**SOC 3290 Deviance**

**Overheads Lecture 27: Organized Crime:**

\* “Organized crime” indicates a *process* or *method* of committing crimes, not a distinct type of crime or criminal.

\* Common features:

- A political organization with the capability to use political corruption and/or the potential for violence;

- A structure that allows the individual criminals to be interchangeable without jeopardizing the visibility of the criminal activity; and

- Criminal activity committed via continuing criminal conspiracies

\* Organized crime evolves /does not remain static. Better to focus on common process than the radical changes in crimes and markets.

\* Keep in mind that the one constant is the pursuit of *profit.*

\* Canadian legal framework:

- 1988 - Bill C-58 The Mutual Legal Assistance in Criminal Matters Act

- 1989 - Bill C-61 The Proceeds of Crime Legislation

- 1993 - Bill C-9 The Proceeds of Crime Money Laundering Act

- 1993 - Bill C-123 The Seized Property Management Act

- 1997 - Bill C- 95 An Act to Amend the Criminal Code (Criminal

Organizations)

- Anti-Terrorism Act

...among others

\* To truly understand organized crime, one must understand:

- the globalization of financial markets/ criminal activities

- political changes opening up opportunities

- increasing cooperation/linkages between organized crime groups

- marketing analysis

\* In Canada, organized crime activities involve all of the following

- Narcotics - Extortion

- Loan sharking - Organized frauds and scams

-Smuggling - Illegal immigration

- Pornography - Prostitution

-Credit card theft/ frauds - Murder/ contract killings

- Gambling - Environmental crimes

-Motor vehicle theft - Money laundering

\* Literally all ethnic groups are involved, but some concentrate due to:

- Ties of loyalty extending beyond profit

- Difficulty in police penetration

- Efficiency of controlling seamless operation

\* Groups operating as organized criminals in Canada:

- Traditional Italian organized crime families

- Asian Triads/ Vietnamese gangs

- Aboriginal organized crime groups

- Outlaw motorcycle gangs

- Colombian cartels

- Russian organized crime groups

- Nigerian groups

- Eastern European groups

- Jamaican organized crime

- Japanese Yakuza

\* Major players:

- Usually involved in more than 1 type of activity

- Exhibit much overlap/interdependence

\* Organized crime requires facilitators /accessories in conventional society:

- accountants -lawyers

- computer specialists - financial advisors

- customers

\* Criminal justice response: follow the money

- Seize profits/ assets thereby hurting organization

- Money laundering laws

\* Money laundering = “ the conversion of illicit cash to another asset, often involving the ‘placement’ of the funds into a financial institution”

\* Accomplished by:

- Concealing the true source or ownership of proceeds

- Creating a paper trail that is hard or impossible to follow; and

- The creation of the perception of legitimacy of source and ownership

\* Institutions generally targeted include:

- Deposit-taking institutions - Currency exchanges

- The securities industry - The insurance industry

- Real estate - Casinos

- Lawyers and accountants - The travel industry

- The gold market - Precious gems/ jewelry stores

- Luxury goods industries - The incorporation and operation of companies

\* Most laundering schemes have a lawyer involved:

- Some knowing accomplices/ some not

- Many hide behind solicitor-client privilege (controversial)

- Services can include:

Providing a nominee function Incorporating companies

Conducting transactions Managing/ handling illicit cash

International coordination Buying and selling real estate

\* More recently lawyers targeted by law enforcement:

- When do they become criminals themselves?

- Can their assets be seized under proceeds of crime laws?

- Sting operations

- New reporting laws being fought

\* Ultimately:

- Organized crime market driven

- Socially, politically and economically defined

- Hard to tackle, as:

interwoven with conventional society

different jurisdictions/enforcement priorities