**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