Political Economy Approaches for Analyzing Transnational Organized Crime

Countering Transnational Organized Crime Seminar

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Defining Transnational Organized Crime

Organized criminal groups

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Defining Transnational Organized Crime

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acting in concert with the aim of committing at least one crime punishable by four years’ incarceration

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Organized crime is transnational when it is... planned, prepared, committed, or has significant consequences in multiple states.
Defining Transnational Organized Crime

“…a number of illegal activities, often within an illicit economy, conducted by organized groups or networks of people over time and for profit,” often fueled by the use of violence and/or corruption in high levels of government.

Forms and methods of transnational organized crime can change over time, and organized criminal groups learn and adapt to new conditions.

Figure 1: Percentage breakdown of all laws / provisions by criminal market

Organised crime (general) 25%
Human smuggling 14%
Arms trafficking 13%
Drug trafficking 12%
Fauna crimes 10%
Flora crimes 9%
Non-renewables 6%
Maritime crimes 4%

Context: Transnational Organized Crime

Enabling or gateway crimes facilitate transnational organized crime.

- Money laundering
- Cybercrime
- Government corruption

- Human trafficking
- Drug trafficking
- Natural resource theft
- Poaching and wildlife trafficking
- Goods smuggling
- Piracy
A Recent Intensification

- Cold War influx of small arms and light weapons
- Megatrends (digital revolution, urbanization, youth bulge)
- Shifts in international and domestic law enforcement regimes
- Political instability
Political Economy Frameworks

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• how context shapes the incentives and disincentives of state and non-state actors to participate (or not) in transnational organized crime

• how individual choices shape collective outcomes

Use #1: Diagnosing Drivers, Patterns, Consequences

Several elements to analyze:

• Types of actors involved in governance
  (state and non-state; national and local…)

• Resources of these actors
  (financial and human capital; local and international linkage; coercive and soft power…)

• Laws, policies, norms, perceptions, and processes that shape governance, development, and security in everyday life

• Types of markets available
  (licit and illicit; local and transnational…)

• Structures of markets for different goods and services
Use #2: Informing State-Led Responses

Several theories of change that political economy frameworks can help us evaluate

**Militarized responses:**
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Generation or amplification of “alternative livelihoods” to those that people can gain through transnational organized crime as a soft power deterrent
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**Human rights, rule of law, and governance oriented responses:**
State officials’ transparent provision of services and engagement in rights-respecting interactions with residents, citizens, and communities as a way to prevent participation or legitimation of transnational organized crime

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- **Political economy frameworks** can help practitioners understand drivers/patterns/consequences and develop informed responses.

- Careful calibration of militarized, development-focused, and human rights-based elements of a state response are critical.