

**Towards Understanding Africa's International
Criminal Organizations as an Emerging Industry in a Globalizing
World**

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Abstract

This paper is an assessment of the impacts and ramifications of International Criminal Organizations (ICOs) as they evolve into a contemporary organized industry in the globalizing arena. The ongoing shift of corporations moving from the national to the global stage has generally overlooked the resulting emergence of a single international market for ICOs. It is a truism that the state, as a result of this trend, has been compelled to yield significant authority over its sovereign domains, thus resulting in power shift from it to private actors. In this new international order, multinational corporations (MNCs) have remained the symbol of a globalizing world; but there are two other types of actors that are important but less recognized: ICOs and non-governmental organizations (NGOs). The thrust of this paper is on ICOs and their operations in Africa. Our substantive argument is that ICOs in Africa exhibit the same characteristics as those operating in other continents. They are all motivated by economic goals, and strive to attain them through the use technology, violence, coercion, intimidation, bribery and corruption, and cooperation to shape their political environment so as to diminish their need to compete in the international market.

INTRODUCTION

The dynamic momentum of globalization engendering changes within the corporate world has been moving firms from a national to global stage. Largely, adequate attention has not been given to this dramatic movement to the resulting creation and emergence of a single market for the illegal side of business: International Criminal Organizations (ICOs). As a result of the developments resulting from globalization, the state has considerably lost its authority over its sovereign domains and the result has been a power shift from the state to private actors. Multinational Corporations (MNCs) have become the symbol of a more

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globalized world; but, there are two other types of actors which are mentioned much less: the immoral authority of ICOs and moral authority of non-governmental organizations (NGOs). Simply put, the attention to these two types of actor stops precisely at a point where more attention is needed. However, this paper will concentrate on the former instead of the later. It will define ICOs and discuss how they operate in a global industry. Our central argument is that African ICOs, just like others springing from other continents, all operate in a globalizing world, using the instrumentality of violence, corruption, cooperation and technology to shape their political environment so that their need to compete in the market is diminished and their profitability increased.

Defining International Criminal

There are just as many definitions as there are types of ICOs. The United Nations (UN) draft convention against transnational organized crime defines them as, “group activities of three or more persons, with hierarchical links or personal relationships, which permit their leaders to earn profits or control territories or markets, internal or foreign, by means of violence, intimidation or corruption, both in furtherance of criminal activity and in order to infiltrate the legitimate economy” (UN, 1999). The UN definition, like many law enforcement definitions, is too broad. It also neglects to take into account the cooperation that groups at the global level must use to expand into new markets. Garoupa (1997:3) outlined five basic criteria that further refine the definition of the characteristics of an ICO: (i) Economies of scale and exploitation of monopolistic prices on the supply of illegal goods and services (ii) practice of violence against other legal and illegal business, (iii) criminal hierarchy with internationalization of negative externalities and management of portfolio of risky activities, (iv) avoidance of resources dissipation through competitive lobbying and corruption, (v) easier access to markets

Again, what is missing from this definition is the essential aspect of cooperation. What is important about this definition, however, is the economic aspect of ICOs as profit maximizing units. For the purposes of this paper, we will define ICOs as profit maximizing units of two or more people that attempt to exploit monopolistic prices on a global scale on the supply of illegal goods and services through violence against competing interests, corruption, and cooperation with their counterparts wherever a business advantage can be obtained. The realization of easier access to markets and risk sharing are essential benefits of their cooperation with other groups.

International Criminal Organizations In Africa: An Overview Of West Africa

In recent years, international criminal organizations (ICO) in West Africa, or perpetrated by West Africans elsewhere in the world, has become a matter of

major international concern. This has been perhaps most noticeable in regard to drug-trafficking, people-trafficking and fraud. The activities of West African criminals in other parts of the world are increasingly perceived by police forces in the European Union, North America and elsewhere as a serious global threat. Drug trafficking in Moscow, benefits fraud in the United Kingdom, trafficking of women to Italy for prostitution, and advance-fee fraud in the United States and Australia are just a few manifestations of what has become a major global serious social problem. Criminals from West Africa have developed a presence where there are criminal opportunities to be exploited for profits just as multinational legitimate corporations such as Shell, Mobile, Exxon, British Petroleum Oil companies (BP), Cocoa cola, Microsoft, IBM etc. establish shops where there are business opportunities. West African criminals operate in global illicit markets, sometimes making working arrangements with other international criminal individuals and/or organizations. Although West African organized crime is less violent than, for example, Russian and Mexican organized crime, its scale, modus operandi and scope are astonishing (Lyman and Potter, 2011; Williams, 2004: 1).

Origin Of International Criminal Organizations In West Africa

Organized crime in West Africa in its contemporary form is generally perceived to have emerged in the 1970s, contemporaneous with the oil boom of that decade, the delinking of the dollar from gold, high inflation, and the rapid spread of debt in the developing world. However, various antecedents could no doubt be traced back for decades earlier, such as in the ancient traditions of long-distance commerce that are characteristic of the region, or indeed in the activities of European criminal gangs who pioneered inter-continental crime from bases in West Africa in colonial times. In Côte d'Ivoire, even before independence in 1960, there were Corsican gangs specializing in cigarette-smuggling as well as the recruitment of women for prostitution in France (Ellis, 1997).

It was not only the general economic climate of the 1970s that caused some people to turn to crime as a means of livelihood on a scale previously unseen, but also some of the institutional arrangements that were introduced to stimulate trade and opportunity (Merton, 1938; Ubah, 2007). A Sierra Leonean police official, for example, connects the rise of organized crime in his country to the creation of the Economic Community of West African States (ECOWAS) in 1975, which facilitated movement between member States and illegitimate opportunity structure (Cloward and Ohlin, 1960). While there had always been movements of people from place to place, the circumstances of the late 1970s stimulated *some* very large population movements, which, to a very large extent, formed the basis for the emergence, growth and spread of organized crime. Whereas before the early 1980s, Nigeria's booming economy had been a magnet for immigrants from other parts of the region, most notably Ghanaians, the downturn in the oil economy caused many such migrants to move on in search of new opportunities. In 1983, Nigeria officially expelled millions of Ghanaian migrants in a bid to rid

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itself of officially unwanted guests. Most returned to Ghana, but a fair proportion of these promptly migrated once again to wherever they believed they might find work opportunities. This too was a major stimulus to the development of networks of people with experience of international migration, some of whom probably as a result of lack of access to legitimate means (i.e., “blocked opportunity”) for achieving primary human goods (e.g., make a good living, provide for their family) were induced to undertake secondary goods (criminal activities or strategies to achieve certain primary goods) (Ward and Maruna, 2007, Ubah, 2012, 2007) as the opportunities became available to them (Cloward and Ohlin, 1960).

In the French-speaking countries, Côte d’Ivoire offered a similar allure to Nigeria’s in the Anglophone world. Organized crime is regarded as having started in Côte d’Ivoire too in the 1970s, when the country attracted large numbers of immigrants in search of work. A problem of armed robbery emerged, as bands composed of immigrants were formed, later joined by Ivorians (Sissoko, 2004). Some politically controversial attempts to regulate immigration in the 1990s have become inextricably connected to the violence that has now emerged in the country, creating a mix of crime, politics, violence and debates on identity and migration.

Moreover, wars in Liberia and Sierra Leone have facilitated the import of firearms by armed groups, including armed robbers, to Côte d’Ivoire. A roughly similar development appears to have occurred in Senegal, where armed robbery, marijuana-trading and weapons-trafficking have been connected to the emergence of a low-intensity armed conflict in the Casamance region since the early 1980s. Indeed, it sometimes appears that the conflict in Casamance has lost almost any ideological or political content it may once have had, and has become a pretext for various forms of crime (Evans, 2003). Even the Senegalese armed forces may have become implicated, such as by abusing official procurement procedures to buy and sell weapons illegally. In 2003, for example, Spanish authorities seized 380 weapons on a ship in Barcelona that had been loaded in the Republic of Korea and was destined for Dakar. It emerged that the weapons had been purchased by the Senegalese military without providing full information to civilian officials within the defense ministry (Vines, 2004).

In Nigeria itself, at least one expert considers that elements of organized crime may be identified before 1975 in the form of organized groups involved in falsifying imports in order to transfer funds outside the country, normally in contravention of currency regulations. This process involved over-invoicing, or importing sub-standard goods for delivery to government departments, in return for kickbacks paid to government officials. This practice was alluded to by the executors of the country’s first coup in 1966. This is an interesting observation in that, as will be analyzed in a subsequent section, it may be regarded as a pioneering form of the widespread frauds that were to become a trademark of West African criminal networks in later years. The same expert agrees with many other sources, however, that in general, the 1980s was the decade that first

witnessed the flourishing of organized crime in Nigeria. This he attributes to the general corruption of the civilian government of 1979-1983; the introduction of a structural adjustment program in 1986, resulting in greater poverty and unemployment and a consequent increase in emigration; the rapid and ill-prepared liberalization of the financial sector, including the establishment of poorly regulated finance houses and banks, providing new opportunities for money laundering and fraud; and illegal foreign exchange transactions.

The first cases of heroin trafficking were recorded in Nigeria in the early 1980s. From the late 1980s, such a historical sketch, although brief, does suggest some salient points to be considered if transnational crime in West Africa is to be situated within an appropriate context. A first point to be noted is that all West Africa's current sovereign States, with the exception of Liberia, became independent only within the last 50 years.

A Typology of ICOs in West Africa

There are clear deficiencies in the approach of the police and other law enforcement agencies towards organized crime throughout West Africa. In Nigeria for example, which is the most populous country in Africa and one of its dominant economic and political players, and where there are significant problems of organized crime, the police and other agencies of social control appear to have only limited capacity to analyze the structures of organized crime, tending to regard all those whom they apprehend as individuals (Alemika, 2004).

Even allowing for the dearth of such work, however, there seem to be some clear similarities in the patterns of organized crime throughout the region. One striking feature that has been mentioned already is the connection between armed conflict and organized crime. A second is the growth of West Africa in general as a transit point for a number of major international criminal trades, such as in drugs.

Regarding the first of these two remarks, the wars that have taken place in Sierra Leone, Liberia and elsewhere in Africa involve highly irregular forces that live largely by plunder, making it difficult to determine the degree to which such wars are best considered in political terms or as a form of crime (Lengor, 2004). Moreover, it is not only irregular combatant groups that may become involved in aspects of organized crime, but also governments or state agencies.

Thus, during Sierra Leone's civil war (1991-2002), members of the ECOWAS peacekeeping force allegedly imported drugs illegally to sell to their ostensible enemies, members of the rebel RUF. It is also reported that members of the military junta that controlled Sierra Leone in 1997-1998, realizing the potential for moneymaking that was offered by the conflict, "started to use the country as a transit point" for illegal drugs smuggling (Lengor, 2004: 17).

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Even when a war ends, demobilized fighters may continue to pose a problem of crime, by turning to armed robbery as a livelihood. For this reason, countries emerging from armed conflict are especially vulnerable to this form of crime, and indeed there may be people who seek to prolong armed conflicts for purely financial reasons. However, although fighters are known to pass from one conflict to another, becoming in effect mercenaries or international freebooters, armed robbery as such does not appear to be a transnational phenomenon to any great extent in West Africa—unless, that is, all war is considered as crime, a point of view that some observers and commentators do hold, but that for present purposes appears to stretch the definition of organized crime too far.

In relation to ICOs in a narrower sense, of people pursuing sources of profit in ways that can hardly be regarded as political in any sense, a striking tendency in West Africa is the region's emerging role as a zone of transit. Criminal entrepreneurs have proved themselves to be adept at entering into global trades in illicit goods, such as drugs, and have developed expertise in certain types of fraud favored by globalization, such as via Internet. It is notable that the type of organization frequently adopted by West African criminal networks, as will shortly be described, is well-adapted to such global trades. Non-Africans also use West Africa as a transit point for illicit cargoes: in this respect, the spread of war and the inability of some West African States to offer efficient or effective police services make them attractive as operating bases for criminals from other parts of the world.

The activities of ICOs in West Africa provide an indication of the nature, extent and diversity of the activities of organized criminal groups in sub-region. This provides some indication as to the complexity of illegal activity in the region. To illustrate this further a short explanation is provided below as to the role of organized crime in a number of specific areas identified by the United Nations Office for Drugs and Crime (UNODC) as the most important. Thus, the following typology of crime represents examples of ICOs in West Africa.

Drug Trafficking

Although cases of drug trafficking exist in West African police and court records from as long ago as the 1930s, the region's emerging role as a transit point for global movements of narcotics can be said to have become a serious social problem only in the early 1980s. According to almost all accounts, it was pioneered in this region by Nigerians, soon joined by others, and police forces in Ghana and Sierra Leone both allege that drug trafficking was introduced to their countries largely by Nigerian criminals seeking new operating locations. But although international narcotics trading in West Africa appears to have been pioneered by Nigerians, and by all accounts Nigerian entrepreneurs now play a major role in the international drug trade, every country in West Africa has the capacity to become a transit zone used by criminals of any nationality. The Cape Verde islands are West Africa's main entry point for cocaine, although Ghana,

Nigeria and Togo also play important roles. Most of the cocaine brought into West Africa is re-exported to other destinations, especially Spain, Portugal and the United Kingdom. In seizure reports gathered by UNODC over the period 2000-2004, more than 1.4 tons of cocaine had been seized en route to West Africa or from West Africa to Europe, not including two unusually large seizures of 2.29 and 7.5 tons (Quist, 2004). There is also an important import and re-export trade in heroin, notably from South Asia.

The key entry points are Ethiopia and Kenya, with Egypt to a lesser extent. Cargoes are then transported from East to West Africa, almost entirely by air courier, with Côte d'Ivoire forming the hub of the trade in West Africa. However, since the outbreak of war in Côte d'Ivoire in 2002, there may have been a decline in heroin trafficking through that country, with a corresponding rise in neighboring countries (Quist, 2004).

It is sometimes pointed out and agreed upon that Nigeria is by far the most populous country in West Africa, and indeed in the whole of Africa, and that it is therefore to be expected that the country will produce greater numbers of criminals than its neighbors. Some people also suggest that criminals of other nationalities may sometimes find it convenient to pass themselves off as Nigerian. This appears unlikely, given the poor reputation that is attached to possession of a Nigerian passport, and given also the fact that customs officers tend to work by "profiling": making checks on people who conform to certain categories that they consider statistically most likely to be carrying illicit goods. Any proficient Nigerian criminal would probably make acquisition of another passport a top priority. Even if one were to make allowance for doubts over the true nationality of some couriers bearing Nigerian passports, there is overwhelming evidence to support the view that the drug trade remains one of the specialties of Nigerian criminal groups. Of couriers intercepted with drugs transiting through West Africa, according to statistics compiled since 2000, 92 percent were West Africans and no less than 56 percent were Nigerians (Quist, 2004). Moreover, a few of the remaining 8 percent were West Africans who had acquired a second nationality through naturalization. One experiment at Amsterdam's Schiphol airport involved screening passengers arriving from Aruba and the Dutch Antilles—a favorite drug-smuggling route used by some of the 1,200 couriers arrested at Schiphol in 2001.

When Dutch customs officers noticed the increasing numbers of Nigerians using the route, they experimented by checking every single Nigerian arriving at Schiphol from Aruba or the Dutch Antilles for a period of 10 days, rather than operating the usual spot-checks only. They found that of 83 Nigerian passengers using the route over those 10 days, no fewer than 63 were carrying drugs (Quist, 2004). Law enforcement agencies in a wide variety of countries, including the Netherlands, South Africa, the United Kingdom and the United States, all report the regular interception of Nigerian drug couriers, and their police intelligence services believe that some Nigerian networks have developed a very considerable

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share in the global narcotics market. United States law enforcement officers have described how Nigerian networks may collaborate with significant Colombian, Mexican and Italian groups, in effect receiving subcontracts from these major operators who have tended traditionally to operate in more hierarchical structures than the Nigerians. It appears that, whereas the old-established "mafias" (Puzo, 1969) may have the ability to transport very large quantities of narcotics to the United States, even tons at a time, the most successful Nigerian syndicates import smaller quantities but enjoy an exceptional range of contacts and an impressive flexibility of organization that enable them to exploit market niches that the major mafias cannot always reach.

It is by these means that Nigerian drug traders have managed to gain a major stake in what is, literally, the world's most cut-throat market, yet without actually using violence and far-reaching hierarchical structure. To put these observations in perspective, it may be noted that 10 percent of the cocaine seized in Africa in 2002 was intercepted in central and West Africa and no less than 81 percent in Southern Africa. However, it must be taken into account that among seizures in South Africa was one cargo of 350 kilograms destined for Togo.

If these 350 kilograms are subtracted from total seizures in Southern Africa and added to the totals for West and Central Africa, the latter regions would account for 78 percent of continental cocaine seizures and Southern Africa for only 13 percent. Behind these figures lie some questions that are difficult to answer with precision, such as the extent to which the high seizure rate in Southern Africa may reflect more efficient policing than in West Africa, and the extent to which cocaine imported to Southern Africa is actually handled by West African gangs working offshore (Shaw, 2002). In regard to Nigeria, the place of origin of many drug entrepreneurs and smugglers, no comprehensive figures for drug-related arrests are available, but the Nigerian Drug Law Enforcement Agency (NDLEA) reported the following numbers of arrests for the period 1994-2003: cannabis, 18,775; cocaine, 559; heroin, 598; pharmaceutical psychotropic drugs, 799 (Elemika, 2004a).

The drug transport business appears to be dominated by men, although women sometimes work as couriers. Most offenders appear to be between the ages of 18 and 35. With all the caveats considered above concerning the lack of statistics or other hard evidence, it appears to be reasonably well established especially by Quist (2004) that:

- Several West African countries are used as a base by organized networks of drug traffickers with international connections. Very large shipments via West Africa, to judge from the evidence of a handful of major seizures, tend to be controlled by non-Africans having one or more local accomplices. In addition, there are significant numbers of West Africans who may attempt to smuggle narcotics from Latin America or South Asia to Europe or North America in smaller quantities, not more than a few kilograms, either directly or through West Africa. Most are the so-called "stuffers and swallowers", who secrete narcotics in their bodily

orifices or swallow them wrapped in condoms, for later retrieval. Typical cases would include for example the 26-year-old Nigerian woman who had acquired 815 grams of heroin in Pakistan, and flew from Karachi via Dubai and Libreville before being arrested at Cotonou airport in Benin on 30 December 2003 as she left an Air Gabon flight. Another case was the 28-year old Nigerian man arrested on 25 July 2003 at Addis Ababa airport, Ethiopia, en route from Karachi to Abidjan, having swallowed no less than 1.266 kilograms of heroin. It is not unknown for major drug traders to use the so-called “shotgun method”, whereby they hire several individuals to carry drugs on their behalf on the same flight, with four or more couriers in the same plane being unknown to each other. If a customs search on arrival at an airport finds one of the couriers, the others are likely to proceed unsearched as the attention of customs officers is concentrated on the one target they have located.

Côte d’Ivoire has established itself as a major transit point for heroin, although it may be in decline since the outbreak of war in 2002. Figures compiled by UNODC since January 2000 indicate 22 cases of couriers bound for Abidjan being intercepted in four years, with some cases involving multiple couriers. In at least 14 of these cases, one or more of those arrested was Nigerian. Most were carrying heroin obtained in Pakistan, although one interception made at Abidjan airport on 9 July 2002 was of a Guinean and a Nigerian male travelling together, who had transported 3.149 kilograms of cocaine from Curaçao via Amsterdam, some of it in their luggage, and some swallowed.⁸² Couriers using this method will sometimes swallow as many as 80 or 90 packages of narcotics wrapped in condoms.

There are certain consistencies in the routes taken by intercepted couriers or transporters of narcotics. Thus, many Nigerian individuals and networks seem to be working through Casablanca, using it as a staging-post for cargoes of cocaine from South America. There appear to be two ways in which couriers can use a north-south detour to minimize the risk of detection. The first way is for a courier to travel from South America, transit for example via London, and disembark in Casablanca, Bamako or Accra. The law enforcement capacities for a thorough check at one of these latter airports are a lot weaker than in London, and therefore the risk of detection is less. A second method is for a courier to travel from South America via a relatively low-risk country, such as Senegal, en route to Amsterdam. On arrival, there is much less attention paid to passengers disembarking from Senegal in comparison to those coming from the Dutch Antilles, for example. Ethiopian Airlines is an airline favored by heroin couriers, probably since it has convenient routes from Asia to West Africa (Quist, 2004).

There is evidence that drug trafficking networks in the region have the capacity to corrupt government officials and influence the outcome of criminal justice processes.

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Although the press often refers to “drug barons” and “drug mafias”, there is actually no evidence for the existence of West African drug cartels in the sense of hierarchical, rather permanent, corporation-like structures and rituals (Ubah, 2012). Evidence suggests that participants start on a small scale, for example as individuals who try their luck as couriers, or as traders in legitimate goods who diversify into the illegal sector. In the early 1980s, for example, it was reported that Nigerian students in the United States often doubled as small-scale couriers, perhaps because of difficulties in receiving their scholarship allowances at that time coupled with their access of the opportunities in the trade. Those that succeed may then recruit couriers, usually on a one-off basis, and join the league of larger operators.

Advance-Fee and Internet Fraud

Advanced-fee fraud, including through the Internet, appears to be a field in which Nigerian entrepreneurs were pioneers in Africa, and remain prominent actors in the scheme. According to one of Nigeria's leading financial regulators, at an Interpol meeting in 2003, 122 out of 138 countries represented complained about Nigerian involvement in financial fraud in their countries (Alemika, 2004b). Although fraud can take many forms, including for example false insurance claims, undoubtedly the most notorious type is the advance-fee fraud known as “419”, named after the section of the Nigerian Criminal Code prohibiting the practice. Indeed, in Nigerian popular speech and culture, anyone untrustworthy can be referred to as a “419”. While advance fee fraud or “419s” can take a variety of forms, they are by definition attempts to obtain pre-payment for goods or services that do not actually exist or which the proposer does not actually intend to deliver. One of the key features of typical “419” frauds of this type is that the instigator proposes a service that is clearly illegal, such as the laundering of illicitly acquired funds through the target's bank account. Anyone who responds positively to such a proposition is knowingly participating in an illegal activity.

For this reason, Western police forces have traditionally had little sympathy for victims of “419” scams and have therefore acquired rather little information enabling them to identify the perpetrators. However, in recent years some police forces have begun to take such crimes more seriously, not only on account of their apparent scale, but also because of the realization that perpetrators of advance-fee frauds may also be involved in other forms of crime, such as drug-smuggling, that police forces do indeed take seriously (Ellis, 2003).

Some analysts situate the origins of “419”-type frauds in Nigeria in the abuses of the administrative requirements for importing goods there in the 1970s and early 1980s. This was the period of the Nigerian oil boom, which created massive financial opportunities for Nigerians with access to government contracts and their foreign partners who were able to provide the goods and services required. There were many cases of one or other party using the system dishonestly—or, more damningly, of both colluding. One researcher notes:

“The common element in these was that through collusion between government officials and foreign businesses, imported goods were over-invoiced, resulting in the transfer of huge resources from the country without the supply of goods and services. The West became used to money being stolen into foreign countries with the collusion of foreigners. This was the precursor to the current financial scam and the reasons why western conspirators actually believed the financial scam perpetrators....The process of liberalization also reduced the foreign exchange controls and led to the deregulation of financial and banking services, which may have contributed to the crime”(Elemika, 2004a: 7).

The import scams of the 1970s and 1980s were generally possible only for those with good contacts in government, or who were already running an established business with international connection. Some essential aspects of the technique have since been acquired by others without any such assets.

In effect, little start-up capital is required for someone to operate a “419” scam. All that is required are the names and addresses of prospective victims, and access to electronic communications such as a telephone, a fax, or e-mail and internet facilities. Today, these are easily acquired in public internet cafes or business services bureaux. One person can pose as the relative of a known *figure*, such as a former head of state or minister, claiming that their late husband or parent has left behind a fabulous sum of money that requires laundering in collaboration with a foreign partner, in return for a percentage of the sum. Frauds of this type have increased in Côte d’Ivoire since 2000, said to be organized by Nigerians. In one such case, a Nigerian fraud gang working in Côte d’Ivoire succeeded in cheating an Iranian businessman of some CFA 40 million (approximately US\$80,000). In the United States the Internet Fraud Complaint Center (IFCC), which receives information on Internet crime, calculates in its 2001 Internet Fraud Report that Nigerian letter fraud cases amount to some 15.5 percent of all complaints (Sissoko, 2004: 12). The consultant who reports this statistic notes that “while the median loss in all manner of Internet fraud was US\$435, in the Nigerian scams it was US\$5,575”. In its report for 2002, the same organization noted that of some 16,000 complaints regarding Nigerian fraud communications, 74 people had lost between them some US\$1.6 million.

The very impermanence of e-mail communications makes it hard for police forces to apprehend “419”-fraudsters, but there is some information about them that is fairly well-established. Most obviously, “419” operators have to be well enough educated to perform e-mail transactions in such a way as to be untraceable, and to have sufficient knowledge of international government and business practices as to trap the greedy and the gullible (Williams, 2004).

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Internet fraudsters are known to work with lawyers, accountants and even members of the security agencies whom they may pay for their services. Known cases of advance-fee gangs suggest they commonly operate in groups of two to five. One of the most notorious cases, which netted US\$240-245 million, involved several people. The initial contact with the victim was made by a Dr Ukeh, who had connections with others whom he brought into the scheme. These included one Emmanuel Nwude, an aspiring politician and owner of properties in Lagos, Enugu and London, who emerged as the main organizer of the subsequent fraud; a couple, Ikechukwu and Amaka Anajemba, and a politician, Maurice Ibekwe. Another notorious fraudster, Fred Ajudua, was a lawyer who usually worked with just one accomplice. Certain fraud projects may require extra personnel, such as if it involves a visit by the target to Nigeria, in which case people may be required to act the role of a government official, a banker, an official driver, etc. (Elemika, 2004b). All of these individuals may be staged and engaged for a particular task without being informed of the larger scheme in which they are participating.

Human Trafficking

Human trafficking in the region takes place in a variety of ways and forms (Kangaspunta, 2010). One form is that of agricultural slavery. In Côte d'Ivoire, it is reported that some of the immigrants from Burkina Faso who work on cocoa plantations in the west of the country are in effect slaves (Sissoko, 2004). Cases of imported slave labor are also reported from Sierra Leone, notably of Indians, imported by Lebanese or Indian businessmen (Lengor, 2004). The traditional system in West Africa, whereby an adult may place a child or other young dependent in a distant part of an extended family as a ward or apprentice is abused for purposes of monetary gain.

West Africa is also the site of another form of human trafficking, as a transit point for people seeking to avoid international controls on migration. In 2003, a Nigerian citizen was arrested in Sierra Leone in the company of six Chinese nationals whom he was helping to travel to the United Kingdom. The organizer was working in partnership with a Chinese entrepreneur based in Nigeria. Both Nigerian and other international groups are said to use Sierra Leone as a place of transit for labor migrants under the guise of refugees.

A third form of trafficking is for purposes of prostitution or sex slavery. In Sierra Leone, it is reported that members of the country's influential Lebanese community have taken local girls to Lebanon, mostly under 18 years of age, ostensibly to work as maids. In fact, they are allegedly put into the prostitution business in Lebanon. The traffickers pay money to the girls' families "so as to divert their attention from their children" (Lengor, 2004: 20). There was a noticeable increase of human trafficking of various types in Sierra Leone during the war of 1991-2002, as young people went abroad to Libya, Burkina Faso and Côte d'Ivoire for training as fighters, often lured with false promises of education

or employment. Others were obliged to work for armed movements as forced laborers or sex slaves.

A particularly flourishing trade in prostitutes exists from Nigeria. Many of the girls or young women involved are from Edo state, and the main destinations are Europe—especially Italy—and the Middle East. Nigeria's international trade in prostitutes is believed by analysts to have grown in the 1990s as prospects for employment in Nigeria deteriorated. The organizers of the trade are often women, sometimes former prostitutes themselves, who have succeeded in making money and graduating to the status of madams, although they depend on men for forging travel documents and escorting the girls to their destination. The networks through which girls and young women are recruited are reported to be well organized and to be relatively solid and durable, rather than merely ad hoc. Many girls initiated into prostitution are obliged to undergo quasi-traditional religious rituals that bind them to secrecy, before being provided with forged papers and sent abroad, often via other West African countries. It is also reported that girls may be initiated into their new trade through rape and other violence.

A successful madam must attend to all aspects of her business. She must organize the recruitment of prostitutes in West Africa, often on the pretext that they will find jobs in agriculture or the hotel business in Europe, but must also procure false or forged travel documents for the girls. She will need to bribe immigration officials, both in Nigeria and in transit countries; she will need to have a network of operators of hotels or hostels; she will need to have guides, referred to as "trolleys"; she will need to be in touch with fetish priests, who administer an oath of secrecy on prospective prostitutes, and with lawyers who can draft agreements binding a prostitute to a madam. Typically, a madam may claim to have invested US\$40-50,000 for the costs of travel to Europe, which the prostitute is required to repay.

The large numbers of people deported from Italy and other EU countries in recent years suggests that this is a flourishing field. Press reports indicate "1,116 people deported for trafficking in prostitutes in 2001 alone, the majority from Italy, with others from Netherlands, Spain, Germany and Belgium" (Alemika, 2004a: 10).

Diamond Smuggling

The smuggling of diamonds has become something of a specialty in parts of West Africa, due largely to the occurrence of high-quality alluvial diamonds in Sierra Leone especially, that can be mined with no more equipment than a spade and a sieve, and deficiencies in government that permit smuggling and other evasion of official regulations on a massive scale. The most profitable part of the diamond trade is not the extraction of the stones, but their export to wholesale and cutting centers overseas, most notably in Belgium. This export business is dominated by

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foreigners, especially Lebanese and Syrians, many of them established in West Africa for generations, and, to a lesser extent, Israelis.

The mining and export of diamonds overlaps with organized crime in at least three respects. First, rebel groups use diamonds to finance their war effort. While the most notorious example is the RUF in Sierra Leone, the same has been done by Liberians United for Reconciliation and Democracy (LURD) in Liberia and by elements in Côte d'Ivoire. It has been reported that there is a connection between Al-Qaeda and the illicit diamond trade in West Africa. Agents of Al-Qaeda allegedly systematically bought diamonds from Sierra Leone as a way of laundering money, and there is substantial evidence that diamonds may be used for financing a variety of political or guerrilla movements in the Middle East (Farah, 2004). In the 1980s, the leading diamond-dealer in Sierra Leone, Jamil Said Mohammed, who was himself half-Lebanese, developed considerable influence in Lebanon—at that time in a state of civil war—and, through his Lebanese connections, in the Islamic Republic of Iran. Sierra Leonean diamonds were a significant source of financing in the Lebanese civil war (Ellis, 1988: 69-75).

Second, diamonds are smuggled even from areas that are not prone to conflict. Statistics covering the diamond trade are full of discrepancies suggesting that, particularly during the war of the 1990s, diamonds mined in Sierra Leone could be smuggled to neighboring countries before being sent on to Belgium, so that Belgian import figures often bear little relation to the export statistics of other countries. The illegal trade is by no means new, with one study completed in the 1950s judging the smuggling of diamonds from Sierra Leone to be “the greatest smuggling operation in the world” (Fleming, 1960: 126). In short, the existence of a huge, barely-regulated diamond sector in Sierra Leone implicates many countries and networks in the region in illegality. It is also exceptionally deeply-rooted, having existed for over half a century.

Third, organized crime groups may engage in the licit diamond trade partly to cover illicit activities elsewhere, in other words as a form of money-laundering. Most observers of the diamond business believe that this takes place to some extent, although there appears to be little hard evidence available to suggest exactly how such networks may function. When Sierra Leone's economy declined in the 1980s, a shortage of foreign exchange through formal sources—banks—meant that Lebanese diamond traders were able to provide foreign exchange which they had procured through diamond sales. Some also acquired import businesses so as to complete an import-export cycle. Some experts believe that some diamond companies in West Africa continue to import legitimate goods to West Africa and use diamonds to settle their accounts in a form of hawala so as to minimize the necessity to use banks or other conventional financial mechanisms that would expose them to tax obligations.

Some diamond merchants who are prominent in West Africa also have diamond interests elsewhere, notably in Central Africa, suggesting the existence of very

complex movements of illegal goods and diamonds covering several different countries and regions (Dietrich, 2004).

Money-laundering

The laundering of the proceeds of crime in West Africa appears to occur through a wide variety of methods. As noted, there are indications that some of the wealthiest individuals, including those who have gained wealth through massive corruption, such as the late Nigeria Head of State Sani Abacha, may enjoy the complicity of major international companies to move their wealth to bank accounts outside Africa. Some of the world's largest banks are known to have been complicit in such schemes, including the notorious Bank of Credit and Commerce International (BCCI), which had more branches in Africa than in any other continent, as well as some private banking operations (BBCI, 1992; US Senate, 1999).

Seasoned observers of Nigeria consider that money laundering was greatly facilitated, at a time when the drug trade in particular was in rapid expansion, by the growth of unlicensed finance houses, especially in the period 1988-1991. Other businesses regarded as particularly suitable for money-laundering include second-hand car dealing and fashionable clothes' boutiques, the latter favored particularly by female entrepreneurs (Alemika, 2004b).

Throughout West Africa, almost all car purchases are of second-hand vehicles, often with few or no documents attached. This clearly offers possibilities for money laundering through the motor trade. The diamond trade is also widely regarded as a particularly suitable medium for money-laundering. A report issued in March 2004 by the United States State Department's Bureau for International Narcotics and Law Enforcement Affairs lists several countries as "vulnerable" to money-laundering via the diamond trade, including Liberia and Sierra Leone (Partnership Africa Canada, 2004).

Arms Manufacture

Several countries in the region, but especially Ghana, have a flourishing artisanal industry of arms manufacture. Such artisanal manufacture in Ghana is increasingly transnational, as arms are smuggled outside Ghana for use in violent crime. Iron-working technology has been known in West Africa for many centuries, but the manufacture of guns was made a criminal offence in colonial times. However, local smiths have not lost the skill of making guns, and recent research indicates that local processes of gun-making have gained greatly in sophistication. In one seizure of illegal weapons in Nigeria in April 2004, the goods confiscated included not only foreign-made guns and ammunition, but also a locally assembled AK-47 assault rifle as well as 13 locally-made revolvers, four

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double-barreled shotguns, one single-barreled shotgun, and other pieces as well. Police arrested 19 illegal manufacturers (P.M. News, 2004).

In Ghana there are also smiths who are able to produce pistols, shotguns, revolvers and even, in one case, an AK-47. Ghana, in fact, appears to have the region's most sophisticated capacity for manufacturing firearms. According to pioneering research carried out by a leading Ghanaian academic, all 10 regions of the country have a manufacturing capacity, concentrated in small workshops that are able to produce 200 or more guns per year. Middlemen export these to other parts of West Africa, including notably Côte d'Ivoire, Togo and Nigeria. Within Ghana, guns are sometimes sought in cases of land and chieftaincy disputes. A study of 5 of Ghana's 10 regions identified no less than 70 towns in which a manufacturing capacity existed, with some 2,500 manufacturers in Brong-Ahafo region alone, suggesting a total production of 40-60,000 guns annually (Aning, 2004a).

A recent arrest suggests the route taken by many of these guns: on 1 April 2004, Nigerian police arrested a man coming from Benin with 16 firearms purchased in Accra, Ghana. His intention had been to sell them in the market at Onitsha, the largest market in West Africa. The police considered they were definitely destined to be used by criminals in Nigeria (*Vanguard*, 2004). Moreover, similar reports of artisanal weapons manufacture have been received from Senegal, Guinea, Benin, Togo, Mali and Nigeria, although in none of these cases is the subject to have been so extensively researched as in regard to Ghana.

Arms Trafficking

It is common cause and a truism that West Africa contains large quantities of illicit small arms, although the estimates given—the figure of seven million is sometimes encountered—appears often to be exaggerated. ECOWAS adopted a moratorium on imports in October 1998, with a provision that Member States wishing to import weapons should notify ECOWAS of their intention to secure exemption from the moratorium. In fact, the Moratorium on the Importation, Exportation and Manufacture of Small Arms and Light Weapons in West Africa has not worked well, as Côte d'Ivoire, Liberia, Burkina Faso and Guinea have all violated it by supplying non-State actors with freshly imported weapons and ammunition. In so doing, they have also violated United Nations arms embargoes on Sierra Leone and Liberia. In 2002 and 2003, for example, Côte d'Ivoire allegedly received several deliveries of military equipment by air that went unreported to ECOWAS. For Liberia, the figures for the same two years were 49 and 25 deliveries respectively. One international broker based in West Africa, who has organized several deliveries of weapons by air and sea, told a UNODC consultant that he had never heard of the ECOWAS Moratorium (Vines, 1004).

In addition to the import and distribution of light weapons by Governments, notwithstanding their signature of the ECOWAS Moratorium, there is an unregulated non-State trade. Virtually every country in the region has a problem in this regard, with Côte d'Ivoire and Nigeria probably being the largest importers at present. Nigeria causes particular concern, most particularly in connection with fierce armed conflicts in the Niger Delta region—which is already in the “high intensity conflict” category with over 1,000 fatalities per year. The availability of weapons interacts with illegal oil bunkering, endemic corruption, high youth unemployment and social disintegration and disorganization to produce a highly dangerous mix (Reiman, 2010; Williams and McShane, 2010).

In Senegal too, the existence of a low-level armed conflict in the Casamance region has contributed to the illicit circulation of light weapons. Insurgent forces in Casamance are known to have imported weapons from Guinea and Guinea-Bissau. Light weapons are traded illegally and with only ineffective attempts at regulation by the police in the town of Touba, regarded as a holy city by members of the Mouride Islamic brotherhood. There are some other locations in Senegal too that are known as centers of the illegal weapons trade.

Armed Robbery

It has already been noted that there is a clear relationship between the existence of war and the incidence of armed robbery. In Côte d'Ivoire, a serious problem of armed robbery grew in the 1980s, and, since the troubles of the last few years, consists in armed robbers identifying offices with cash, and holding employees hostage.

The war since 2002 has favorite armed robbery of various types. Some criminal gangs in northern Nigeria have included demobilized ex-combatant groups from neighboring countries (Vines, 2004). In Sierra Leone too, demobilized fighters are recorded as forming armed gangs such as the West Side Boys. Some such groups may receive arms from the regular armed forces. They may sell stolen goods in neighboring countries, and are also reported to have developed connections as far away as Gambia, Mali and Côte d'Ivoire (Lengor, 2004). Armed robbers are also reported to have joined the LURD group.¹²¹ The Senegalese gendarmerie reports groups of up to 15, armed with automatic weapons, including Guinea-Bissauans, Liberians and Sierra Leoneans, involved in trans-border crime. This is so in Casamance but also close to the northern borders with Mali and Mauritania. They are involved in cattle-rustling, smuggling and armed robbery. In 2000-2003, the Senegalese authorities, prosecuted 2,400 members of crime groups, 1,500 charged with armed robbery, 600 with cattle rustling, and 300 for smuggling. Armed robbers do use violence (Niang, 2004: 20). In Benin, one Hamani Tidjani led a multinational armed gang that specialized in car-jacking and car theft in several West African countries and even in France.

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The gang's activities were so notorious that the Nigerian government closed its border with Benin to underline its demands for action by the Beninese authorities. Tidjani, however, escaped to Mali, using bribery to ease his way. He was subsequently arrested, extradited to Benin and finally Nigeria. As a result, the President of Benin fired 13 senior security officials, including personnel from the Presidency, the Defense Ministry and the Ministry of the Interior (Williams, 2004).

Oil Bunkering

“Oil bunkering” is a specialty of Nigeria, for long the region’s only oil-producer (Vines, 2004). “Bunkering” is the process of filling a ship with oil to be exported, which is increasingly done illegally. According to the Federal government, some 300,000 barrels are illegally exported per day. Although oil bunkering on this scale requires sophisticated organization, and the complicity of state officials up to a very high level, it also flourishes amid the poverty and a sense of injustice in the Delta area. People in many communities feel that they derive no benefit from the oil trade, and may therefore collaborate with criminal networks in the illegal export of oil. “The Delta”, Vines (2004) writes:

“... provides these illicit networks with an environment which has a pool of unemployed youth and armed ethnic militias who know the terrain well. They also face a corrupt or ineffective law enforcement effort, coupled [with] a weak judicial process. These networks also enjoy patronage from senior government officials and politicians, who use bunkering as a source for political campaigning.”

The oil bunkering syndicates are highly international, including not only other West Africans, but also Moroccans, Venezuelans, Lebanese, French and Russians, for example. By these means, oil bunkering links to wider patterns of organized crime, with cash, drugs and weapons all being traded in exchange for illegal oil. A typical oil-bunkering case was reported in a Nigerian newspaper on 22 April 2004, reporting the arrest by the Nigerian navy of a ship loaded with 8,000 metric tons of crude oil without valid papers. Its crew of eight foreigners was also arrested. Such cases illustrate the possible extent of the problem. Nevertheless, relatively little is known as to the overall nature and extent of the problem. Given the extent of the wealth involved, other potential serious social problem it could lead to, and the degree to which such activities have international connections, the issue deserves further attention (Aning, 2004b).

International Criminal Organizations as a Global Industry

ICOs such as those operating from Africa and/or elsewhere around the globe are a significant, but unmeasured, part of the global economy as well as a social problem. Gross domestic product (GDP) does not measure their activities, but rather, they are part of the basic supply and demand structure. According to Lipsey, Ragan and Courant (1997: 491) “To gain an accurate measure of the total demand for factors of production, of total marketable output or of total incomes generated, we should include [illegal] activities, whether or not we as individuals approve of them.” The concept of looking at economics for direction is very effective because it removes emotion and allows for a more scientific examination of the global business industry. From a political perspective, ICOs in the past

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were closer to the state model than of business, but the modern ICO is driven more by economics than politics (Williams, 2006: 315). They simply circumvent state authority rather than negotiate with the state. This argument is often based on the parasitical nature of ICO's and of the historical aspects of groups like the Chinese triads who were founded for a political purpose (Strange, 2004: 111). The difference between modern ICOs as opposed to the traditional territorial based criminal organizations is that they operate much more like a business. The Sicilian Mafia and Cali drug cartel are excellent examples of this (Abadinsky, 2010; Albanese, 2011). They have expanded their product range to encompass products with larger profit margins such as opium, and seek out new markets where their current products will yield larger returns. They resemble a senior management group of a Transnational Corporation that operates with sound economic and management practices rather than the gangsters of the past (Albanese, 2011; Williams, 2006). ICOs are clearly excellent examples of a profit based trans-national industry.

ICOs are significant due to their large influence in markets around the world. In the former Soviet Union for a instance, 1995 estimates, suggest that ICOs controlled 35 percent of banks, 40 percent of private business, 60 percent of commerce, and 80 percent of joint ventures with foreign firms. To do business in the former Soviet Union, a business would have no choice but to interact with an ICO. In another case, the Chinese Triads are estimated to have made \$2.5 billion from human trafficking into the United States (US) between 1991 and 1994 (Strange, 2004). Furthermore, the increase in profits from the globalization of the criminal industry during the past 10 years has grown from \$85 billion US to \$500 billion US, rivaling the profits from the oil industry (Davis, Hirst and Mariani, 2001). This gives ICOs an enormous impact on the global economy and their roll as a transnational industry is easily underestimated.

As a global industry, ICOs compete with various forces, reminiscent of multinational corporations. They sometimes operate as singular units; however, the ICOs also interact through their industry as a singular industry, or as multiple joint associations. The primary cleavage is between the state and ICOs; national and intergovernmental law enforcement attempts to create barriers of operation, but its success has been limited in curtailing the rise in ICOs growth. This is often characterized by violence, as in the Medellin cartel and the Colombian Government, but in most cases ICOs simply attempt to circumvent the State. Cleavages often erupt between different ICO's regarding market share, prestige and profits. This tends to be an internal industry dispute; for example between the Cali cartel and the Medellin cartel. International and local media can dramatically affect the operations of ICOs through investigative journalism. This was evident by the murder of two newspaper editors in Russia in 2003 who were investigating organized crime (Myers, 2003). Another force affecting ICOs is legitimate corporations.

Legitimate and illegitimate corporations are by nature perform significant interactions together. Quite often ICOs, as illegitimate corporations must launder

money through legitimate corporations. While other forces interact and restrict ICOs, these are the primary players. Although, Guerrilla groups in Colombia for example, represented a significant challenge to ICOs, this was a geographically isolated problem. One area that has the potential to cause significant problems for ICOs in the future is supranational state formation or a global governance structure. While currently these systems are relatively powerless, perhaps the European Union is the only powerful supranational institution (or conceivably it is considered intergovernmental depending on perspective), which represents a serious future threat to ICOs. It has, for example, delayed Bulgaria's entrance into the European Union until early 2007 due to the strong role of criminal organizations in that country. Whether this delay was symbolic or predictive of a tough new line on ICO in Europe in particular and around the globe in general in the 21st century is unclear at this time.

The Internal Power Structure

In general and for the most part, the power structure within an ICO, seem to resemble a traditional legitimate corporation but also uses significant outsourcing (or subsidiaries). The ICO is based on a "vertical structure where the principal extracts some rents" (Garoupa, 1997). This allows one or two people to control vast enterprises. For example the Chinese Triads in Hong Kong have over thirty sub-groups under one umbrella organization (Williams, 2006). Viano (1999) suggests that there are three main levels of ICOs. First the Primitive level, which have a leader and few members and engage in theft, and hooliganism type of crimes. This type of criminal organization is not an ICO on its own, but it is the bottom level of ICO's power, the blue collar criminal. Second, the intermediate level is a transitional stage that would have several sub-groupings. It often has 50 or more members who are fighters, secret agents, executers, bodyguards etc. This group uses corruption and represents many of the organized criminal groups of the past. The final group uses different management levels, like a transnational corporation and engages in a command and control supervisory position over other levels. This grouping operates at the international level and the top echelon sets policy direction for the overall organization (Abadinsky, 2010; Albanese, 2011; Baylis and Smith, 2001; Block, 1978).

Creating a Competitive Advantage

Through their interactions, ICO's must create barriers to entry and a competitive advantage in order to maximize their profits. This parallels legitimate corporations and reflects the extent to which a legitimate corporation, such as Standard Oil, would restrict access to other market players – the reason it was broken up by US anti-trust legislation. ICO's attempt to reduce their need to

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compete with the same barriers but may use different tactics in some cases. We argue that the transnational criminal industry uses violence, corruption, and cooperation to reduce their need to compete in the global market place.

The traditional image that is conjured when people envision organized criminal groups is violent street thugs. The ICO's are no different in the fact that they use violence, but the scope and capacity to which they use violence has changed. They use violence to protect and expand their turf, thereby protecting and expanding their profits. While they usually use the lone enforcer, some groups are capable of immense violence. The Medellin Cartel in Colombia was an example of one group that was willing to use their significant violent resources. At one point during the Cartel's life, they decimated the Colombian Judiciary, and the levels of violence were so high, it approached conditions of a civil war (Williams, 2006). No one is exempt from the violence with all levels of business, government, media and individuals being targets. The use and the threat of violence are effective tools that ICO's use to shape their markets and turf. This keeps competition from state and legitimate business from infringing on their profits.

The second weapon that ICOs use to shape their market is corruption against the state and legitimate business. Corruption has been a successful tool in keeping law enforcement agencies from reducing profits. The Sicilian Mafia has had very close links with the Christian Democratic Party and has infiltrated government at the local, regional and, to a degree, national levels. This gives ICOs the ability to penetrate markets with relatively low transaction costs, while, allowing them to exploit these markets unregulated (Albanese, 2011; Hess, 1986; Lombardo, 2002; Ubah, 2012). While the Sicilian Mafia is the genesis and a textbook example of this tactic (Albini, 1971), corruption is used as a main tool throughout the ICO industry. The Cali Cartel, as opposed to their former Medellin counterparts, had used corruption extensively in Colombia to remain relatively untouched by law enforcement.

Corruption can also be an effective tool for ICOs with legitimate business. ICOs build a coercive monopoly; therefore, using corruption to keep legitimate business away from areas that ICO's want to operate, can be very effective. Corruption can also help for money laundering aspects of ICO's business where they need the help of legitimate business to conceal their profits (Abadinsky, 2010; Hagan, 1983; McWeeney, 1987).

The final weapon that ICO's can use to shape their political environment is cooperation with other ICO's. The extent of cooperation is one of the main differences between the mafia of the past and the ICO. Industry cooperation has dramatically re-shaped the way criminal organizations, both local and transnational, operate. It's a far cry from the gangsters of Chicago. Davis suggests that ICO's "are now more likely to collaborate with other criminal groups from different countries or ethnic backgrounds to extend or facilitate their activities abroad" (Davis, Hirst and Mariani, 2001: 13). Similar to their legitimate counterparts, ICOs have recognized the advantages to linking up with other

groups to gain knowledge, experience, distribution and marketing. The result is extensive interlinking groups covering the globe in both loose associations and more concrete industry associations. Claire Sterling alleges a “pax mafiosa” of sorts among the major crime syndicates around the world making for a global web of crime syndicates (Strange, 2004). Cooperation is very important for the success of an ICO and for its expansion from a national crime organization to an international one.

When ICOs stop cooperating they begin to experience significant operational problems and their enemies are quick to react. The Medellin Cartel lost power, profits and ultimately any potential when their partnership with the Cali Cartel collapsed. Furthermore, when ICOs attempt to expand into other markets, they may run into significant difficulties with groups, both local and transnational, that are already operating in that market. This situation can easily lead to violence in a protectionist attempt by other stakeholders. Polanyi argues that protectionism is based on land, labor, and money; the former two to a great extent being local and the latter national and international in character (Polanyi, 2001). In the globalized world, land and labor becomes the domain of local organized criminal groups; while with the shift in money from the national to the transnational allows ICOs control the financial strings. This creates the need for cooperation at both levels for ICOs attempting to gain market access.

Cooperation also offers protection and risk management for ICOs who are expanding or operating in other regions. The Colombian Cartels were forced together by attacks from Guerrilla organizations, which frequently kidnapped Cartel leaders’ family for ransom. This allowed the leaders to leverage their resources and protection abilities to keep their families safe. Furthermore, the joint ventures among ICO’s allow for various types of risk management. By using local groups through sub-contracting agreements, the ICO’s operations are largely concealed from law enforcement officials (Davis et al, 2001). It also puts the end of the distribution chain risk, arguably the most susceptible to intervention by law enforcement, on to another party other than the ICO.

Another benefit from cooperation is trading, allowing for greater market penetration. In one particular law enforcement action, links were found between the Cali Cartel and Sicilian Mafia; “one explanation for this was that the Sicilian Mafia was helping the Colombians break into the New York heroin market in return for franchise arrangements on cocaine in Europe” (Williams, 2006). Also see Albanese (2011) and McWeeney (1987). What this has shown is that ICO’s use many types of business cooperation from joint ventures and franchise agreements to loose agreements and sub-contracting in order to reduce their need to compete in their market.

Recommendations

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The paper recommends the following actions to more effectively check the activities of criminal organization in Africa:

Law enforcement agencies in Africa and in other part of the world should devote a greater proportion of their intelligence efforts and resources to disrupt existing and new activities of criminal organizations. Equally important, the information gathered in the process should be routinely shared among law enforcement agencies in the collaborating nations of the world in a true spirit of cooperation and shared interest and responsibility.

Special sub-regional crack units composed of well trained and adequately equipped law enforcement officers should be created to enhance intelligence efforts against criminal enterprises and to provide timely warning of changes in their organizations and methods.

Direct assistance to local law enforcement agencies in African nations with the highest incidences of criminal activities should be increased so that more police can walk beats and help city dwellers reclaim their neighborhoods. Meanwhile, programs that encourage community participation in efforts to stamp out drug trafficking, human trafficking and other crimes should be enhanced.

Leaders of Africa's organized crime groups should be targeted, exposed and isolated. They should be prosecuted and where possible, denied bail if the government can prove they pose a danger to the community. If granted bail, their trials should be expedited. Their investment of illegal gains in legitimate assets should be traced, confiscated and publicly auctioned because they are "fruits of a dangerous tree". After incarceration they should be closely monitored in order to curtail their influence over their organizations. These actions could serve as a specific deterrence as well as a general deterrence in the sense that they may make some offenders already in the business to desist from their illegal activities as well as help discouraged potential offenders from getting involved in the illegal enterprise.

African nations should increase enforcement efforts against high tech and computer-related crime and continue identifying and countering the vulnerabilities of critical infrastructures and new technologies in telecommunications, financial transactions and other high technology areas.

Conclusions

Although ICOs are not usually thought of as part of an international industry; nor are they often referred to as changing due to globalization, we have argued that transnational criminal organizations, in Africa as well as in other continents, are an industry that operates extraterritorially with many of the same means, and goals, as legitimate business. We have also argued that ICOs shape their political

environment through violence, intimidation, coercion, bribery and corruption and cooperation in order to reduce their need to compete. The growing profits from the African ICO industry have been largely unchecked and unregulated creating a financial market the size of the oil market. Without the capabilities of a global institution, or even a strong inter-governmental law enforcement agency, this industry will continue to grow at substantial rates, particularly in Africa where governments are weak and not well accountable and responsible. The leaders of ICOs have taken full advantage of the declining power of the state, enjoying a growing market that is easier to penetrate. The declining state has led to a dramatic increase in private authority, thus increasing the strength and capacity of ICOs.

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