



Wetenschappelijk Onderzoek- en Documentatiecentrum



Introduction

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This issue of our CIROC Newsletter presents a wide range of subjects, including two experiments. The first experiment concerns the idea of providing young scientists from Europe an opportunity to present their work in one or another field of research on organized crime. It is presented here in the form of an article by Jana Arsovska, a Macedonian criminologist from Leuven University in Belgium. She describes the rise and development of organized crime in Macedonia, a Yugoslav Republic which used to enjoy the reputation of being 'an oasis of peace' in the Balkans. Arsovska writes about criminal activities in the context of local conflicts, economic instability, post-war traumas and state corruption. The second experiment has to do with understanding organized crime issues through other relevant fields in criminology. The present case deals with the links between organized crime and criminal youth groups, between 'gangsters' and 'gangs'. Frank van Gemert, criminologist at the Vrije Universiteit in Amsterdam, sketches a picture of youth groups in the Netherlands in general and in Amsterdam in particular and discusses the problems relating to their stigmatisation in Dutch society.

In line with the traditional policy of the CIROC Newsletter, this issue includes three contributions on recent research in the Netherlands. Henk van de Bunt analyses cases of business racketeering and investments by crime groups in legitimate enterprises. The involvement of lawyers, real estate dealers, and financial institutions is crucial in this context. Edward Kleemans presents the results of the final report of the WODC project (the Research and Documentation Centre of the Dutch Ministry of Justice) on the phenomenon of underground banking. Richard Staring's recent research on the organization of human smuggling in the Netherlands focuses on cases of Chinese traffickers. He challenges the prevailing stereotype of the large-scale professional human smuggling organization.

Last but not least, this issue presents new Dutch publications on different aspects of organized crime in the Netherlands. Damian Zaitch reviews a recent book on cocaine smuggling.

Analysis

THE 'OASIS OF CORRUPTION AND CRIME - THE MACEDONIAN PERSPECTIVE

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Special contribution: Evgenij Najdov, Research Analyst, World Bank Office, Macedonia

What happened to the 'oasis of peace'?

During the hectic years following the fall of communism in the Balkan region, one of the Yugoslav Republics was internationally labelled "an oasis of peace" for almost a decade. Macedonia, a small country with approximately 2 million citizens, situated in the heart of the Balkan region, links Belgrade, the capital of Serbia-Montenegro, to Thessaloniki in Greece on the Aegean Sea; and Istanbul in Turkey to Durres in Albania on the Mediterranean Sea. Chancellor Bismarck once correctly noted that whoever controls Macedonia controls the entire Balkan Peninsula.

This brings us to the question who controls Macedonia. Every country in one way or another has some type of 'mafia' operating within its territory, but in Macedonia people often say that only in their motherland the 'mafia' has its own country. This may very well be an exaggeration of the scale of criminal activities in the country, but certain developments suggest that the problem is indeed significant. As in any problem solving exercise, a clear understanding of the

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problem is a necessary condition for its solution. We do not claim to provide a precise assessment of all criminal activities in Macedonia, but we will try to present a broad review of the spectrum of crime in the country.

Criminal activity in Macedonia found a fertile ground amid regional and local conflicts, tense interethnic relations, rapid political change, an economic downturn, state corruption and ethnic Albanian criminality. As a result, this small country was quickly drawn into the criminal networks so pervasive in the surrounding region. Macedonia's decade-long reputation as an 'oasis of peace' gradually changed into an 'oasis of corruption and crime'. It is sad to observe how organized criminal networks managed to exploit the advantage once observed by Bismarck.

Because Macedonia remained relatively peaceful in a very turbulent region, it did not attract a great deal of international attention during the 90's, and was 'isolated' from the EU and other broader political initiatives. This unintentional isolation resulted in a unique way of dealing with social and economic issues, as well as a unique transformation from a planned economy to a market economy. The transition was conceptualised in such a way that it facilitated political elites with dubious backgrounds to influence policy and process. Consequently, even though not *de jure* illegal, from a moral perspective the transition can be described as legalized crime. Changes in government since 1998 failed to correct this anomaly, as it turned out that the lack of institutional accountability and a corrupt and inefficient judicial system made it more profitable to become 'partner in crime' than to fight it. Additionally, in order to uphold the 'peace' in the country, the authorities turned a blind eye to many other forms of crime such as prostitution, racketeering, drug trafficking, etc.

As a consequence of its strategic location, Macedonia also swiftly found its place on the Balkan road, that has traditionally served as a passage for the shipment of criminal goods from the Near and Middle East to Western Europe. There are many different starting points for the Balkan road, depending on the criminal goods in question. Yet no matter whether one travels from north to south, or from east to west, the mountain passes in Macedonia offer a most accessible route, and as a result Macedonia became part of most of these routes.

The severe economic conditions in Macedonia have encouraged people to participate in the grey economy (estimated by some sources at 30-40 % of the GDP) and to avoid paying taxes, as well as getting involved in different types of criminal activities. The unemployment rate (depending on the measures used) varies between 30-45%; a number of enterprises employing thousands of workers have collapsed or are set to close down; 25-30% of the population live below the national poverty line; and 70% of the population confessed to having just enough money to buy the bare necessities. Yet, if a western European citizen visits Macedonia, he/she will be amazed at the wealth in certain parts of the country. Statistics and dry calculations do not do justice to the reality of Macedonia. With an average salary of less than 200 euros per month, rampant corruption among government officials and a criminal justice system that is barely functioning, many people are tempted to get involved in criminal activities. Concepts of morality change when one needs to buy food for one's family and raise children (Najdov, 2003).

Although crime seems to be flourishing in Macedonia, criminal activities are not immediately visible. The general calm and safety that people experience in Skopje led one OSCE worker to remark that, except for Liechtenstein, Skopje is the safest place in Europe. It is true that police sirens are rarely heard on the streets of Skopje. It is also true that very few people will go to the police if they have been victims of smaller crimes, such as burglary, theft, minor physical injuries, or racketeering. One reason is the low level of confidence in the corrupt and indifferent police force. The second reason is fear of retaliation and revenge by the offender. The third reason is an outcome of the Macedonian macho society, where real men solve their own problems instead of calling the police. Finally, another important factor is the general acceptance of crime as a *modus vivendi*: it pays off to be a criminal. People usually observe that "everyone does it and only few get punished", thus providing a rational argument and moral justification for their own involvement in criminal activities. These and many other reasons contributed to the acceptance by the general population of certain crimes as a way of survival in a lawless society.

Areas of criminality in Macedonia

In this brief overview of the crime situation in Macedonia we must first of all mention prostitution. The prostitution rings usually begin in Bulgaria, where women from Romania, Moldova, Ukraine, Russia and Belarus are assembled. As part of the Balkan route, Macedonia does not only serve as a transit country, but also as a country of destination. There are approximately 300 night bars in Macedonia where women are forced into prostitution. According to the Ministry of Home Affairs, 273 night bars were registered in the country in November 2002. These are all legal businesses, but the girls who frequent these bars are forced prostitutes. Furthermore, there are 23 illegal bars and in all of them prostitution is practiced. According to police experts the number of trafficked women in Macedonia from southeast European countries is close to 3000 (Nebiu, 2003).

Secondly, large quantities of opium and other drugs destined for Europe are smuggled through Macedonia. The raw material comes from the 'Golden Crescent' (Pakistan, Iran, and Afghanistan) and the Caucasus (Georgia and Armenia), is then processed in Turkey and begins its Balkan journey. The Asian narcotics are smuggled across the Bulgarian-Macedonian border, finding their way into the Albanian areas of western Macedonia. To give an indication of its importance: the Balkan route accounts for 70-90 % of all heroin seizures in Europe (*Balkan-Albania-Kosovo-Heroin-Jihad*, 2000).

Thirdly, the cigarette industry is big business in Macedonia, as the country is a major producer of tobacco. Counterfeit Marlboro cigarettes and other brand product names are packaged and shipped to Serbia, Kosovo and Montenegro, from where they are sent to Western Europe. Original products of major brand names are also being smuggled across the Macedonian border to Western markets. Anecdotal evidence suggests that a store in the duty free zone *Blace* (the border between Kosovo and Macedonia) sells enough cigarettes to meet the demand of the entire Balkan region for that particular brand (*Lucky Strike*). The domestic market for these cigarettes in Macedonia is lucrative since the state tax is avoided. Finally, racketeering, illegal sex-agencies, illegal migration, assassinations, false passport and visa forgery, are also part of the 'oasis of corruption and crime'.

Ethnicity and crime

Ethnic Albanians account for approximately 1/4 of the Macedonian population. It is a common belief among Macedonians from all walks of life that ethnic Albanians are responsible for the bulk of criminal activities that take place in and sometimes outside of Macedonia. Even former president Kiro Gligorov, one of the most respected politicians in the short history of Macedonia, clearly stated during an interview in December 2000: "generally we can not speak about it, but it is a common truth that certain parts of the population, like the Albanians and others, are more involved in crime than the Macedonians". In statistical terms, ethnic Albanians account for over 50% of all serious crimes (according to Macedonian sources) and 80% of the prison population (according to Albanian sources)(Hislope, 2001).

Is all this true or is the criminalization of the Albanian community just a form of racism and scapegoating? If you live in Macedonia it is not difficult to point out the areas where most criminal activities take place. Velesta, Aracinovo, Mala Recica, Zelino, Kondovo, all cities with a mostly ethnic Albanian population. It is also true that nowadays the fast growth of Albanian organized crime groups in Europe is a well acknowledged phenomenon. Many international organizations, such as Europol and Interpol, a number of institutes and Ministries of different countries (Italy, Switzerland, Germany, Sweden, The Netherlands, Belgium, etc.), the US

Drug Enforcement Agency, as well as the Paris-based Global Drugs Monitor (*Observatoire Geopolitique Des Drogues*) all concur on this point. They claim that these particular organized crime groups are well positioned for rapid growth. In the words of a top Italian prosecutor, "Albanian organized crime has become a point of reference for all criminal activity today. Everything passes via the Albanians. The road for drugs and arms and people, meaning illegal immigrants destined for Europe, is in Albanian hands" (Barron, 2000).

These days, there are very few criminal markets where ethnic Albanian organized crime groups are not involved. But could these groups be as successful as they are without political backup and a safe heaven from where they can operate? To return to the beginning of this article, in Macedonia the 'mafia' has its own country and someone allowed that to happen. While corrupt state officials were busy getting rich with their high class crimes such as selling state property, someone had to do the violent and dirty work. Prostitution, arms and drugs are the core competencies of the ethnic Albanian criminals, whereas most white collar crimes are perpetrated by corrupt Macedonian officials. We could call this 'a fair division of labour', all in the name of the 'oasis of peace'. Who said that ethnic Macedonians and ethnic Albanians can not cooperate?

The European dimension

But do we really have to measure which ethnic group did the most harm to Macedonia? The reality is that Macedonia is harmed and it needs help. The prime minister of Macedonia has just recently resigned, stating that he was unable to bring any reforms and improve the situation in Macedonia with a corrupt coalition partner (DUI) blocking him at every step. Should we simply ignore his statement and pretend that nothing is wrong? There are only two possible roads for Macedonia to take: the road towards European integration or the road that will lead the country to become the cancer of Europe. It is a fact that Macedonia can not fight the problem of corruption and crime by itself. Macedonia needs Europe and Europe cannot afford to abandon Macedonia since its problems are likely to spread to the rest of the continent. In today's globalized world, threats are also global and European stability will always be threatened by the existence of a 'crippled' Macedonia. Helping Macedonia is a win-win game for everyone.

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GANGS AND GANG STEREOTYPES IN THE NETHERLANDS

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Recently, the municipality of Amsterdam has made an inventory of youth groups throughout the city. In total, 118 groups were found, that ranged from 'bothersome groups' (86), to 'nuisance groups' (26) and 'criminal groups' (6) (Gemeente Amsterdam 2005). Along this line groups are said to be less sensible to authority and more prone to criminal activities. Because of their profession, policemen on the beat (in the case of Amsterdam: *buurtregisseurs*) have practical knowledge of what goes on in the streets. They play a key role in this inventory. Nowadays, the city of Amsterdam not only makes an inventory, but also has a set plan on how to approach and deal with youth groups. The regular ones can be offered free time activities in

a youth center or at the place where they hang out. The municipality plays a facilitating role in doing this. In the more serious youth groups individuals will receive a more tailored treatment, depending on their criminal status.

When speaking about the latter, the word 'gang' (in Dutch: 'jeugdbende') may come to mind, but in official documents it is not used. In Amsterdam, it seems like these words are avoided in order not to make the problem bigger than it really is. This has to do with the fact that in Europe stereotypical images of American gangs lead to misinterpretation. It is said that gangs are hierarchical and have leaders; that they can easily be recognized by symbols in clothing, graffiti and tattoos; that they have rules and initiation procedures; that they are violent and criminal; that they sell drugs and therefore protect their 'turf'. Some of these ideas go back to films such as 'The Westside Story', others are derived from rap music and popular media images, mainly those from Crips and Bloods in Los Angeles. These are the gangs most people refer to. Now, if one asks Europeans about gangs, they often reply that gangs, 'like those in America', do not exist in their vicinity. However, gangs of the referred stereotype are rare in the US as well. For example, Decker and Van Winkle (1996) interviewed gang members in St Louis and concluded that gangs seldom have stable leadership; they have no explicit rules or formal gatherings; initiation procedures are not reported. When gangs are involved in drug sales, the organization is primitive and profits are low because of personal consumption. Klein (2000) labeled this double misinterpretation of American and European gangs 'the Eurogang paradox'. So, just like the well known mafia image produced a foggy view on organized crime, gangs can easily be misunderstood because of popular stereotypes.

It is interesting to note that not just officials perceive gangs through stereotypes, street youth do the same. In the mid '90s Rotterdam and especially the Hague had several youth groups that called themselves Crips (Van Gemert 1998). The members wore blue, used gang argot and hand signs as if they were living in Los Angeles. Though some of these groups committed stick-ups and street robberies, others consisted of members that were just dressing according to the latest mode and had little to do with crime. Gang symbols were used, but not just by gang members. The media produced images that appealed to law abiding and criminal youth alike. At that point, these Crips groups consisted almost entirely of Antillean and Surinamese boys, because gangs were considered a 'black thing'. Even though in reality the majority does not fit this ethnic category (Curry et al. 1994), in the media gangs were portrayed as Afro-American. With the immense attention for (gangsta) rap music, over the years, images have changed. Nowadays rap music is color free, and, along the same line, the gangsta lifestyle is no longer exclusive for a specific ethnicity (Van Gemert 2005a). In the Netherlands, Moroccan boys make for the most common ethnic category in youth groups (Van Gemert 2005b).

False stereotypes can cause the misunderstanding of a phenomena and may lead to ineffective measures. The key to a successful response to gangs lies in the recognition of what gangs really are like. This relates to several aspects of gangs, but it is especially true when it comes to hierarchy and leadership. Since in Amsterdam, as in other Dutch cities, the police plays an important role in dealing with youth groups e.g. gangs, their perception of gangs is crucial.

Dutch policemen have implicit but strong beliefs on how to act when it comes to youth groups. Repeatedly it has been said that dealing with them can best be done by addressing the leaders. Once identified who the leaders are, one can either communicate through them and bring the group to change its conduct, or one can take the leaders from the group and it will disintegrate. This seems as a logic approach, but the assumptions must be correct to make it work? An ethnographic research on a Moroccan gang in Amsterdam-West has produced some new facts on how groups like these operate (Van Gemert & Fleisher 2005). Especially the aspect of leadership is interesting.

The members of this group in Amsterdam-West form a durable street oriented youth group whose involvement in illegal activity is part of their group identity. This group consists of 24 boys. It is a Moroccan group, with only a few non-Moroccan members. These 24 boys are the steady members, a number of others have less stable positions. Girls are not part of the group. The group has been around for at least 4 years and in that period new boys have joined and others have retired. The group has no name, no specific symbols, no territory, and there are no 'wars' with other youth groups.

The group is egalitarian. It has no ranks, nor does it have subgroups that are formalized in any sense. When asked, the boys say the group has no leader. Of course this does not mean the boys are all alike or that they would all behave the same way. Some boys are older and stronger than others are, and they will not allow the younger ones to beat them in a game or to make fun of them. On the other hand, younger boys will not obey the older ones. There is no one in the group that can tell another boy what to do. Still, in certain situations boys can take a steering role, and some boys are more likely to play those roles than others do. We could observe situations that end in conflict where a certain boy would be a catalyst and pull the group beyond neutrality. He gets into an argument with someone. At this point group mem-

bers present can intervene, but he confronts the other party and might get into a one on one fight. In this situation the others cannot stand idle, they will join in and help the boy. Certain boys do this over and again. They are not respected for doing this. On the one hand, when they are around something is bound to happen and that means boredom has no chance. On the other hand, most boys have learned that these members get the group into trouble and they hate to get in contact with the police for something stupid. The problem is, once again, that the individual cannot be told what to do. He won't listen, because within this group a docile obedient person counts for nothing.

Ethnographers give a description from the group as it looks from the inside. The group in Amsterdam-West has no leaders, so much is clear from the data gathered through interviews and participant observation. Although at some instances it can be clear that some boys take a leading role, there are no individuals that can be labeled as leaders. One cannot steer this group nor will it collapse as interventions are targeted on the 'leader'. This gang, and possibly most gangs, simply do not work that way. Just like organized crime, gangs don't live up to their stereotypes. Gangs can only be understood and dealt with if stereotypes don't get in the way.

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BUSINESS RACKETEERING IN THE NETHERLANDS

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One of the greatest concerns in regards to organised crime is that criminal groups invest the proceeds of crime in legitimate enterprises, or that licit and illicit businesses join forces. These are the so-called 'symbiotic relationships' between organised crime and its legitimate environment, which are characterized by mutual benefits and common interests. Several instances of these relationships have been found in the Netherlands, involving, among others, financial institutions, lawyers, real estate dealers, and car rental firms, who have business dealings with criminal groups in the full knowledge that the money, products or services in question are derived from illegal sources.

The greatest worry is that criminal groups are not only out to make a profit, but also try to gain control of a particular sector. It appears from Letizia Paoli's *Mafia Brotherhoods* that this combination is characteristic of Italy's Cosa Nostra and 'Ndrangheta, and that this is what distinguishes the mafia from 'ordinary' organised crime. According to Paoli, mafia groups and their members are actively involved in a wide range of business activities: they not only trade in a variety of illegal commodities, but also use violence and intimidation to dominate vital areas of the legitimate economy (p. 174). A well-known example of this, also described by Letizia Paoli, is the role of organised crime in the construction industry. Mafia groups can set up and stabilize cartel agreements, and this allows them to play a decisive role in public tenders for construction projects.

In this respect, the mafia is clearly different from organised crime groups in the Netherlands

and in many other Western European countries. A few years ago, this was confirmed once again, when a large-scale parliamentary inquiry into antitrust crimes in the Dutch construction industry revealed that construction firms systematically arranged among themselves how to submit tenders for a contract; who would be awarded the contract; and for what price. Interestingly, the role of organised crime in these practices was completely non-existent, while hundreds of legitimate construction firms were heavily involved in price-fixing and secretly arranging the allocation of projects. In other words: an abundance of organisational crime, but no involvement by organised crime.

The situation in the construction industry illustrates the position of organised crime in relation to the legitimate environment in the Netherlands: there are symbiotic relationships, but organised crime is not orchestrating events in the political arena or in the business world. However, several recent incidents cast a new light on the relations between organised crime and the legitimate world. The most important case involved a real estate dealer who was killed by a hitman in front of his Amsterdam office in 2004. Starting in the 1980s, he built a real estate empire estimated to be worth around 300 million euros (in 2001). In the 1990s, rumours began to circulate that he owed at least part of his wealth to the fact that he invested the proceeds of drugs crimes in real estate on behalf of a number of known criminals. Up until this point, the affair looked like a 'normal' case of a symbiotic relationship between organised crime and a real estate dealer. Recently, however, leaked police reports and journalistic research have revealed how desperate he was during his last years. His symbiosis with several criminals apparently took a turn for the worse after the year 2000. Symbiosis allegedly turned into extortion and attempts by criminal elements to take control of his business. Excerpts from his diary, published a year after his assassination, show how he was forced by threats as well as physical violence to hand over large sums of money to his former criminal business partners.

Several other cases - currently under police investigation - in which other real estate dealers and businessman are involved also points to extortion and the use of intimidation and violence in business transactions. It would appear that in the world of real estate, particularly in Amsterdam, symbiotic relationships have evolved into parasitic relationships. Criminals who have gained access to the market, use it not to invest the proceeds of crime, but to gain control of key figures and to extort as much money from them as possible. These are the first indications of the occurrence of business racketeering related to organised crime in the Netherlands. Our examples reveal unexpected dynamics in the relations between organised crime and the legitimate world: symbiosis between organised crime and the legitimate environment may evolve into extortion and parasitism. It is an intriguing question whether or not these cases of racketeering are a precursor of more control by organised crime of legitimate sectors. Will the methods of 'ordinary' Dutch organised criminals start to resemble the tried and tested methods of Cosa Nostra and 'Ndrangheta?

UNDERGROUND BANKING AND CRIMINAL ACTIVITIES

Dr Edward R. Kleemans (WODC)

The dramatic 9/11 attacks made financial control of terrorism a high priority policy issue and put the phenomenon of so-called 'underground banking' high on the agenda. Long before 9/11 the Research and Documentation Centre (WODC) of the Dutch Ministry of Justice had already commissioned a literature review on this issue, which was published in 1999 (Passas 1999). This review debunked a lot of myths about underground banking. It particularly highlighted the long history of these informal value transfer systems as well as the perfectly legitimate aims of labour migrants using these systems to send their money home. As a follow-up WODC sponsored empirical research into criminal abuse of informal value transfer systems (IVTS). 7 Dutch police investigations were analysed by a WODC research team, while Passas studied 15 North American and Indian cases. The final report of this project has been published in 2005, accompanying a letter to the Dutch Parliament about backgrounds, risks and policy approaches (Passas 2005a; Ministry of Finance/Ministry of Justice 2005).

The results of the WODC-part of the study were published already in the second report of the Dutch 'organized crime monitor' (Kleemans et al. 2002). It was concluded that the reasons that make IVTS attractive to labour migrants, are also the ones that make it vulnerable to criminal abuse: these systems are rather informal, anonymous, fast, and substantial amounts of money can be transferred at a relatively low cost. However, underground banking systems are not as secretive as is often suggested in the scientific and popular literature. Underground bankers often use phones, faxes and official banking accounts. In addition, beneficiaries do not identify themselves by the oft-mentioned 'torn bank note', but by their own names or passport numbers. Another myth is the idea that underground banking leaves no traces. Underground

bankers do leave traces, by using faxes and (mobile) telephones and by keeping accounts as well. As a result there are more opportunities for law enforcement to target criminal abuse than is generally assumed. Finally, the analysed cases show that underground bankers are able to transfer substantial amounts of money. Go-betweens, such as people changing money for criminal groups, play an important role in bringing criminal groups into contact with underground bankers from different ethnic backgrounds.

In the final report these findings are corroborated by North American and Indian cases (Passas 2005). The substantial amounts of money that can be handled by IVTS clearly contradict suggestions earlier made in the literature. Just as the perfectly legitimate needs of labour migrants cannot be denied, neither can the potential abuse of these systems by professional criminals and terrorists be negated (see also Passas 2005b). In addition, Passas states that even if remitters and recipients deal with honest money, the cash pool on which the IVTS operators draw may contain dirty funds as well. Furthermore, the settlement process between IVTS operators may go through very shady operations and transactions. Finally, Passas concludes that trade-related or trade-based value transfer systems are extremely sensitive, as they allow for the secret circulation of substantial amounts of money but need to be monitored without unduly hampering the legitimate international trade. Therefore, the main policy view of Passas is that policies - based upon empirical research - must seek a balance between law enforcement interests and the interests of both migrant workers and legitimate trade.

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ORGANIZED HUMAN SMUGGLING TO AND THROUGH THE NETHERLANDS

Richard Saring (Erasmus University Rotterdam, the Netherlands)

Just before the summer holidays of 2005, the Dutch National Criminal Investigation Service arrested ten members of a violent Chinese gang. All detainees were suspected of human smuggling, as well as drug trafficking, extortion and liquidations. Police not only found large amounts of drugs and money, but also came across 24 automatic firearms, among which several Uzis. The Chinese gang members were allegedly heavily involved in smuggling Chinese from their home country through the Netherlands to the United Kingdom. Smuggled immigrants had to pay up to forty or even fifty thousand euros for their journey and according to the police, gang members would not hesitate to use violence against defaulters. In addition, the police mentioned links between some of the arrested gang members and previously apprehended snakeheads of other Chinese smuggling organizations (Meeus 2005).

Since the turn of the millennium, Chinese in the Netherlands have acquired the reputation of being deeply involved in professionally organized human smuggling through Eastern European countries to the UK. They use harbour cities like Rotterdam as their safe house. The involvement of Chinese immigrants with human smuggling in the Netherlands became clearly manifest as a result of the Dover case. Already in an early stage of this investigation the police made clear that until then only executives had been arrested, instead of the organizers of the fatal transport of the Chinese to the UK. With the arrest of the notorious Sister P. and some of her gang members during 2002, Dutch police were convinced that they had captured one

of the main snakeheads behind the Dover transport. Although the court convicted Sister P. for organized human smuggling, they did not find enough evidence to relate her to the death of the 58 Chinese from Dover or to any other responsibility in relation to this transport. Only one year later, in 2003, members of another Chinese criminal organization were apprehended in Rotterdam and again it was claimed that this smuggling organization had links to the organization behind the Dover tragedy (Meerhof 2003).

The Dover case put the law's focus on human smuggling organizations in the European Union and the Netherlands. In 2004, the newly established National Criminal Investigation Service, put in place to combat organized crime in the Netherlands, designated human smuggling as one of the seven main areas of organized crime that needed their special attention. In January 2005, an amendment of the law on human smuggling was implemented. One of the main changes was the removal of the 'profit element' from article 197a of the Criminal Code. As a consequence, Public Prosecutors no longer have to prove that smugglers are motivated by profit. Instead, people accused of smuggling have to prove that they are altruistically or idealistically motivated.

These different Chinese smuggling cases seem to indicate that human smuggling has become a lucrative business, and is committed by highly organized, and professional, large-scale criminal organizations. But do these insights into organized human smuggling in the Netherlands that resulted from the arrests of several sizable, violent, and professionally organized Chinese smuggling networks, present a true and accurate picture of human smuggling to and through the Netherlands? The answer to this question must be a resounding 'no'. First of all, it is evident that the majority of illegal immigrants do not come to the Netherlands with the help of criminal organizations, but enter legally. An analysis of over three hundred stories of illegal immigrants living in the Netherlands revealed that around fifty five per cent came with a visa (usually a tourist visa) sponsored by relatives or friends, or were smuggled into the country by family or friends living in the Netherlands. Another ten percent of the illegal immigrants came on their own initiative, without the help of family, friends or smugglers. The same analysis shows that around one third of the illegal immigrants - especially those who applied for asylum in the Netherlands - were facilitated by human smugglers in one way or another (Staring 2004). This is not unique to the Dutch situation, as other researchers have reached similar conclusions about the entrance of illegal immigrants in different countries (see for instance Spener 2004).

Recently, we published *The social organization of human smuggling* (Staring, Engbersen et al. 2005), a study based on a detailed analysis of eleven large-scale police investigations into organized human smuggling, all carried out in and around the harbour city of Rotterdam. In these police investigations, thirteen separate human smuggling networks could be distinguished. In our report, we developed a continuum of human smuggling organizations, ranging from the so-called 'criminal negotiation network' to the so-called 'criminal command network' at the other end of the continuum. We classified the human smuggling networks on the basis of two network characteristics borrowed from organizational sociology. *Domination*, the first dimension, was analysed, firstly, by looking at who is in control and how control is implemented within the criminal network and, secondly, by looking at the type of relationship between the gang members and their customers. Violence or the threat of violence, both within the network as well as towards the smuggled immigrants, was also taken into account. *Coordination*, the second network dimension, was explored by distinguishing the different tasks within the process of human smuggling, and by looking at who takes care of these tasks. In addition to these two dimensions, we also looked at the transnational embeddedness of the criminal networks.

The criminal command network resembles the classic image of a hierarchical criminal organization, with a clear leader at the top who is in control of his subordinates. Money, violence, or the threat of violence, are important mechanisms to keep control of the gang members. The relationship with the customers can be characterized as business-like at best. Abduction as well as mistreatment of smuggled immigrants by gang members, with the purpose of extracting higher fees, were commonplace. In terms of coordination, these criminal networks are characterized by their large scale and by the large number of people involved, each one of them assigned a limited number of tasks. These criminal networks were more heterogeneous in terms of their ethnic composition than the criminal negotiation networks, but similar to the criminal negotiation network, the criminal command network is strongly embedded within the ethnic community, and outsiders rarely perform vital tasks within the human smuggling network.

Within the criminal negotiation network it is much more difficult to point to a specific leader or hierarchical structure. No one appears to be really in control of the other members of the network and the threat of violence is absent, both between the smugglers, as well as towards the smuggled immigrants, who are free to go as they like. The relationships within the criminal network and between the smugglers and their customers are much less business-like and

more often dominated by kinship, friendship or ethnicity. The prices smuggled immigrants have to pay, are much closer to the 'real costs' than the exorbitant prices charged within the criminal command networks. Criminal negotiation networks operate on a much smaller scale, and a small number of members perform a range of different tasks. At the same time, there are many outsiders who only once in a while engage in network activities. These criminal negotiation networks are also distinguished by their closed character based on ethnicity: the smugglers and their customers belong to the same ethnic group.

The Dutch police classified all the human smuggling organizations we studied under the heading of organized crime. The cases of the professional Chinese smuggling organizations described earlier perfectly fit the image of the criminal command network, but the majority of the networks analysed in *The social organization of human smuggling*, resembled much more the criminal negotiation network. It could be stated that these human smuggling organizations often fit the image of the small-scale criminal enterprise, where economic motives go together with kinship-based loyalties. The large-scale, violent, and professionally organized human smuggling networks, such as the Chinese gangs described in the introduction of this contribution, still seem to be the exception rather than the rule.

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Book reviews

DUTCH COCAINE MIDDLE MARKETS

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Gruter, P. and D. van de Mheen (2005) Cocainehandel in Nederland: impressies van deelnemers in drugsdistributie netwerken. Rotterdam: IVO (pp. 129)

This study aims to describe cocaine distribution in the Netherlands as seen through the eyes of its participants, showing which structures and working methods are involved and which background factors explain the participation of these persons in the cocaine trade. Gruter managed to interview 37 Rotterdam cocaine retail dealers and 24 detained persons involved in the higher levels of cocaine distribution, transport and import, collecting very valuable data on their experiences in the business between the mid-1990s and 2004.

While most retailers in the sample are linked to the street base cocaine circuit, only few of them are powder cocaine dealers supplying the recreational market. Respondents from upper levels include suppliers for domestic (as well as foreign) middle market traders, 'brokers', co-financiers of transports, transporters, import agents and 'helpers' of exporters who are involved in activities such as smuggling, stashing and money collection. There is an overrepresentation of respondents with a Dutch ethnic background who have also been involved in dealing XTC.

The interviews show that the business structure and working methods within local cocaine distribution in the Netherlands are strongly connected to the way cocaine is imported into the country. Therefore, the authors distinguish between large-scale cocaine import (mainly via sea-ports and in some cases via road transport) and small-scale import (mainly via Amsterdam's Schiphol Airport).

Large-scale cocaine import and the middle market that evolves from this import appear to be the domain of people who are active in several other illegal activities. They have good knowledge of the expedition and transport sectors, and their operations appear to be seldom destined for the Dutch local market. Remarkably, when cocaine is transported to other European countries these transports often do not only consist of cocaine, but are combined shipments with other hard (especially amphetamine and XTC) and soft drugs (hashish). The heroin trade remains in the hands of different trading networks. This research also shows that many parti-

participants make a profit as intermediaries or 'brokers', without ever coming into actual contact with the drugs.

An interesting finding of the research is that the Dutch local cocaine market seems to be almost completely supplied by small-scale imports via the Schiphol Airport. However, part of these small-scale cocaine imports is also in transit to further destinations. None of the 37 respondents active in the Rotterdam market as cocaine retail dealers reported being supplied by large-scale cocaine imports. More than half of these respondents are themselves engaged in small-scale cocaine smuggling, mainly as body packers or luggage carriers, almost always acting under the orders of others. The supply line along which the cocaine reaches the local retail dealers appears to be very short. It is rare to find more than one middleman between importation and the retail level. At the cocaine retail level participants are often dealing in both cocaine and heroin. This is, however, especially characteristic of respondents involved in the retailing of base cocaine (crack).

Regarding the factors that explain their involvement in the cocaine business, there appear to be two basic categorizations. The primary feature distinguishing these two is whether the respondent is addicted to hard drugs or not. About 75% of the cocaine retail dealers are addicts themselves, and their addiction seem to play an important role in determining their position in the cocaine distribution chain. In nearly all cases, their own hard drug use was the primary motive for their initial decision to start dealing drugs. However, their financial situation is very weak due to their own drug use. This stands in clear contrast to participants of middle and import levels, who show a relatively controlled recreational use of soft and sometimes hard drugs.

Based on the respondents' life histories, the authors distinguish three main roads leading towards involvement in the cocaine trade, namely: via family members, through their own initiative, or through the exercise of a particular job or profession (especially in the expedition sector, taxi and catering industries). Potential financial rewards are a universal motive for involvement in the cocaine trade. Yet for those acting at upper levels, it seems that trading itself is more important than the goods they trade in. This probably explains why many cocaine dealers have been involved in a whole range of other illegal trade practices during their lifetime. The trade that offers the most favourable financial perspectives and the nicest personal contacts at any given moment is the one taken up.

Some of the research findings are in line with earlier research conducted on Dutch cocaine upper level trafficking in the Netherlands (Kleemans 1998, 2002; Zaitch 2002), or on crack-cocaine dealers in American cities (Bourgeois 1995), while a different methodology was used (formal open interviews) with a different group of respondents (mainly Dutch, mainly middle and lower levels, many in prison). However, the detailed and rich material collected enables us to further our understanding of cocaine middle markets in the Netherlands both at the micro and macro level.

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New publications

Dina Siegel, 2005, Russische bizniz, Amsterdam: Meulenhoff.

This is an anthropological study from 'inside' the Russian immigrant community in the Netherlands. The author gives a detailed analysis of the links between the immigrants and the Russian and Israeli mafia, and examines cases of criminal activity, such as trafficking in drugs and women; financial and economic crimes; and the illegal trade in weapons and art. She describes a series of unsolved murders of Russian businessmen in the Netherlands, not only based on police data, but also on the information and evidence available in the immigrant community, which brings to light the discrepancies between the 'official' Dutch image of the Russian Mafioso and the perceptions of Russians. The transnational character of Russian organized crime is illustrated by empirical data from different countries in Europe, as well as from the United States.

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