district and sector offices engaging in a service-

wide, integrated enforcement effort to identify, dismantle, or disrupt alien smuggling organizations. INS special agents focus enforcement efforts on targeting complex, sophisticated alien smuggling organizations that are international in scope. These organizations, based in source countries, transit countries, or in the United States, may use multiple organizations, or smuggling "subcontractors" to further insulate them from identification and prosecution by law enforcement agencies.

INS officers deployed in source and transit countries work closely with host government authorities to interdict smuggled migrants, both documented and undocumented, before they reach U.S. shores. They accomplish this through joint initiatives with foreign law enforcement officials, information-gathering targeting smugglers and their organizations, and training host government authorities and air carriers in the detection of fraudulent documents.

INS has expanded its ability to address migrant smuggling through its Global Reach initiative, which called for the deployment of greater enforcement assets overseas. Currently there are 40 offices worldwide with permanent INS staff:

- Training foreign law enforcement and airline officials in identifying fraudulent documents;
- Improving liaison and cooperation with host country officials to deter migrant smuggling;
- Developing information for the successful prosecution of alien smugglers in the United States and in host countries; and
- Strengthening the cooperation of host country migration and law enforcement officials to investigate and prosecute smugglers.

Since 1997 when Operation Global Reach was initiated, INS has trained more than 45,000 host country officials and airline personnel in fraudulent document detection and intercepted more than 74,000 fraudulently documented aliens attempting to transit these countries to the United States.

The multinational cooperation of Global Reach met significant success in June 2001 when INS completed two multinational smuggling investigations, resulting in

thousands of arrests. The largest multinational anti-smuggling operation ever conducted in the Western Hemisphere brought 75 smugglers and illegal document vendors into custody. The United States, Canada, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala, Haiti, Honduras, Jamaica, Mexico, Panama, and Peru cooperated in Operation Crossroads International. Law enforcement officers in these countries interdicted 7,898 individuals, with 5,500 being repatriated after immigration processing by these transit countries.

The simultaneous, coordinated efforts between the United States and other countries is key to the INS overseas deterrence strategy, and sends a clear message to those who would traffick in human beings — the United States is committed with its partners to pursuing smugglers wherever they operate.

Beyond the Western Hemisphere, Asian and Western European nations are also working with the INS to shut down smuggling operations. Recent success came in Operation Firm Grip, the most geographically diverse of its kind to date, spanning six nations on two continents.

Conducted mainly through passenger screening of more than 800 flights at major international airports, Operation Firm Grip resulted in the interception of 45 individuals involved in smuggling aliens to the United States or other Western countries. Overall, 415 persons were intercepted on various offenses related to fraudulent documents.

Operation Firm Grip was a coordinated effort by INS working with host country law enforcement organizations and airline security officers to target global alien smugglers in Colombo, Sri Lanka; Mumbai and New Delhi, India; Bangkok, Thailand; Kuala Lumpur, Malaysia; Amsterdam, Netherlands; and Singapore.

During 2000, INS worked with six Latin American nations in an anti-smuggling effort resulting in the arrest of 38 alien traffickers, including Jose Leon Castillo, one of the most wanted smugglers in Latin America. Approximately 3,500 migrants destined to the United States were interdicted during Operation Forerunner.

Castillo was considered one of the most notorious alien smugglers operating on the continent at that time, believed to be responsible for smuggling thousands of aliens into the United States over a five-year period. His

arrest in Operation Forerunner came after a 14-month INS investigation.

Apprehending the unscrupulous criminals who traffick in human cargo, and closing down their operations has certainly been an important focus of the INS' multinational campaign against smuggling, but protecting the victims of this criminal activity is also an important priority. These operations have also seen the multinational partners engaged in a coordinated effort to protect migrants who are victims of criminal smuggling organizations.

The Border Safety Initiative (BSI) involves the United States and Mexico in a binational strategy to reduce the injuries and fatalities of migrants attempting to cross the U.S. southern border. BSI reports some harrowing stories of people who have entrusted their safety and futures with smugglers and then been abandoned and left to die in the hostile terrain of the border region.

BSI saved close to 2,500 migrants in 2000, and the rescues continue in the current year. In May, 2001, BSI rescued 12 people in the hostile and remote Yuma desert

of Arizona after they had been led there and left by their smuggler. In March 2001, border agents rescued a woman from drowning in the Rio Grande River separating the U.S. and Mexico after her smugglers fled the scene leaving her stranded in the water.

Tragically, however, many more migrants have not been rescued. They were the victims of alien smugglers who sought profit from their misery. In 2000, the deaths of 58 Chinese migrants in Britain and the discovery of three dead migrants in a cargo container in the United States highlighted the fact that profits are more precious than people for those involved in the trade. A critical element in the international effort to curtail this traffick is to educate would-be migrants about the dangers of entrusting their lives and futures to these ruthless criminals.

Mr. Greene is also currently serving as the Acting Deputy Associate Commissioner for Enforcement.

COMMENTARY

Trafficking in Human Beings: The Slavery that Surrounds Us

By Ann Jordan

Director, Initiative Against Trafficking in Persons
International Human Rights Law Group

Nongovernmental organizations, such as the International Human Rights Law Group, have been instrumental in raising global concern about human trafficking. This author reports that significant action is still necessary to protect the human rights of the victims.

At the end of the last century, the world witnessed the growth of a modern form of slavery — trafficking in human beings. These modern traffickers treat women, men and children as commodities to abuse, sell, and move across borders like illegal drugs or stolen weapons.

Modern traffickers have many faces. They are diplomats who import domestic workers and hold them in isolation and forced labor in their homes.¹ They are members of organized criminal networks that move people into forced prostitution. Some of them are men who import foreign-born women, ostensibly for marriage, but in reality for the purpose of holding them in servitude and subjecting them to sexual abuse. Others are families that import men, women, and children to work in forced labor in their offices, factories, and homes, and subject them to sexual and physical assault. Traffickers, then, are our next-door neighbors. Their victims are all around us. They force their victims to cook our food in neighborhood restaurants or in their own homes, sew our clothes or pick today's fresh vegetables. They could even be the foreign-born "wife" of a co-worker, or the woman held in isolation in forced prostitution in a quiet neighborhood.

One of the most difficult realities facing persons trafficked into forced labor, slavery, or servitude is the propensity of governments worldwide to treat trafficked persons as criminals or unwanted undocumented workers

rather than as rights-bearing human beings. Appropriate responses — respectful of human rights in law, policy, and practice — are inadequate worldwide. Once victims manage to free themselves, or are freed by others from their captors, they are often re-victimized by governments in the destination country.

Many governments refuse to accept that human trafficking is a problem in their countries or are unwilling to address the problem given the high levels of corruption involved. Some governments view trafficking as merely another form of undocumented migration, and so they imprison victims for immigration or labor violations and deport them. Other governments focus solely on trafficking as it relates to the sex industry, ignoring the violations committed against persons trafficked into other industries or settings. The few countries that prosecute traffickers often treat victims as “disposable witnesses” and deport them after law enforcement no longer needs their assistance.

Compounding the problem, few governments have educated their immigration officials, investigators, prosecutors, and other civil servants on how to identify potential and actual victims of trafficking. Nor have governments insisted on compliance with international law standards or domestic civil rights laws that ensure protection of the rights of the victims.

In countries that take action to combat trafficking, the primary focus is on prosecutions, border interdiction, and cross-border cooperation — actions which, taken alone, will not stem the rising tide of this crime. Persons likely to come into contact with trafficked persons must understand trafficking and how it differs from smuggling, the ways in which the psychological trauma suffered by victims affects their ability to cooperate, and the need to provide proper, rights-protective assistance and support to trafficked persons.

The international community recently took a step towards ensuring that the crime of trafficking receives universal recognition. Governments signing the new Protocol to Prevent, Suppress and Punish Trafficking in Persons, especially Women and Children² agree that trafficking is a serious international problem and is not the same as smuggling of migrants.³ The progressive, modern view contained in the protocol reflects the complicated reality of this crime: trafficking involves all forms of documented and undocumented movement of people across or within borders, by whatever means, for

the purpose of slavery, forced labor, or servitude in a multitude of industries and sites.

While the Trafficking Protocol represents a tremendous step forward, it does not fully incorporate international human rights standards guaranteeing all persons, even undocumented victims of trafficking, access to justice and basic services such as temporary shelter, medical care, and food. It contains provisions ensuring some physical safety for trafficked persons who assist in prosecuting their traffickers, but it leaves provision of services and protections to the discretion of governments, even if the government has adequate financial resources or has confiscated the assets of the traffickers. The protocol does not require governments to grant temporary visas or permanent residency to victims when traffickers in the home country pose a serious threat to their safety. Domestic legislation, then, must cure this serious failure by the international community to affirm that migrant victims of trafficking are entitled to basic human rights protections.

The new U.S. trafficking law — the Victims of Trafficking and Violence Protection Act 2000 — is a positive step in the right direction.⁴ It offers substantial protections for trafficked persons. It recognizes all forms of trafficking into forced labor, slavery, and involuntary servitude, and it authorizes a temporary visa and permanent residence for trafficked persons who are willing to comply with “reasonable” requests for cooperation and who would “suffer extreme hardship involving unusual and severe harm upon removal.” Work authorizations are available; funding is provided to service providers; foreign aid is authorized for prevention and assistance programs abroad; and federal personnel will be trained to identify and protect trafficked persons. The law is very comprehensive although some gaps remain in its coverage.

Concerned members of the public and government officials at all levels can help to improve the situation of victims by better understanding the problem and the law and by identifying potential victims in their daily work and life. Neither the public nor law enforcement should expect trafficked persons to come forward immediately, to trust them, or to be willing to speak out against their traffickers until they and their families are safe. Trafficked persons have been intimidated, both psychologically and physically, into submission. They suffer harms similar to the violence suffered by victims of torture.⁵ The obstacles faced by trafficked persons, however, are different in

some ways from those faced by torture victims seeking asylum. Trafficked persons do not understand their rights, and are typically not prepared to remain in the country of destination. They are also disoriented and often unable to understand that what happened to them is a crime. Thus, people who seek to assist trafficked persons or to recover information about the traffickers must be extremely sensitive to the psychological, cultural, and, in cases involving women, gender aspects of the victimization in order to prevent re-victimization.

The general public, especially health care workers, religious institutions, and community organizations, can assist in locating and assisting victims of trafficking simply by being aware and knowing which questions to ask. For example, individuals can be alert for signs of abuse and forced labor conditions when they visit the homes or businesses of persons using unskilled or low-skilled immigrant labor. Unfortunately, it is necessary to use caution in contacting law enforcement because, in many countries, corruption plays a central role in the ability of traffickers to operate. Consequently, reporting cases to the authorities in many countries should only be done after discussions with nongovernmental organizations (NGOs) that are knowledgeable on the trafficking situation in the country.

Public officials play an especially important role in detecting trafficking because their work often takes them to potential sites of trafficking or places them in direct contact with potential or actual trafficked persons. For example:

- Consular employees who authorize fiancée and domestic worker visas could provide information to the women about their rights in the country of destination and provide them with names of NGOs to contact for assistance. They could also scrutinize the domestic worker contracts for signs of trafficking, such as egregious violations of domestic labor laws. Employers using such contracts often are traffickers.
- Immigration officials at the point of entry and inside the country should be trained to ask questions of potential victims of trafficking in a safe and confidential environment. Before questioning potential victims, they should physically separate them from their traveling companions who may, in fact, be traffickers. Without this step there is little possibility of obtaining the truth. Immigration officials should be

provided with appropriate questions to ask if any suspicion is raised or if false documents are discovered. Traffickers often force trafficked persons to travel on false documents. At the point of entry, a victim may still not be aware that she or he is holding false documents or being trafficked. A list of supportive NGOs in the country should also be provided to potential victims. Officials working in the field should not assume that all sweatshop workers are simply unfortunate, exploited, undocumented workers who need to be deported. They should ask questions capable of eliciting responses that distinguish between sweatshops and forced labor.

- Housing inspectors, agricultural inspectors, labor inspectors, emergency medical teams, health workers, and others can maintain a high level of awareness when they encounter immigrants who are working or living in extreme conditions or suffering from very serious untreated medical conditions. They can report the situation to the authorities for investigation.
- Police, investigators, and prosecutors handling smuggling, labor abuse, and sexual abuse cases involving immigrants could consider the possibility that trafficking might be involved and include the appropriate questions in their investigations.

Lastly, cooperation among all levels and branches of government is essential. Governments should form inter-agency working groups to ensure that all relevant actors work together to combat trafficking. The working group, as well as the individual departments, should form partnerships with, and provide financial support to, local anti-trafficking and other community NGOs. Neither the government nor the NGOs alone can stop trafficking, but together they have the power to significantly reduce the ability of traffickers to operate as freely as they do today, to empower potential victims so as to prevent trafficking, and to adopt rights-based laws, policies, and practices that enable governments to prosecute and punish, and trafficked persons to recover with dignity and respect in a safe environment.

1 Council of Europe Report on Domestic Slavery, submitted to Committee on Equal Opportunities for Women and Men by Rapporteur, John Connor (Doc. 102, 17 May 2001). Available at: <http://stars.coe.fr/doc/doc01/EDOC9102.htm>

2 Protocol to Prevent, Suppress and Punish Trafficking in Persons, especially Women and Children, supplementing the United Nations Convention against

Transnational Organized Crime (2002). www.odccp.org/crime_cicp_convention.html#final (The Organized Crime Convention and the list of signatory countries is also found on this site.) The crucially important Interpretative Notes (Travaux Préparatoires) (A/55/383/Add.1 Addendum) to the protocol are at: www.odccp.org/crime_cicp_convention_documents.html. See particularly the explanation of the definition of trafficking.

3 The Protocol against the Smuggling of Migrants by Land, Sea and Air, supplementing the U.N. Convention against Transnational Organized Crime was also adopted.

4 U.S. Trafficking Victims Protection Act. 18 USC sec. 1590: "Whoever knowingly recruits, harbors, transports, provides, or obtains by any means, any person for labor or services in violation of this chapter" (involuntary servitude, slavery, forced labor) shall be fined or imprisoned for up to 20 years or for life if kidnapping, aggravated sexual abuse, attempt to kill is involved.

<http://thomas.loc.gov/cgi-bin/query/z?c106:H.R.3244.ENR>.

5 Okawa has summarized some of the similarities of torture and trafficking on their victims in Impact of Trafficking Offenses on the Individual: post-traumatic stress disorder, severe depression, overwhelming shame, devastated sense of self,

dissociation, loss of sense of safety, chronic fear, anxiety and phobias, and difficulty talking about rape. She points out that trafficked persons are subjected to many types of torture (physical, social, psychological, and sexual) and deprivation (hygiene, nutritional, health, sleep, and sensory. Judy Okawa, Ph.D., Program for Survivors of Torture and Severe Trauma, Center for Multicultural Human Services, Jan. 2001 (conference materials).

Copyright 2001 International Human Rights Law Group. All rights reserved. Reproduction of this article for resale is strictly prohibited. This article, in its entirety and including the name of the author and the organization, may be reproduced and distributed, with no charge to recipients, for the promotion and protection of human rights.

Ann Jordan and the International Human Rights Law Group have been prominent advocates for stronger laws on trafficking and the protection of victims.

Crime Victimizes Both Society and Democracy

By Louise Shelley
Director, Transnational Crime and Corruption Center
American University

In some emerging societies, the corruption and power of organized crime groups has become so corrosive that citizens' faith in their nations and their leaders is at risk.

The increasing visibility, assets, and political influence of organized criminal groups have become a matter of mounting international concern in recent years. Transnational crime groups control thousands of millions of dollars in assets. Their huge economic clout facilitates corruption domestically and internationally. They undermine governments and the transition to democracy for former socialist and authoritarian societies. They undermine attempts of developing and transitional countries to build democracies and become free market economies.

Transnational organized crime will be a defining issue of the 21st century for policymakers — as defining as the Cold War was for the 20th century and colonialism was for the 19th. No area of international affairs will remain untouched, as the social fabric and political and financial systems of many countries deteriorate under the increasing economic power of international organized crime groups.

Illicit trade in nuclear materials threatens the security of the United States and other nations. Large-scale arms smuggling may spark or fuel regional conflicts. Drug trafficking and illegal-alien smuggling are expected to exact an ever-higher human cost in larger numbers of source and destination countries. The proliferation of international prostitution and pornography rings has serious social and health consequences. The illicit timber trade and trafficking in rare species and nuclear wastes have already done grave damage to the global environment.

The massive profits of the diverse transnational organized crime groups, laundered in international financial markets, are undermining the security of the world's financial system. Meanwhile, the competitiveness of legitimate businesses is being undercut by organized crime's involvement in industrial and technological espionage.

There is no form of government immune from the development of transnational criminal organizations, no legal system capable of fully controlling the growth of such crime, and no economic or financial system that is secure against the temptation of profits at levels far greater than those possible from legal activities.

The consequences are most devastating, however, in transitional states where people are attempting to establish democracy, self-determination, and the rule of law. Nations in this situation are found in many parts of the globe, but in this article we will look at those states that were part of the former Soviet Union and Eastern Europe. Many of these countries are now contending with stagnant economies, weak governments, and limited uncorrupted law enforcement capacity. They are fertile ground for organized crime.

Organized crime in the former Soviet states has emerged with an intensity and diversity of activities unmatched by other transnational crime groups in the international arena. In these newly independent states, crime groups number in the thousands. Rather than the rigid hierarchical structure of the prototypical organized crime family, the groups are based on network structures, often using violence as part of their business strategy. Unlike other countries where established crime syndicates have specialized in particular goods and services, post-Soviet organized crime has infiltrated a full range of illicit activities. These groups have also penetrated deeply into the legitimate economy, including many companies that used to belong to the state and have been privatized.

Post-Soviet organized crime exploits the traditional market in illicit goods and services that includes prostitution, gambling, drugs, contract killings, supply of cheap, illegal labor, stolen automobiles, and extortion of legitimate businesses. It has also branched out to include such diverse activities as the illegal export of oil and raw materials, and the smuggling of weapons, nuclear materials, and human beings.

These groups are often comprised of unusual coalitions of professional criminals, former members of the underground economy, and members of the Communist Party elite and security apparatus. Their ranks contain highly trained specialists (such as statisticians and money launderers) not readily accessible to transnational crime groups in other parts of the world.

Organized crime has penetrated these states, from the

municipal to the federal level, by financing selected political campaigns and the election of their members to parliament. Criminal groups have co-opted officials of the government. In some cases, the groups have supplanted the state by providing the protection, employment, and social services no longer available from the struggling new government.

Organized crime and endemic corruption threaten stability and the transition to a market economy. The indigenous crime problem within these countries is significant, but widespread criminal activity throughout the region worsens the situation. Criminal links operate across the former USSR and increasingly groups interact with their counterparts around the world.

At the end of the Soviet period, many of these emerging nations were left without the institutional capacity to address organized crime. Most of the expertise and the institutions to deal with the problem remained in Russia, which inherited the centralized institutions of the Soviet state. The new countries had to create their own legal norms and structure.

In the early years of transition, organized crime and corruption grew unimpeded by laws or personnel capable of addressing them. Economic development often floundered without appropriate legal structure and the presence of established enforcement mechanisms. Resources continued to flow to the elite as a result of high-level corruption, leaving the mass of the citizenry impoverished and without faith in their new governments.

Criminal groups in tandem with corrupt officials picked the national pockets with impunity, robbing ordinary citizens of the assets they were to have inherited from the Soviet state through privatization.

Corruption and criminal activity also deterred foreign investors, reducing economic growth and depriving the state of revenues needed to repair depleted infrastructures and create new economic opportunity. Thousands of millions of dollars in assets have been laundered overseas by sophisticated criminals, depriving the state of assets needed to pay salaries and pensions. Many would-be investors have decided that there are easier and safer places to put their money. For those who did invest, the high level of corruption became an added concern, especially for American businesses that must comply with the Foreign Corrupt Practices Act. That law criminalizes a variety of practices, including bribery, that

are commonplace in the region.

The hijacking of the privatization process by organized crime and corrupt officials has resulted in economically polarized societies in many of the Soviet successor states. Instead of an emerging middle class, there is now a small, extremely rich, new elite, and a large, impoverished population. This is particularly problematic in former socialist societies where citizens were educated in an ideology committed to social equality. Although economic inequality existed during the Soviet period, it was more hidden from view than that of the new elites who flaunt their wealth both domestically and overseas.

The political costs of organized crime are staggering. The pervasive corruption and penetration of organized crime into the political process are inhibiting the development of new laws needed as a foundation for a democratic free market economy. An often highly corrupted tax authority and the links of government personnel to organized crime deprive the state of needed revenues. Substantial numbers of citizens have lost faith in the integrity and capacity of the legal process, and in the ability of their new governments to deliver on basic obligations, such as payment of wages and retirement benefits, and provision of health care.

These newly emerging states cannot separate their crime problems from those of the Baltics, Russia, or nearby states. The current diversification and flexibility of post-Soviet crime groups operating across all the successor states and the pervasiveness of corruption suggest that the phenomenon will not rapidly disappear as each of the countries pursues its transition from a Soviet satellite to an independent nation.

Just as corporate entities build power and influence through acquisition and partnership with other companies in the legitimate business world, criminal

groups are building alliances with counterparts in other nations. Colombian drug traffickers are linking up with Nigerian crime groups providing couriers for European deliveries, which are routed through Eastern Europe or the former Soviet Union to minimize detection. Proceeds from these crimes may be laundered through four different countries before reaching their final destination in an offshore haven in the Caribbean.

Local law enforcement, whether in an emerging nation or one of the OECD (Organization for Economic Cooperation and Development) countries, is hard-pressed to track suspects and evidence through this convoluted maze. Only bilateral and multilateral efforts can work effectively to inhibit organized crime that is invading every part of the world. It is clear that despite the challenges posed by crime groups around the world, the international community has a large stake in assisting the ability of nations to address their rising political and economic power.

The new-found strength that organized crime has gained through international alliances is also its weakness. Networks of these enterprises are brutal, but fragile. Though groups may exploit gaps in legislation and enforcement abroad, they can also be severely weakened when law enforcement and prosecutors in many nations coordinate their efforts and strategies. If united in common cause, governments can prevail against criminal groups to protect democracy, free markets, and the public.

Louise I. Shelley is a professor in the Department of Justice, Law and Society and the School of International Service, American University, and the author of numerous articles and book chapters on international crime. See www.american.edu/tracc.

Organized Crime and Cybercrime: Synergies, Trends, and Responses

By Phil Williams

Professor of International Security Studies, University of Pittsburgh
2001-2002 Visiting Scientist at CERT/CC, a center of Internet security expertise at Carnegie Mellon University

Many governments, businesses, and individuals around the world are just beginning to learn how to make best use of the latest information technologies. But organized criminal enterprises have already discovered these technologies as new opportunities for exploitation and illegal profits.

The capabilities and opportunities provided by the Internet have transformed many legitimate business activities, augmenting the speed, ease, and range with which transactions can be conducted while also lowering many of the costs. Criminals have also discovered that the Internet can provide new opportunities and multiplier benefits for illicit business. The dark side of the Internet involves not only fraud and theft, pervasive pornography, and pedophile rings, but also drug trafficking and criminal organizations that are more intent upon exploitation than the disruption that is the focus of the hacking community.

In the virtual world, as in the real world, most criminal activities are initiated by individuals or small groups and can best be understood as "disorganized crime." Yet there is growing evidence that organized crime groups are exploiting the new opportunities offered by the Internet. Organized crime and cybercrime will never be synonymous. Most organized crime will continue to operate in the real world rather than the cyberworld and most cybercrime will be perpetrated by individuals rather than criminal organizations per se. Nevertheless, the degree of overlap between the two phenomena is likely to increase considerably in the next few years.

Organized Crime and Cybercrime

Organized crime is primarily about the pursuit of profit and can be understood in Clausewitzian¹ terms as a continuation of business by criminal means. Consequently, just as brick-and-mortar companies move their enterprises on to the Worldwide Web seeking new opportunities for profits, criminal enterprises are doing the same thing. Criminal organizations are not the only players in illicit markets, but they are often the most important, not least because of the added "competitiveness"

that is provided by the threat of organized violence. Moreover, criminal organizations tend to be exceptionally good at identifying and seizing opportunities for new illegal enterprises and activities. In this context, the Internet and the continuing growth of electronic commerce offer enormous new prospects for illicit profits.

In recent years, there has been a significant increase in the sophistication of organized crime and drug trafficking groups. Colombian drug trafficking organizations, for example, have followed standard business practices for market and product diversification, exploiting new markets in Western Europe and the former Soviet Union. Criminal organizations and drug traffickers have increasingly hired financial specialists to conduct their money laundering transactions. This adds an extra layer of insulation while utilizing legal and financial experts knowledgeable about financial transactions and the availability of safe havens in offshore financial jurisdictions. Similarly, organized crime does not need to develop technical expertise about the Internet. It can hire those in the hacking community who do have the expertise, ensuring through a mixture of rewards and threats that they carry out their assigned tasks effectively and efficiently.

Organized crime groups typically have a home base in weak states that provide safe havens from which they conduct their transnational operations. In effect, this provides an added degree of protection against law enforcement and allows them to operate with minimal risk. The inherently transnational nature of the Internet fits perfectly into this model of activity and the effort to maximize profits within an acceptable degree of risk. In the virtual world, there are no borders, a characteristic that makes it very attractive for criminal activity. When authorities attempt to police this virtual world, however, borders and national jurisdictions loom large — making extensive investigation slow and tedious, at best, and impossible, at worst.

The Internet itself provides opportunities for various kinds of theft, whether from online banks or of intellectual property. But it also offers new means of committing old crimes such as fraud, and offers new vulnerabilities relating to communications and data that provide attractive targets for extortion, a crime that has always been a staple of mafia organizations.

The anonymity of the Internet also makes it an ideal

channel and instrument for many organized crime activities. The notion of a criminal underworld connotes a murkiness or lack of transparency. Secrecy is usually a key part of organized crime strategy and the Internet offers excellent opportunities for its maintenance. Actions can be hidden behind a veil of anonymity that can range from the use of ubiquitous cybercafes to sophisticated efforts to cover Internet routing.

Organized crime has always selected particular industries as targets for infiltration and the exercise of illicit influence. In the past, these have included the New York City garbage hauling and construction industries, the construction and toxic waste disposal industries in Italy, and the banking and aluminum industries in Russia. From an organized crime perspective, the Internet and the growth of e-commerce present a new set of targets for infiltration and the exercise of influence — a prospect that suggests that Internet technology and service firms should be particularly careful about prospective partners and financial supporters.

In sum, the synergy between organized crime and the Internet is not only very natural but also one that is likely to flourish and develop even further in the future. The Internet provides both channels and targets for crime and enables them to be exploited for considerable gain with a very low level of risk. For organized crime it is difficult to ask for more. It is critical, therefore, to identify some of the ways in which organized crime is already overlapping with cybercrime.

Major Trends in Organized Crime and CyberCrime

Organized crime groups are using the Internet for major fraud and theft activities. Perhaps the most notable example of this — albeit an unsuccessful one — occurred in October 2000 and concerned the Bank of Sicily. A group of about 20 people, some of whom were connected to mafia families, working with an insider, created a digital clone of the bank's online component. The group then planned to use this to divert about \$400 million allocated by the European Union to regional projects in Sicily. The money was to be laundered through various financial institutions, including the Vatican bank and banks in Switzerland and Portugal. The scheme was foiled when one member of the group informed the authorities. Nevertheless, it revealed very clearly that organized crime sees enormous opportunities for profit

stemming from the growth of electronic banking and electronic commerce.

Indeed, organized crime diversification into various forms of Internet crime is closely related to a second discernible trend — organized crime involvement in what was once categorized as white-collar crime. The activities of the U.S. mob and Russian criminal organizations on Wall Street fall into this category. During the late 1990s there were numerous cases of criminal organizations manipulating microcap stocks using classic “pump and dump” techniques. While much of this was done through coercion or control of brokerage houses, the Internet was also used to distribute information that artificially inflated the price of the stocks. Among those involved were members of the Bonnano, Genovese, and Colombo crime families as well as Russian immigrant members of the Bor organized crime group. As criminal organizations move away from their more traditional “strong arm” activities and increasingly focus on opportunities for white-collar or financial crime, then Internet-based activities will become even more prevalent. Since Internet-related stock fraud results in a \$10,000-million-per-year loss to investors, it offers a particularly lucrative area for organized crime involvement.

This is not to suggest that organized crime will change its character. Its inherent willingness to use force and intimidation is well suited to the development of sophisticated cyberextortion schemes that threaten to disrupt information and communication systems and destroy data. The growth of cyberextortion is a third significant trend. Extortion schemes are sometimes bungled, but they can be conducted anonymously and incur only modest risks, while still yielding high pay-offs. Indeed, this might already be a form of crime that is significantly under-reported. Yet it is also one that we can expect to see expand considerably as organized crime moves enthusiastically to exploit the new vulnerabilities that come with increased reliance on networked systems.

A fourth trend is the use of what were initially nuisance tools for more overtly criminal activities. Perhaps the most notable example of this occurred in late 2000 when a variation of a virus known as the Love Bug was used in an effort to gain access to account passwords in the Union Bank of Switzerland and at least two banks in the United States. Although this episode received little attention — and it is not entirely clear who the perpetrators were — it gives added credence to the

theory that organized crime is developing relationships with technically skilled hackers.

A fifth trend that we can expect to see is what might be termed jurisdictional arbitrage. Cybercrimes — certainly when they are linked to organized crime — will increasingly be initiated from jurisdictions that have few if any laws directed against cybercrime and/or little capacity to enforce laws against cybercrime. This was one of the lessons of the Love Bug virus. Although the virus spread worldwide and cost business thousands of millions of dollars, when FBI agents succeeded in identifying the perpetrator, a student in the Philippines, they also found that there were no laws under which he could be prosecuted. The Philippines acted soon thereafter to pass prohibitions on cybercrimes, and other countries have followed. Still, jurisdictional voids remain, allowing criminals and hackers to operate with impunity. Indeed, it is possible that some jurisdictions will increasingly seek to exploit a permissive attitude to attract business, creating information safe havens (paralleling offshore tax havens and bank secrecy jurisdictions) that make it difficult for law enforcement to follow information trails, and offering insulated cyber-business operations from which illicit businesses can operate with a minimum of interference.

A sixth trend is that the Internet is increasingly likely to be used for money laundering. As the Internet becomes the medium through which more and more international trade takes place, the opportunities for laundering money through over-invoicing and under-invoicing are likely to grow. Online auctions offer similar opportunities to move money through apparently legitimate purchases, but paying much more than goods are worth. Online gambling also makes it possible to move money — especially to offshore financial centers in the Caribbean. Moreover, as e-money and electronic banking become more widespread the opportunities to conceal the movement of the proceeds of crime in an increasing pool of illegal transactions are also likely to grow.

A seventh trend involves growing network connections between hackers or small-time criminals and organized crime. In September 1999, for example, two members of a U.S.-based group known as the “Phonemasters” were convicted and jailed for their penetration of the computer systems of the telecommunications companies MCI, Sprint, AT&T, and Equifax. One of those convicted, Calvin Cantrell, had downloaded thousands of Sprint calling card numbers. They were sold to a Canadian,

passed back through the United States, resold to another individual in Switzerland, and finally the calling cards ended up in the hands of organized crime groups in Italy. Network connections between the two kinds of groups are likely to deepen and widen.

In addition, of course, organized crime groups use the Internet for communications (usually encrypted) and for any other purposes when they see it as useful and profitable. Indeed, organized crime is proving as flexible and adaptable in its exploitation of cyberopportunities as it is in any other opportunities for illegal activity. The implications are far-reaching and require a response from government that is strategic, multi-level, multilateral, and transnational in nature.

Responses to the Organized Crime-CyberCrime Synergy

The response to the growing overlap between organized crime and cybercrime requires a truly comprehensive strategy. There are precedents and models for this that can be particularly helpful, even allowing for the need to balance law enforcement and national security concerns against such considerations as personal privacy. The key principles that have guided the international community's responses to transnational organized crime and money laundering can serve as one good model.

The Financial Action Task Force (FATF), a body set up by the G-7, has attempted to create norms and standards for governments and financial institutions to follow in the development of laws, regulations, and enforcement mechanisms at the national level. Although criticisms can be made of the FATF, in 2000 it launched an effective "name and shame" campaign that identified 15 "non-cooperative" jurisdictions whose efforts to combat money laundering were grossly inadequate. In some cases, the results were remarkable, leading to much more stringent anti-money laundering programs and far greater transparency of financial activities. While the FATF's campaign was the culmination of a 10-year effort, it nevertheless provides an approach that could usefully be emulated by the international community as it moves to combat cybercrime. The Council of Europe Convention on Cybercrime, largely supported by the United States, is the first major step in this direction and can be understood as the beginning of the process of setting norms and standards that national governments ultimately will be expected to meet in their legislative, regulatory, and enforcement efforts.

Underlying the convention approach is a fundamental recognition of the need to harmonize national laws. In recent years, international cooperation in law enforcement has been achieved through a series of extradition and mutual legal assistance treaties (MLATs) that allow governments to share information and evidence with each other. For MLATs and extradition treaties to go into effect, however, there is usually a requirement of dual criminality (i.e. the crime involved must be designated as a crime in both jurisdictions). In other words, international cooperation is enormously facilitated by convergence of what is criminalized in national jurisdictions. Furthermore, as pointed out by Ernesto Savona, head of the Transcrime Research Center in Trento, Italy, the imposition of similar laws in various countries both spreads the risks that criminal organizations have to confront and goes some way towards equalizing the risks across jurisdictions. In effect, the more widespread the laws, the fewer the safe havens from which organized crime-controlled hackers (or indeed individual hackers) can operate with impunity.

Harmonization is necessary for both substantive and procedural laws. All countries have to reappraise and revise rules of evidence, search and seizure, electronic eavesdropping, and the like to cover digitized information, modern computer and communication systems, and the global nature of the Internet. Greater coordination of procedural laws, therefore, would facilitate cooperation in investigations that cover multiple jurisdictions.

In addition to appropriate laws, it is also important that governments and law enforcement agencies develop the capacity for implementation of these laws. This requires the development of expertise in the area of cybercrime as well as effective information sharing across agencies within a country and across national borders. Moreover, this sharing has to go beyond traditional law enforcement bodies to include national security and intelligence agencies. It is also essential to create specialized law enforcement units to deal with cybercrime issues at the national level. Such units can also provide a basis for both formal international cooperation and informal cooperation based on transnational networks of trust among law enforcement agents. Ad hoc cooperation and multinational task forces can both prove particularly useful — and there are already cases where international cooperation has been very effective. Indeed, successful cooperation can breed emulation and further success.

The other important component of a strategy to combat cybercrime is partnership between governments and industry, especially the information technology sector. Once again, there are precedents. In recent years, the major oil companies, although very competitive with one another, established information sharing arrangements and worked very closely with law enforcement to minimize infiltration by organized crime figures and criminal companies. Government-private sector cooperation of this kind is not always easy but it is clear that a degree of mutual trust can make a difference. For cooperation to be extended, law enforcement agencies have to exercise considerable care and discretion not to expose company vulnerabilities, while the companies themselves have to be willing to report any criminal activities directed against their information and communication systems.

Even if considerable progress is made in all these areas, organized crime and cybercrime will continue to flourish. If steps are made in these directions, however, then there

is at least some chance that cybercrime can be contained within acceptable bounds, that it will not undermine confidence in electronic commerce, that it will not so enrich organized crime groups that they can further corrupt and threaten governments, and that the big winner from the growth of the Internet will not be organized crime.

1. Refers to the German philosopher Karl Von Clausewitz, well-known for the maxim "war is the continuation of policy by other means."

Professor Williams is a faculty professor in the Graduate School of Public and International Affairs at the University of Pittsburgh. He is also the editor of the journal "Transnational Organized Crime" at <http://www.pitt.edu/~rcss/toc.html>. Further information on Internet security is available at <http://www.cert.org/>

Nations Build Alliances to Stop Organized Crime

By Pino Arlacchi

Executive Director, United Nations Office for Drug Control and Crime Prevention

The UNDCCP will play a major role in helping nations coordinate their anti-crime efforts. This article is based on a speech Mr. Arlacchi delivered at the Australian Institute of Criminology's 4th National Outlook Symposium on Crime in Australia in June 2001.

Crime is no longer a problem that any nation can consider in isolation. If we want to understand it, and to combat it, we must see crime in its global context.

Organized crime, except for some cross-border smuggling, used to be a largely local — or at worst — a national affair. But in the last quarter of the 20th century, organized criminal enterprises were able to exploit the same economic liberalization and open borders that gave rise to the expansion of multinational corporations. The opportunities for globalization have been embraced by organized crime groups that engage in illegal activities or deal in illicit goods. Today organized crime is a truly transnational phenomenon and is a subject of international concern. The risk to regional and even global stability is very real.

Transnational organized crime groups are, in many ways, profiting the most from globalization. Legitimate business is still constrained by domestic and host country laws and regulations. Transnational crime syndicates and networks manage, with the help of corruption, blackmail, and intimidation, to use open markets and open societies to their full advantage.

Their work is made easier by the lack of effective law enforcement, and the lack of fast and effective extradition practices in many countries. Eluding national law enforcement control is a basic working principle of transnational crime. Foreign jurisdictions become safe spaces, and borders are used as fences to hide behind.

The detection and neutralization of transnational organized crime groups become even more difficult because these groups tend to use legitimate import-export firms, service industries, or even multinational financial institutions as cover for their activities. Sometimes the criminal organization only nests itself inside a larger business; at other times it actually controls it. The border line between the activities of white collar

or corporate crime on the one hand and transnational organized crime on the other is often fuzzy.

We have three basic types of crime-related business corporations:

- Illegal business structures, such as drug cartels;
- Legal firms that engage in white-collar crime, such as banks specializing de facto in the facilitation of money laundering and tax evasion;
- Licit enterprises founded, in whole or in part, by money obtained from organized crime.

The picture becomes even more complex when we consider the involvement of elements of the state apparatus, political parties, the military, or intelligence services. The decline of totalitarian states has driven many former members of the state security agencies into businesses, some legitimate, some not.

For organized crime, this influx of professional intelligence, police, and military know-how has meant a quantum jump in sophistication. Crime groups can in certain cases outsmart the police because they have better technique, better equipment, and more resources.

The involvement of present or former state officials in organized crime is not confined to former communist states. Wherever there is an absence of transparency and accountability, the opportunity for crimes of greed is present. They often only become visible when a scandal breaks out or when a political shift brings a new group into power, eager to expose the misdeeds of the former regime. Two recent examples of this are the events in Peru and Yugoslavia.

Organized criminal organizations not only maintain links with some legitimate businesses and some sectors of governments. They at times also thrive from terrorism and civil war. In some 30 countries, groups engaged in armed rebellion against the government finance their guerrilla or terrorist campaigns, in whole or in part, with income generated by taxing the production of drugs or by being directly involved in trafficking.

It is no coincidence that the unrest in southeast Europe in the 1990s was linked to the Balkan route that transports every year tons of heroin into Europe. It is no coincidence that Afghanistan, Colombia, and Myanmar

are the world's three most important drug producers and also the scene of some of the longest civil wars in the last 50 years.

The fuel that keeps civil wars going changes. Sometimes it is illicit drugs; sometimes diamonds, as in the case of Africa; sometimes other legal products like oil. Organized crime is eager to profit from every aspect of these wars, even the human tragedy of refugees. In order to leave combat zones, refugees often rely on criminal traffickers to get them to safety.

Others make use of criminal trafficking networks to leave their country for economic or other reasons, hoping to rebuild their existence in distant countries. Whether the cause is war or poverty, the displacements tend to drive the best and the brightest to foreign shores. There they look for a new home, often in communities formed by ethnic diasporas.

Examine some of the staggering numbers compiled as these criminal activities have expanded in recent years. As many as one million women and children are trafficked every year across national borders by criminal groups, adding to the already existing millions living under modern forms of slavery — 27 million by one expert's estimate, up to 200 million by another estimate.

The placing of stolen assets abroad has reached unprecedented levels. The president of Nigeria just told me that the amount of assets stolen from his country and deposited abroad is close to \$50,000 million. Individual money laundering cases are also in the thousands of millions of dollars, larger than the gross domestic product of many countries.

At the same time, organized crime also provides certain goods and fulfills certain services for which there is public demand — services and goods that a given state or society does not want to provide for reasons of politics, public health, religion, ethnic, or cultural norms. Once again, the motive is profit.

What is legal and what is illegal is determined by the law and implemented by state institutions. But the standards and norms are not the same in all societies, and the level of effective implementation varies widely.

When a transnational element enters crime, successful prosecution often becomes more difficult. When the criminal acts take place in different jurisdictions, the

transnational criminals can only be successfully tried if all the parts of the international investigative puzzle are laid next to each other and interlinked. This requires international police and judicial cooperation. Yet there are many obstacles to such cooperation — different legal systems, bureaucratic inertia, the pervasiveness of corruption in some law enforcement services and judiciaries, the simple lack of resources and skills, and even linguistic incompatibility.

Responses to Transnational Crime

This leads me to the other side of the coin — the response to transnational crime.

During three days in December 2000, heads of government, heads of state, and ministers from around the world came to Palermo, in Sicily, to a Signing Conference for the United Nations Convention Against Transnational Organized Crime. By the end of the three days, representatives of 124 countries had signed the convention.

No United Nations convention has ever had so many signatories immediately upon its opening for signature and less than one month after its formal adoption by the General Assembly.

Evidence of this began to emerge even before the event in Palermo. The drafting process, which took a relatively short period of less than two years, was carried out in a highly positive spirit. Consensus was achieved without compromising the quality of the new instrument and without making it any less functional.

The drafters were in a position to look at best practices around the world and incorporate them into a state-of-the-art instrument for fighting transnational crime.

A major breakthrough is the agreement to criminalize the simple participation in an organized criminal group, whether or not the individual actually carried out a crime personally.

In ratifying the convention, governments also commit themselves to criminalizing money laundering, corruption, and obstruction of justice. The language on bank secrecy is blunt: "States shall not decline to act ... on the ground of bank secrecy." This may prove to be one

of the most effective elements of the Palermo Convention, since organized crime loses much of its appeal if the profits from it cannot be safely held.

The new convention provides a framework for the confiscation and seizure of the proceeds of organized crime and of property or equipment used in criminal acts. Special provisions are included for international cooperation in this respect, a very important tool for the recovery of assets stolen through corruption and placed abroad.

The longest article in the convention is devoted to mutual legal assistance, addressing a wide range of very practical ways in which states can cooperate with each other. In addition, separate articles cover joint investigations and the use of special investigative techniques.

State-of-the-art techniques that have proven useful in bilateral cooperation arrangements are now elevated to global status. For example, the electronic transmission of requests from one country to another is allowable under the language used in the convention.

The intimidation of potential witnesses has been a major hindrance to successful prosecution of organized crime. The Palermo Convention requires states to establish procedures for the physical protection of witnesses. In addition to the more established practices in this regard, states are encouraged to use modern techniques like video links.

Victims who testify against organized crime groups are also vulnerable to retaliation or intimidation. Signatories must provide assistance and protection when needed, as well as compensation and restitution if appropriate.

The protection of victims is central to two protocols that were also opened for signature in Palermo. The Protocol to Prevent, Suppress and Punish Trafficking in Persons, especially Women and Children, is, in fact, a strong humanitarian instrument that advances the cause of human rights. The Protocol Against the Smuggling of Migrants also addresses the special problems of victims in some detail.

The protocols and the convention incorporate a new element that reflects today's thinking on how to fight organized crime. For the first time, specific articles address the prevention of crime. Linkages between crime

and poverty are explicitly addressed, and the importance of public opinion as a prevention tool is stressed.

The Palermo Convention is a clear response to transnational crime. The reason for this success is clear. The level and intensity of international crime have gone beyond what governments and the general population are prepared to accept. The convention is the cornerstone of an emerging international strategy to combat transnational organized crime. But there is more to come. Additional international legal instruments are in preparation.

A third Protocol to the Palermo Convention addresses the traffic in firearms. This protocol has been just recently approved.

The General Assembly decided late last year to proceed with the negotiation of a convention against corruption. If governments succeed in maintaining the same approach and high degree of consensus that characterized the negotiation of the Palermo Convention and its protocols, we can expect a convention ready for adoption within two years.

We can expect more as the international community reaches consensus on responses to some of the newer forms of crime, like Internet-based offenses. Already various regional or more narrowly focused agreements are being reached on everything from doping in sports to offshore banking.

By establishing standards, these agreements put in place the mark that individual countries must achieve. As long as the worldwide consensus in favor of action remains in place, this can be an effective approach.

The standards also form the basis on which greater international cooperation can be established. We already have in place global programs on money laundering, on corruption, and on trafficking in human beings, aimed primarily at helping countries to meet the new global standards.

There are grounds for serious concern at the scope of transnational crime and its rapid growth. But the response that is now taking shape and gaining momentum gives grounds for optimism. This effort will need the commitment of every country, because no real success can be achieved if weak links exist in the chain. This commitment will only persist if it reflects a commitment by the public to ensure that we do not move towards a world in which democracy and human security are undermined by these new threats.

Mr. Arlacchi heads the Geneva-based UNDCCP and is also a U.N. Under Secretary-General.

ADDITIONAL RESOURCES

Victims of Trafficking and Violence Protection Act 2000

The following is an excerpt from legislation passed by the U.S. Congress.

SEC. 102. PURPOSES AND FINDINGS.

(a) **PURPOSES** — The purposes of this [act] are to combat trafficking in persons, a contemporary manifestation of slavery whose victims are predominantly women and children, to ensure just and effective punishment of traffickers, and to protect their victims.

b **FINDINGS** — Congress finds that:

1. As the 21st century begins, the degrading institution of slavery continues throughout the world. Trafficking in persons is a modern form of slavery, and it is the largest manifestation of slavery today. At least 700,000 persons annually, primarily women and children, are trafficked within or across international borders. Approximately 50,000 women and children are trafficked into the United States each year.

2. Many of these persons are trafficked into the international sex trade, often by force, fraud, or coercion. The sex industry has rapidly expanded

over the past several decades. It involves sexual exploitation of persons, predominantly women and girls, involving activities related to prostitution, pornography, sex tourism, and other commercial sexual services. The low status of women in many parts of the world has contributed to a burgeoning of the trafficking industry.

3. Trafficking in persons is not limited to the sex industry. This growing transnational crime also includes forced labor and involves significant violations of labor, public health, and human rights standards worldwide.

4. Traffickers primarily target women and girls, who are disproportionately affected by poverty, the lack of access to education, chronic unemployment, discrimination, and the lack of economic opportunities in countries of origin. Traffickers lure women and girls into their networks through false promises of decent working conditions at relatively good pay as nannies, maids, dancers, factory workers, restaurant workers, sales clerks, or models. Traffickers also buy children from poor families and sell them into prostitution or into various types of forced or bonded labor.

5. Traffickers often transport victims from their

home communities to unfamiliar destinations, including foreign countries away from family and friends, religious institutions, and other sources of protection and support, leaving the victims defenseless and vulnerable.

6. Victims are often forced through physical violence to engage in sex acts or perform slavery-like labor. Such force includes rape and other forms of sexual abuse, torture, starvation, imprisonment, threats, psychological abuse, and coercion.

7. Traffickers often make representations to their victims that physical harm may occur to them or others should the victim escape or attempt to escape. Such representations can have the same coercive effects on victims as direct threats to inflict such harm.

8. Trafficking in persons is increasingly perpetrated by organized, sophisticated criminal enterprises. Such trafficking is the fastest growing source of profits for organized criminal enterprises worldwide. Profits from the trafficking industry contribute to the expansion of organized crime in the United States and worldwide. Trafficking in persons is often aided by official corruption in countries of origin, transit, and destination, thereby threatening the rule of law.

9. Trafficking includes all the elements of the crime of forcible rape when it involves the involuntary participation of another person in sex acts by means of fraud, force, or coercion.

10. Trafficking also involves violations of other laws, including labor and immigration codes and laws against kidnapping, slavery, false imprisonment, assault, battery, pandering, fraud, and extortion.

11. Trafficking exposes victims to serious health risks. Women and children trafficked in the sex industry are exposed to deadly diseases, including HIV and AIDS. Trafficking victims are sometimes worked or physically brutalized to death.

12. Trafficking in persons substantially affects interstate and foreign commerce. Trafficking for such purposes as involuntary servitude, peonage, and other forms of forced labor has an impact on

the nationwide employment network and labor market. Within the context of slavery, servitude, and labor or services which are obtained or maintained through coercive conduct that amounts to a condition of servitude, victims are subjected to a range of violations.

13. Involuntary servitude statutes are intended to reach cases in which persons are held in a condition of servitude through nonviolent coercion. In *United States v. Kozminski*, 487 U.S. 931 (1988), the Supreme Court found that section 1584 of title 18, United States Code, should be narrowly interpreted, absent a definition of involuntary servitude by Congress. As a result, that section was interpreted to criminalize only servitude that is brought about through use or threatened use of physical or legal coercion, and to exclude other conduct that can have the same purpose and effect.

14. Existing legislation and law enforcement in the United States and other countries are inadequate to deter trafficking and bring traffickers to justice, failing to reflect the gravity of the offenses involved. No comprehensive law exists in the United States that penalizes the range of offenses involved in the trafficking scheme. Instead, even the most brutal instances of trafficking in the sex industry are often punished under laws that also apply to lesser offenses, so that traffickers typically escape deserved punishment.

15. In the United States, the seriousness of this crime and its components is not reflected in current sentencing guidelines, resulting in weak penalties for convicted traffickers.

16. In some countries, enforcement against traffickers is also hindered by official indifference, by corruption, and sometimes even by official participation in trafficking.

17. Existing laws often fail to protect victims of trafficking, and because victims are often illegal immigrants in the destination country, they are repeatedly punished more harshly than the traffickers themselves.

18. Additionally, adequate services and facilities do not exist to meet victims' needs regarding health

care, housing, education, and legal assistance, which safely reintegrate trafficking victims into their home countries.

19. Victims of severe forms of trafficking should not be inappropriately incarcerated, fined, or otherwise penalized solely for unlawful acts committed as a direct result of being trafficked, such as using false documents, entering the country without documentation, or working without documentation.

20. Because victims of trafficking are frequently unfamiliar with the laws, cultures, and languages of the countries into which they have been trafficked, because they are often subjected to coercion and intimidation including physical detention and debt bondage, and because they often fear retribution and forcible removal to countries in which they will face retribution or other hardship, these victims often find it difficult or impossible to report the crimes committed against them or to assist in the investigation and prosecution of such crimes.

21. Trafficking of persons is an evil requiring concerted and vigorous action by countries of origin, transit, or destination, and by international organizations.

22. One of the founding documents of the United States, the Declaration of Independence, recognizes the inherent dignity and worth of all people. It states that all men are created equal and that they are endowed by their Creator with certain unalienable rights. The right to be free from slavery and involuntary servitude is among those unalienable rights. Acknowledging this fact, the United States outlawed slavery and involuntary servitude in 1865, recognizing them as evil institutions that must be abolished. Current practices of sexual slavery and trafficking of women and children are similarly abhorrent to the principles upon which the United States was founded.

23. The United States and the international community agree that trafficking in persons involves grave violations of human rights and is a

matter of pressing international concern. The international community has repeatedly condemned slavery and involuntary servitude, violence against women, and other elements of trafficking, through declarations, treaties, and United Nations resolutions and reports, including the Universal Declaration of Human Rights; the 1956 Supplementary Convention on the Abolition of Slavery, the Slave Trade, and Institutions and Practices Similar to Slavery; the 1948 American Declaration on the Rights and Duties of Man; the 1957 Abolition of Forced Labor Convention; the International Covenant on Civil and Political Rights; the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment; United Nations General Assembly Resolutions 50/167, 51/66, and 52/98; the Final Report of the World Congress against Sexual Exploitation of Children (Stockholm, 1996); the Fourth World Conference on Women (Beijing, 1995); and the 1991 Moscow Document of the Organization for Security and Cooperation in Europe.

24. Trafficking in persons is a transnational crime with national implications. To deter international trafficking and bring its perpetrators to justice, nations including the United States must recognize that trafficking is a serious offense. This is done by prescribing appropriate punishment, giving priority to the prosecution of trafficking offenses, and protecting rather than punishing the victims of such offenses. The United States must work bilaterally and multilaterally to abolish the trafficking industry by taking steps to promote cooperation among countries linked together by international trafficking routes. The United States must also urge the international community to take strong action in multilateral fora to engage recalcitrant countries in serious and sustained efforts to eliminate trafficking and protect trafficking victims.

Resolutions On Organized Crime, Trafficking Adopted

The Paris Declaration of the OSCE Parliamentary Assembly

The Parliamentary Assembly of the tenth annual session of the Organization for Security and Cooperation in Europe (OSCE) adopted two resolutions July 10 addressing international crime issues in the region. The resolutions are each individual sections of a wide-ranging declaration to emerge from the session.

U.S. Senator Ben Nighthorse Campbell, a Republican from Colorado and chairman of the U.S. delegation to the OSCE, proposed a resolution on combating corruption and international crime. "Widespread corruption is a threat to the stability and security of societies," Campbell said in a statement issued upon the resolution's passage. "International crime and corruption undermines democracy and jeopardizes social, political, and economic development. It hinders economic development, inflates the costs of doing business, and undermines the legitimacy of the government and public trust."

U.S. Representative Chris Smith, a Republican from New Jersey and co-chair of the U.S. delegation, submitted the resolution on human trafficking. He is also the principal author of the U.S. "Victims of Trafficking and Violence Protection Act of 2000."

Resolution On Combating Corruption And International Crime In The OSCE Region

1. Recognizing that widespread corruption endangers the stability and security of societies, undermines democracy, and jeopardizes the social, political and economic development of a society;
2. Understanding that corruption facilitates criminal activities, such as money laundering, trafficking in human beings, drugs and weapons, hinders economic development, inflates the costs of doing business, and undermines the legitimacy of the government and public trust;

3. Noting the particularly alarming levels of corruption found in conflict zones ruled by separatist regimes which, requiring for their self-preservation large amounts of money that cannot be obtained by legal means, tend to be financed and backed by organized criminal groups specializing in trafficking in drugs and weapons and kidnapping;

4. Remembering that the Assembly's St. Petersburg Declaration called for ministerial review of practical forms of cooperation to combat corruption and organized crime and efficient cooperation among participating States and with international organizations in this effort;

5. Recalling that the Istanbul Summit recognized that corruption poses a great threat to the OSCE's shared values and that the participating States have pledged to strengthen their efforts to combat corruption;

6. Noting that the Assembly's Bucharest Declaration identified good governance as a precondition for sustainable development and inter-regional cooperation and called upon the OSCE to give appropriate attention to its economic dimension in order to support the development of a transparent and stable legal system in the economic sphere throughout the OSCE area;

7. Welcoming the Report on the OSCE Contributions to International Efforts to Combat Corruption, presented to the 8th OSCE Ministerial Council, which concluded that efforts to address corruption and promote the rule of law should be stepped up across all dimensions of the OSCE;

8. Noting the contribution of the Nantes Parlia-

mentary Conferences on Subregional Economic Cooperation Processes to efforts to combat corruption and organized crime in the OSCE space;

9. Recognizing international efforts to combat corruption undertaken by the OECD, Council of Europe, and the United Nations, and urging continued OSCE cooperation and coordination with these organizations;

10. Commending the Ninth Meeting of the OSCE Economic Forum for its focus on Transparency and Good Governance in Economic Matters and efforts to develop practical ways in which the OSCE participating States and institutions can foster sustainable economic development by implementing good governance practices in both the public and private sectors;

11. Praising the work of the Office of the Coordinator for Economic and Environmental Activities for its work in promoting transparency and good governance, particularly the drafting of the Transparency Action Plan;

12. Commending the work of the OSCE institutions and field missions in enhancing public awareness, coordinating with local, regional, and international organizations, and promoting public/private partnerships in the fight against corruption and organized crime;

13. Recognizing the importance of specialized education in the development of good and effective governance at all levels;

The OSCE Parliamentary Assembly

14. Urges the OSCE participating States and OSCE institutions to strengthen their efforts to promote transparency and accountability through support for independent and pluralistic media; promoting financial disclosure by public officials, political parties, and candidates for public office; opening budgeting processes with effective internal control systems and suitable financial management systems, and financial and compliance reporting;

15. Supports the establishment of audit offices,

inspectors general offices, third party monitoring of government procurement processes, and anti-corruption agencies;

16. Encourages our national parliaments to ensure transparency and openness in the legislative process, including public access to debate and open committee hearings, to establish and enforce parliamentary rules of ethics, ensure effective oversight of government agencies, and provide whistle-blower protection;

17. Supports the strengthening of independent national judiciaries, the criminalization of corruption, and promotion of effective law enforcement agencies that prosecute corruption;

18. Encourages business practices that promote transparent, ethical, and competitive behavior in the private sector through the development of an effective legal framework for commerce, including incorporate international standards for business practices and protection of intellectual property rights;

19. Encourages the development of public administration curricula in universities and cooperation between universities and other educational institutions to that end;

20. Urges the OSCE participating States to continue to promote free and fair national, state, and local elections, foster public participation in the legislative process and public access to government information, and engage civil society in the fight against corruption;

21. Urges all OSCE participating States to take decisive measures for the conduct of free and fair elections in conflict zones subject to the right of the entire population living in the places concerned before the conflict to take part in the elections, as a prerequisite for combating corruption and organized crime;

22. Asks the participating States to consider ratification and implementation of existing anti-corruption related international agreements;

23. Calls upon the OSCE participating States to financially and politically support effective,

professional law enforcement agencies in their fight against organized crime;

24. Calls upon the participating States further to intensify cooperation in combating international terrorism, organized crime, drug trafficking, and arms smuggling;

25. Supports regional cooperation, particularly among law enforcement agencies, in the battle against transborder criminal activities;

26. Urges the 2001 Bucharest Ministerial Council to consider practical means of promoting cooperation among the participating States in combating corruption and international crime.

RESOLUTION ON COMBATING TRAFFICKING IN HUMAN BEINGS

1. Recalling that the 1991 Moscow Document and the 1999 Charter for European Security commit OSCE participating States to seek to end all forms of trafficking in human beings including through appropriate legislation and other measures;

2. Bearing in mind that this Parliamentary Assembly condemned trafficking in human beings in its 1999 St. Petersburg Declaration and 2000 Bucharest Declaration;

3. Welcoming the adoption of the OSCE Ministerial Council Decision of November 2000 on enhancing the OSCE's efforts to combat trafficking in human beings;

4. Noting that the Decision stressed the role of national parliaments in this objective, and underscoring that, pursuant to that Decision, OSCE participating States committed "to take necessary measures, including by adopting and implementing legislation, to criminalize trafficking in human beings, including appropriate penalties, with a view to ensuring effective law enforcement response and prosecution. Such legislation should take into account a human rights approach to the problem of trafficking, and include a provision for the protection of the human rights of victims, ensuring that victims of trafficking do not face prosecution solely because they have been trafficked";

5. Welcoming the adoption in December 2000 by the United Nations General Assembly of two additional protocols to the Convention against Transnational Organized Crime regarding the prevention, suppression, and punishment of trafficking in persons and the smuggling of migrants, appeals to participating States to ratify these texts and the Optional Protocol to the Convention on the Rights of the Child regarding the sale of children, child prostitution, and child pornography;

6. Deploring the fact that, despite the increased international attention to the scourge of trafficking in human beings, each year millions of persons around the world continue to be victimized through trafficking for commercial sexual exploitation and other forms of slavery or slavery-like conditions, in violation of their fundamental human rights;

7. Noting that the OSCE region includes source, transit, and destination countries for trafficking operations and that each year many thousands of children, women, and men are trafficked for exploitation in OSCE countries;

8. Stressing the role of national parliaments in the adoption of necessary legislation to combat trafficking in human beings and welcoming Articles 106 and 107 of the Bucharest Declaration of the Parliamentary Assembly regarding trafficking in human beings;

9. Supporting the efforts of the Stability Pact Task Force on Trafficking in Human Beings and appealing to participating States to play an active role in this respect;

The OSCE Parliamentary Assembly

10. Deeply disturbed that despite the repeated commitments to ensure adequate legal prohibitions against trafficking in human beings, existing laws in many OSCE participating States remain inadequate to deter trafficking, to bring traffickers to justice, and to protect their victims;

11. Stresses once again that the parliaments and governments of OSCE participating States must review their domestic laws to ensure that traf-

ficking in human beings is established as a criminal offence and that penalties can be imposed that reflect the grievous nature of the offence while protecting the rights of trafficking victims;

12. Appeals to the governments of the participating States to establish national co-ordination and prosecution structures composed, where applicable, of representatives of the public authorities concerned, parliaments, non-governmental organizations, and associations;

13. Invites governments to become more involved in the training of members of the authorities specializing in combating trafficking in human beings;

14. Undertakes, together with the participating States, to urge non-governmental organizations and associations to heighten public awareness of the causes and consequences of trafficking in

human beings, through information campaigns in the media and socio-economic initiatives in order to warn about and combat trafficking in human beings;

15. Encourages the establishment and strengthening of co-operation between participating States in order to harmonize their procedures regarding: the prosecution of the perpetrators of trafficking in human beings; legal, medical, and psychological assistance to victims of trafficking in human beings; information and heightening of public awareness on the causes and consequences of the trafficking in human beings;

16. Welcomes the active commitment of non-governmental and other organizations or associations to combating trafficking in human beings and undertakes to co-operate with them.

Bibliography

BOOKS and DOCUMENTS

Booth, Martin

THE DRAGON SYNDICATES: THE GLOBAL PHENOMENON OF THE TRIADS

Carroll & Graf, 2000, 368 pp.

Friman, H. Richard, and Peter Andreas

THE ILLICIT GLOBAL ECONOMY AND STATE POWER

Rowman & Littlefield, 1999, 208 pp.

Kyle, David, and Rey Koslowski, editors

GLOBAL HUMAN SMUGGLING: COMPARATIVE PERSPECTIVES

Johns Hopkins University Press, 2001, 288 pp.

Richards, James R.

TRANSNATIONAL CRIMINAL ORGANIZATIONS, CYBERCRIME AND MONEY LAUNDERING

C R C Press, 1998, 344 pp.

Robinson, Jeffrey

THE MERGER: THE CONGLOMERATION OF INTERNATIONAL ORGANIZED CRIME

Overlook Press, 2000, 384 pp.

United Nations

UNITED NATIONS CONVENTION AGAINST TRANSNATIONAL ORGANIZED CRIME

United Nations, 2000, 35 pp.

Available in English, French, Spanish, Russian, Arabic and Chinese at http://www.odccp.org/crime_cicp_convention.html

United States. Department of State

VICTIMS OF TRAFFICKING AND VIOLENCE PROTECTION ACT OF 2000: TRAFFICKING IN PERSONS REPORT

The Department, 2001, 104 p.

Available at <http://www.state.gov/g/inl/rls/tiprpt/2001/>

United States. National Security Council

INTERNATIONAL CRIME THREAT ASSESSMENT

The Council, 2000, 131 pp. Available at http://clinton4.nara.gov/WH/EOP/NSC/html/NSC_Documents.html

Viano, Emilio C., editor

GLOBAL ORGANIZED CRIME AND INTERNATIONAL SECURITY

Ashgate Publishing, 1999, 230 pp.

Williams, Phil, editor

ILLEGAL IMMIGRATION AND COMMERCIAL SEX: THE NEW SLAVE TRADE

Frank Cass Publishers, 1999, 241 pp.

Williams, Phil, and Dimitri Vlassis, editors

COMBATING TRANSNATIONAL CRIME

Frank Cass Publishers, 2001, 272 pp.

ARTICLES

Berkowitz, Bruce

INFORMATION WARFARE: TIME TO PREPARE

Issues in Science and Technology, Vol. 17, No. 2, Winter 2000, pp. 37+

Available at

<http://bob.nap.edu/issues/17.2/berkowitz.htm>

Bessieres, Michel

TROUBLED LANDS WHERE CRIMINALS ARE KING

UNESCO Courier, February 1, 2001, pp. 35+

Galeotti, Mark

THE NEW WORLD OF ORGANIZED CRIME

Jane's Intelligence Review, Vol. 12, No. 9, September 1, 2000

Ghazanfar, S.M.

THIRD WORLD CORRUPTION: A BRIEF SURVEY OF THE ISSUES

Journal of Social, Political, & Economic Studies, Vol. 25, No. 3, Fall 2000, pp. 351-368

Helton, Arthur C. and Eliana Jacobs

COMBATING HUMAN SMUGGLING BY ENLISTING THE VICTIMS

Migration World Magazine, Vol. 28, No. 4, May 2000, pp. 12+

Hughes, Donna M.

THE "NATASHA" TRADE: THE TRANSNATIONAL SHADOW MARKET OF TRAFFICKING IN WOMEN

Journal of International Affairs, Vol. 53, No. 2, Spring 2000, pp. 625-651

Joshi, Charu Lata

THE BODY TRADE

Far Eastern Economic Review, Vol. 163, October 26, 2000, pp. 100-104

Malkin, Lawrence and Yuval Elizur

THE DILEMMA OF DIRTY MONEY

World Policy Journal, Vol. 18, No. 1, Spring 2001, pp. 13+

Ragavan, Chitra

CRACKING DOWN ON ECSTASY

U.S. News & World Report, Vol. 130, No. 5, February 5, 2001, pp. 14-17

Schroeder, William R.

MONEY LAUNDERING: A GLOBAL THREAT AND THE INTERNATIONAL COMMUNITY'S RESPONSE

FBI Law Enforcement Bulletin, Vol. 70, No. 5, May 2001, pp. 1-9

Vlassis, Dimitri

LONG ARM OF THE LAW

The World Today, Vol. 56, No. 12, December 2000, pp. 10-11

Wechsler, William F.

FOLLOW THE MONEY

Foreign Affairs, Vol. 80, No. 4, July-August 2001, pp. 40-57

Wise, Edward M.

RICO THIRTY YEARS LATER: A COMPARATIVE PERSPECTIVE; RICO AND ITS ANALOGUES: SOME COMPARATIVE CONSIDERATIONS

Syracuse Journal of International Law and Commerce, vol. 27, Summer 2000, pp. 303-324

Selected Internet Resources

American University
Transnational Crime and Corruption Center (TraCCC)
<http://www.american.edu/tracc/>

Carnegie Mellon University
Computer Emergency Response Team Coordination
Center
<http://www.cert.org/>

Center for Democracy and Technology
<http://www.cdt.org/international/cybercrime/>

Center for Strategic and International Studies
Global Organized Crime Project
<http://www.csis.org/goc/>

Financial Action Task Force on Money Laundering
<http://www.oecd.org/fatf/>

Global Survival Network
Human Trafficking Program
<http://www.globalsurvival.net/femaletrade/>

International Human Rights Law Group
Initiative Against Trafficking in Persons
<http://www.hrlawgroup.org/site/programs/Traffic.htm>

International Organization for Migration
Counter-Trafficking Service
<http://www.iom.int/ct/default.htm>

**Johns Hopkins University, School of Advanced
International Studies**
Protection Project
<http://www.sais-jhu.edu/protectionproject>

National Infrastructure Protection Center
<http://www.nipc.gov/>

Transparency International — USA
<http://www.transparency-usa.org/>

**United Nations Convention Against Transnational
Organized Crime**
http://www.odccp.org/crime_cicp_convention.html

**United Nations Office for Drug Control and
Crime Prevention**
<http://www.odccp.org/index.html>

United States Bureau of Customs
Stolen Vehicles and Equipment
<http://www.customs.ustreas.gov/enforcem/vehi.htm>

United States Coast Guard
Office of Law Enforcement, Alien Migrant Interdiction
<http://www.uscg.mil/hq/g-o/g-opl/mle/AMIO.htm>

United States Department of Justice
Computer Crime and Intellectual Property
Section (CCIPS)
<http://www.usdoj.gov/criminal/cybercrime/index.html>

**United States Department of State, International
Information Programs**
The Fight Against Bribery and Corruption
<http://usinfo.state.gov/topical/econ/bribes>
Chinese Alien Smuggling
[http://usinfo.state.gov/regional/ea/chinaaliens/
homepage.htm](http://usinfo.state.gov/regional/ea/chinaaliens/homepage.htm)

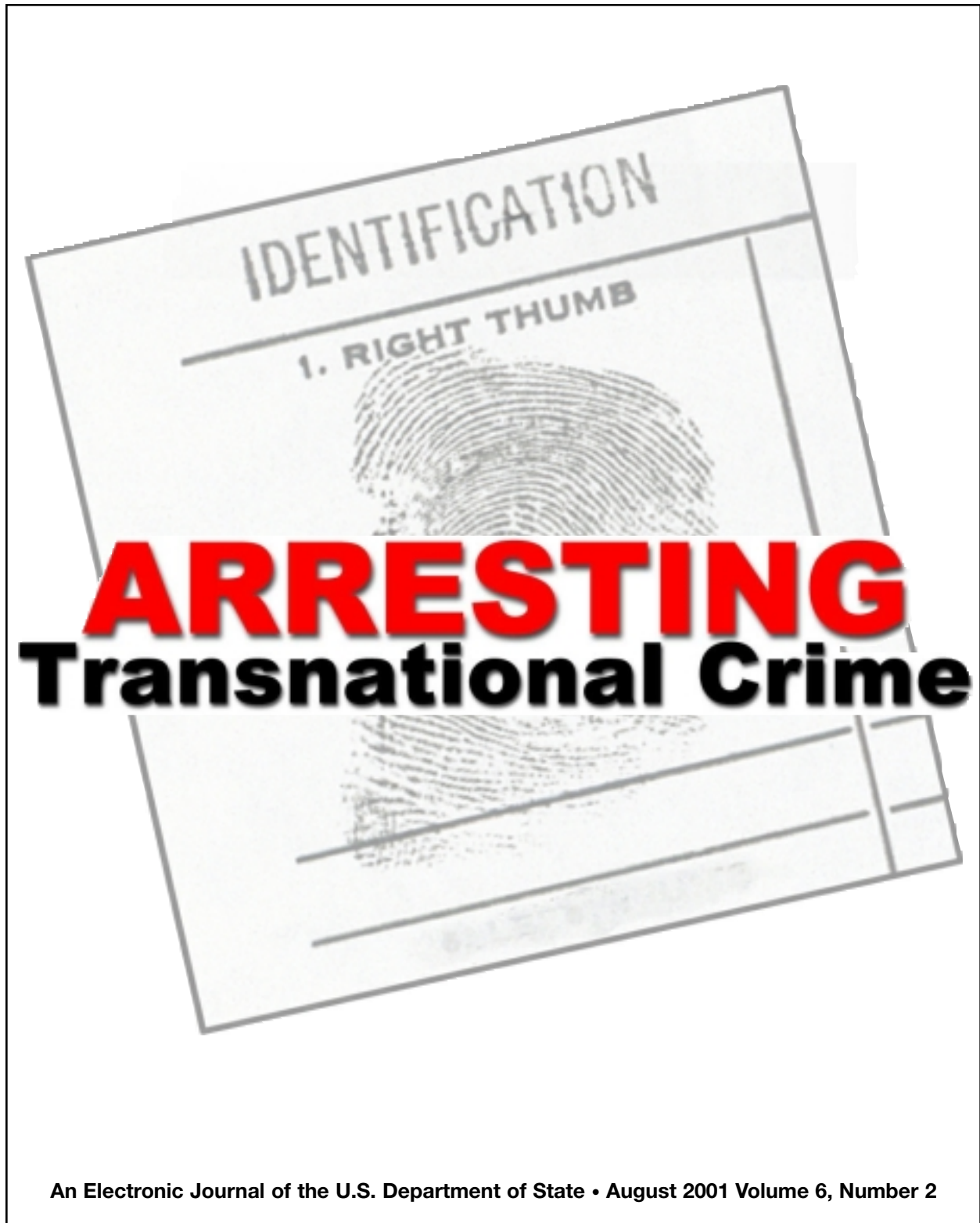
Global Forum on Fighting Corruption
<http://usinfo.state.gov/topical/econ/integrity/>

**United States Immigration and
Naturalization Service**
Law Enforcement and Border Management
Operation “Global Reach”
<http://www.ins.usdoj.gov/graphics/lawenfor/index.htm>

United States Treasury
Financial Crimes Enforcement Network
The Global Fight Against Money Laundering
<http://www.ustreas.gov/fincen/border.html>

University of Pittsburgh
Ridgway Center for International Security Studies
<http://www.pitt.edu/~rcss/>

g l o b a l i s s u e s



An Electronic Journal of the U.S. Department of State • August 2001 Volume 6, Number 2