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Introduction

The significance of transnational organized crime as both a global and national threat only recently has been elevated as a 'clear and present danger' for international security. The varieties of cross–border crime have become a concern for both 'low' (domestic police) and 'high' security (national and regional security). A consequential challenge has been to integrate the national, regional and international security response such that traditional policing (criminal justice), military and national security agencies can work more effectively and seamlessly in reducing the harm of transnational organized crime.

The emergence of crime as an international security problem arises from the increasing interdependence of global markets, especially in illicit goods and services, and the emergence of resilient cross–national crime groups. The principle international agreement, the United Nations Convention against Transnational Organized Crime (UNTOC), or the Palermo Convention 2001, recognizes the corrosive impact of organized crime. The convention was rapidly and widely endorsed, coming into force in 2003. In 2004 the UN 'High-level Panel on Threats, Challenges, and Change' identified transnational organized crime among six major threats to a secure world (UN 2004). Among the six threats some, such as civil war, 'small wars' and poverty, play a criminogenic role while the effects of organized crime often worsen the risks of terrorism, revenue loss and the governance lapses that lead to conflict.[1]

The UNTOC defines a serious transnational offence as that undertaken by three or more people for an ongoing period of time and with the aim of obtaining material gain. Several offences have now been routinely identified and these are briefly noted:

- Human trafficking and smuggling, including child and sexual exploitation and also indentured work;
- Drugs/narcotics-trafficking, including the illicit production and distribution of cannabis, cocaine, opiates (heroin, morphine, etc), and amphetamine-type stimulants (ATS), and MDMA (Ecstasy);
- Firearms trafficking, including small arms, explosives and potentially more sophisticated weapons or components for guided missiles (see additional protocols, UNTOC);

- Environmental resource trafficking, including exotic and protected animal and plant species and protected timber;
- Cyber crime, particularly ID theft and unauthorized access to computers are the leading precursor offences. Web 2.0 applications also have increased the risks to users as some users may reveal more personal information on sites such as Facebook than they otherwise might;
- Maritime piracy, which involves the seizure of vessels, cargo and crew and potentially the 'rebirth' of vessels; and
- Product counterfeiting/intellectual property (IP) theft, including medicines and other proprietary drugs, digital products (e.g. DVDs) and high street fashion goods.

The above list is not exhaustive but illustrates the breadth of illicit markets that are attractive to organized criminal groups. Derivative or precursor crimes related to transnational crime such as bribery and corruption of officials and the money laundering of tainted wealth also has a cross-border dimension. However, limitations of space restrict coverage of corruption and laundering despite their significance in countering transnational organized crime groups.

The sheer complexity of the region poses special challenges to the development of effective regional responses to transnational crime. Asia covers a vast area and includes more than half the world's population, and the People's Republic of China and India are the two most populous nations in the world. Asia hosts all the major world religions (Islam, Buddhism, Hinduism and Christianity), but also includes socialist market states, like China and Viet Nam. As a whole, Asia has some of the world's fastest growing economies but also presents extremes of inequality and destitution that are often ineffectively mitigated by governments. Such inequalities help generate many forms of crime alongside the related problems of poor governance and corruption.

In recent decades, Asia has experienced the same globalizing trends and rapid trade liberalization as the rest of the world, but while trade has created a climate of interdependence, the diversity of interests and the persistence of traditional antagonisms have not been contained by regional governance mechanisms to the same extent as they have been in Europe. For instance, the South Asian Association for Regional Co-operation (SAARC) has not yet proven an effective multilateral mechanism for co-operation against cross-border criminal activities (Gordon 2009).[2] The Association of Southeast Asian Nations (ASEAN) has been more active, but has also generally failed to keep pace with regional crime developments.[3] In West and South-West Asia, and to some extent Central Asia, there is an absence of multilateral efforts to suppress transnational organized crime.[4] The result is increasing cross-border criminal opportunity but no commensurate rise in regional governance capacity.

Although this chapter focuses on the situation in East and South-East Asia, it is important to acknowledge that the circumstances in South Asia, West and Central Asia will also have a bearing on trends in transnational crime. In the post-Westphalian state era, with the emergence of forms of 'shared sovereignty' (as in the example of the European Union—EU) combined with the enhanced role of a variety of non-state actors, national borders have become more porous and flexible. The high convergence of information technology and the globalization of trade and travel have resulted in hyper-regional interdependence. Thus, the rapid changes, opportunities and vulnerabilities evident in one region disrupted by conflict or political/governance failure will affect another—in a sense we all live in 'communities of shared fate'. Therefore, events in West or South Asia (for example, the economic growth of India and conflict in Afghanistan) or the borderlands of the 'golden triangle' have the potential for both increasing and changing the scale and form of transnational crime.

Another caveat is that the traditional focus on crime groups and professional criminals as a function of the nation-state criminal justice system, rather than on the role of illicit markets,

has limited the capacity to respond to transnational organized crime.[5] Where competent criminal justice systems operate effectively against crime groups, trafficking flows and organized crime have been displaced to other countries with weaker policing capabilities. Thus, policing transnational organized crime must move beyond purely localized, national responses as it becomes increasingly evident that transnational organized crime groups operate in a multi-dimensional and global environment (ACC 2011). The current view of the morphology of organized crime is that loose, project-driven networks of actors are involved in a range of illicit activities, and this is driven by the profitable opportunities offered by criminal markets such as vice and trafficked commodities. Thus, strategies aimed at attacking crime groups, such as criminal association laws, or other aspects of the 'war on drugs', for example, will not impact broadly on illicit markets unless the markets themselves are regulated (UNODC 2010a).

Organized crime groups in South-East Asia

Organized crime groups (OCGs) are inherently difficult to suppress because they are often resilient, have access to extensive resources and are adaptable to changes in their environment. Furthermore, the use of information and digital technology has facilitated OCGs' involvement in transnational crime and contributed to the success and longevity of some OCGs. Understanding the various organizational structures of OCGs helps predict their behaviour and improves the ability of police to investigate, disrupt and weaken organized crime activity (Le and Lauchs 2011).

In examining the morphology of OCGs, researchers have generally adopted either the structural or network approach. The structural approach describes OCGs as having a bureaucratic, hierarchical style of organization. Although bureaucratic or hierarchical models of operation can be identified in contemporary organized crime activity, the presence of formal structures is not a 'necessary condition' because transnational organized crime activity can be facilitated by fluid and adaptable network structures (Morselli 2009; Pearson and Hobbs 2001; Reuter and Haaga 1989). Therefore, a dominant trend in current organized crime research is the recognition that OCGs are dynamic and loosely organized, flexible, criminal networks (von Lampe 2005).

In 2002 the UN Office on Drugs and Crime (UNODC) report described five models of organized crime. The UN typology incorporated both structural and network models: the standard hierarchy, regional hierarchy, clustered hierarchy, core group and criminal network (UNODC 2002). The UN study examined OCGs from various localities across Europe, the USA, the Pacific region (including Australia) and South-East Asia. From the data, approximately one-third of the criminal groups were classified as having a hierarchical structure (UNCICP 2000). However, it is likely that larger, hierarchical groups are simply more visible and better documented than smaller, less structured crime groups (Albanese 2011; UNCICP 2000). Of the groups examined from South-East Asia, Chinese and Japanese organized crime activity was prominent in this region and both Chinese and Japanese OCGs were categorized as operating under a hierarchical structure. However, this characterization is unlikely to be helpful in describing contemporary triad-like groups in greater China (Broadhurst 2012).

In South-East Asia, crime groups of interest include the Chinese 'black societies' or triads, Japanese organized crime (*yakuza*) and the military-style ethnic groups controlling ATS and opium production in the golden triangle. Improved infrastructure and free trade agreements in South-East Asia have facilitated the movement of people and commodities and, consequently, have also created criminal opportunities for OCGs (ACC 2011).

Chinese organized crime

The re-emergence of criminal gangs (*bang*) and expansion of triads in China have occurred in the context of rapid modernization, globalization and socio-economic change (Broadhurst 2012). The transition from communism to capitalism also fostered ambiguity in the regulatory response and weakened the role of guardians. The triads' organizational structure is both flexible and decentralized, with no single central body or figure that unites all triad societies (Chu 2005). Association allows access to brand reputation and social capital so that a degree of overlap and ambiguity between triad society, illicit business and organized crime is inherent (Chin 2003; Lo 2010).

Triad activities are more corporatized (Chu 2000) and have moved beyond traditional predatory street crime, vice, extortion and drug dealing predicated on violence to diverse 'grey' business activities that include trafficking, copyright, Internet and financial service crimes. Many such activities include commercial vice spread from Hong Kong, Taiwan or Macao to the mainland where risks are minimized owing to corruption of authorities, including judicial, municipal and police officials (Chin and Godson 2006; Wederman 2005).

Two theories have emerged to explain the organizational structure of triad-like groups: structure-control and social network approaches (Lo 2010). The structure control approach emphasizes hierarchy, internal control and overall, a cohesive triad structure (Lo 2010). The social network approach stresses the importance of *guanxi*, defined as the reciprocal obligations developed through personal and social networks which govern the interaction between contemporary organized crime groups (Broadhurst 2012; Lo 2010). Since the 1990s, triad-like groups have undergone a process of 'decentralization' or 'disorganization', which created a change in their organizational structure to one that was looser, more fluid and dynamic (Xia 2008). Chinese authorities argue that loose criminal ('cartwheel') personal networks (based on reciprocity or *guanxi*) evolve into hierarchical forms that attract attention if they challenge the party and/or erode state revenue. *Guanxi* continues to govern relationships amongst triad-like groups, despite these groups becoming more 'disorganized' and their subculture less pronounced (Williams and Godson 2002). The network approach goes beyond traditional command and control structures to examine the triad's relationship with external parties and how these relationships help them to survive and grow.

Lo (2010), unlike the UNODC typology, argues that the structure control and social network approaches cannot adequately assess the true nature of organized crime in Hong Kong and China. Lo (2010) suggests that the idea of 'social capital' can explain the connections between political interests, social networks and organized crime by distinguishing networks based on bonding, bridging and linking forms of social capital. 'Bonding' social capital is 'characterised by dense interactions and collective actions within relatively homogenous groups of people' (Lo 2010: 854, per Putnam 2000). Bonding social capital operates to the exclusion of other social groups with diverse backgrounds and, as such, has the negative consequences of limiting illicit opportunities or increasing inter-group conflict (Paoli 2002). In contrast, 'bridging' social capital promotes interactions between diverse and heterogeneous groups of people, while 'linking' social capital involves vertical relationships with those in authority (Lo 2010). Thus, bonding and bridging social capital link groups in horizontal networks, whereas linking social capital strengthens ties between the state and less powerful organizations, which can include criminal groups (Broadhurst 2012; Lo 2010).

The structure-control approach focuses on traditional 'command and control' features of a triad group, whereas the social network model examines the importance of a triad's external relationships and how these relationships affect their growth and survival over time (Broadhurst 2012). The social capital approach recognizes both horizontal and vertical relationships in

maintaining external connections needed by a crime group. Given the nature of social capital, any efforts to target this vector must move beyond traditional policing and countermeasures. Such measures would include strengthening anti-corruption and anti-bribery measures, crime-proofing licit business and seizing tainted wealth (Broadhurst 2012).

One explanation for the growth and survival of triad groups across generations is the 'triad-ization' of youth gang members (Lo 2012). Lo (2012) defined triadization as the process by which youth gang members are socialized into a gang culture that is heavily influenced by tra-ditional triad values and principles. The process of 'triadization' occurs through three main channels (Lo 2012):

- The gang's 'spider web' structure which ties youth into a Dai Lo (big brother) and Lan Tsai (follower) relationship;
- Participation in licit and illicit activities which expose youth to the triad subculture; and
- Enforcement of triad norms and values such as brotherhood and loyalty.

The theory of triadization suggests that as younger gang members grow up to become full-fledged triad members, they will begin to recruit their own followers and the 'spider's web' continues to expand. Therefore, this process allows triad societies to grow and survive across many generations of triad members (Lo 2012).

Concern about the role of criminal societies has a long history and anti-triad laws prohibiting membership and recruitment in, for example, Hong Kong, date back to 1845. In Hong Kong, triads had long been regarded as a criminal conspiracy. The Drug Trafficking (Recovery of Proceeds) Ordinance of 1989, the Organized and Serious Crimes Ordinance (OSCO) of 1994 and later amendments and statutes granted law enforcement agencies further powers to inves-tigate and prosecute patterns of unlawful activities associated with organized crime. Such mea-sures have not been duplicated in the rest of China. However, article 294 of the Criminal Code (1997) of China criminalized three activities (Broadhurst 2012):

- Forming, leading or participating in criminal syndicates;
- Recruitment of members by overseas organized crime syndicates within China; and
- Officials 'harbouring' a criminal organization or 'conniving' with such an organization to commit criminal acts.

Harsh punishment is meted out for offenders—especially for those who lead and officials who protect them. A key counter-measure has thus been to promote anti-corruption efforts.

Key limitations in the suppression of black societies in China are the need to demonstrate that the criminal group has an organizational structure and can enforce rules on its members, combined with the limited capacity of many Public Security Bureau (PSB) units, and the absence of Hong Kong-style conspiracy laws. Efforts in China to curtail corruption and reduce organized crime will also be crucial and need to be guided by greater clarity in Chinese criminal law, firmer use of Chinese Communist Party (CCP) disciplinary mechanisms, transparency in the oversight role of all levels of the CCP Political and Legal committees to help accountability, and integrity in law enforcement and the public sector (Broadhurst and Lee 2009).

Japanese organized crime

Tracing its origins in Japanese society back to the secret societies of the *Tokugawa* dynasty in the early 17th century, the Japanese *yakuza* or *boryukudan* (the 'violent ones') involve over 20

organized crime syndicates (Naim 2005). They are active in illicit drugs-trafficking, the trafficking of firearms, the trade in endangered and protected species, intellectual property crimes, welfare fraud, prostitution, human trafficking (especially for sexual purposes), illegal gambling, smuggling, pornography, rape, kidnapping, loan sharking, debt collection, blackmail, intimidation and extortion of the corporate and financial sectors through protection rackets (*sokaiya*), murder, cyber crime (especially Internet pornography), and corruption in the political and corporate sectors. *Yakuza*-influenced businesses, especially in the construction (including public works projects), stevedore, transport, real estate, banking, entertainment (including wrestling), tourist and refuse/rubbish industries, are of particular relevance (Adelstein 2010; Hill 2003b).

Several of the *yakuza* groups are known to have invested heavily in the legitimate stock exchange and engaged in various forms of white-collar crime, including stock market manipulation. Financial analysis conducted by a major investment bank in Japan estimates that 40% of all small business loans made nation-wide went to companies created by the *yakuza* (Adelstein 2010). Furthermore, the Tokyo Police Department estimate that at least 10% of all defaulted loans by the New Bank Tokyo (Shinginko Tokyo) had been made to organized crime groups (Adelstein 2010). The presence of the *yakuza* in financial and securities sectors demonstrates a shift away from involvement in purely traditional organized crime markets, such as drugs or sex trafficking, to increased participation in the legitimate economy (Fukumi 2010; Hill 2003b). The involvement of *yakuza* in the legitimate economy was a risk-management strategy in response to increasing police pressure on *yakuza* illicit business (Hill 2003b). The annual turnover of all 24 known crime groups in Japan is about US $45 billion per annum (Facts and Details 2010).

In 1992 the introduction of the Organized Crime Counter-measures Law (*Botaiho*) or the anti-gang laws aimed to criminalize the activities of the *yakuza* and, implicitly, the *yakuza* itself (Fukumi 2010; Hill 2003a). Law reform in 2004 and 2008 allowed *yakuza* bosses (*oyabun*) to be held legally liable for the activities of a subordinate, including the subordinate's actions in economic dealings (Fukumi 2010). Citizens affected by *yakuza* activities could sue the syndicate for organized criminal activities and claim significant damages (National Police Agency 2009). The National Police Agency (2009) provides personal protection and information to victims seeking compensation for damages resulting from *yakuza* activities. Subsequent amendments are aimed at containing gangster activities and destroying crime syndicates, but the major *yakuza* groups are actively engaged in legal and political resistance. In 2006 and 2007 a number of violent clashes occurred between members of the *Yamaguchi-gumi* and the *Sumiyoshi-kai* over territorial issues. Japanese police arrested 27,169 *yakuza* involved in 57,524 crimes in financial year 2007/ 08. The *yakuza* are now threatened by Chinese gang activity in Japan, especially protection services. The *yakuza* are also very active in credit card and identity fraud.

According to the Japanese National Police, the total membership of the *yakuza* in 2007 was 86,300, with the largest being the Kobe-based *Yamaguchi-gumi*, the Tokyo-based *Sumiyoshi-kai*, the Tokyo/Yokohama-based *Inagawa-kai,* the Kyoto-based *Aizukotetsu-kai* and the Tokyo-based *Toa-kai* (mostly of Korean ethnicity). The *Yamaguchi-gumi* are described as hierarchically structured with semi-independent units (*Kumi*) arranged in layers. The *Honke* (head family) comprises more than 100 members and they are responsible for leading the organization (UNODC 2002). Members of the *Honke* organize their own families which form a layer of secondary groups, and within these groups are leaders, managers and members (UNODC 2002). The success of the *Yamaguchi-gumi* can be attributed to their participation in both licit and illicit businesses but also to their political connections and ability to 'innovate and diversify' (Roth 2010). Evidently, when a political-criminal nexus is formed by means of linking social capital, crime groups can develop more enduring structures and, ultimately, survive and grow over a period of time (Broadhurst 2012; Lo 2010; Chin and Godson 2006).

The *yakuza* is active both domestically and internationally. The activities of both the *Yamaguchi-gumi* and the *Inagawa-kai* have expanded into much of Asia (including China and Taiwan), as well as the USA (especially Hawai'i), Canada, Mexico, Russia, South America, the central Pacific Islands and Australia, and, as stated above, the *Toa-kai* has strong links to the Republic of Korea (South Korea). Internationally, *yakuza* groups have been active in activities similar to their domestic operations, but of note are casino-related crimes, sex trafficking, money laundering, international vehicle theft rackets, pornography, real estate purchases and tourist crime.

The golden triangle

Another key area that sits between India and China is known as the golden triangle[6]—the notorious borderland host to organized criminal activities. This is the area where Myanmar (Burma) meets northern Thailand, northern Laos, and south-west China. It is ethnically, linguistically, culturally and politically complex, with long histories of war, trade and migration (Broadhurst and Farrelly 2012: 10). During the 20th century it became a key site for the global narcotics trade (Renard 1996, cited in Broadhurst and Farrelly 2012: 10). This trade, aided by the lawless character of this mountainous region, which in turn had been the product of continuous civil conflict since the Second World War (Yawnghwe 1993). Among the many 'narco-armies' that emerged were various Shan militias (the most prominent was the Mong Tai Army of Sino-Shan warlord Khun Sa), Communist Party of Burma splinter groups (including the United Wa State Army and the Eastern Shan State Army), and then other ethnic and political movements that have maximized opportunities for narcotics production and trafficking. Although the Thais finally banned opium in 1959, the government opium monopoly had helped entrench military governments after the war (Broadhurst and Farrelly 2012: 10).

Historically, the bulk of the drugs trafficked from this region were derived from the local opium crop, and the Heroin No. 4 that was produced contributed significantly to global narcotics flows. However, since the late 1990s, the opium and heroin trade had been largely replaced by amphetamine-type stimulants (ATS). UNODC estimates of ATS consumption in the South-East and East Asian region are thought to be driven by at least 3.43 million but as many as 20.6 million users—many more users when compared to the estimates for opiate users at between 2.83 million and 5.06 million users (UNODC 2010b: 214–15, 153). UNODC (2010b) suggests that opiate use has declined in the region whereas the demand for methamphetamine pills has increased. Initially as a South-East Asian regional problem, but now trafficked far more widely into parts of South and East Asia, and to the West, the pills produced in golden triangle laboratories have defined a new 'epidemic' of narcotics production (McKetin *et al.* 2008, cited in Broadhurst and Farrelly 2012: 10). The 'China Route' is a suspected drugs-trafficking route from the golden triangle to the USA (Huang *et al.* 2012). Traffickers enter China through the border between the golden triangle and Yunnan province. From there, the drugs are transported through Guangxi and Guangdong provinces to drug collection and distribution centres in Hong Kong and Macao for onward distribution for the international drug markets (Huang *et al.* 2012).

In Thailand, the pills known as *ya ba* (or 'crazy medicine') became a priority for the former Prime Minister Thaksin Shinawatra's 2003 popular 'war on drugs'. This official effort to disrupt the drugs trade was predicated on perceptions of a national crisis but led to over 2,500 extra-judicial killings (Aim Sinpeng 2011; Roberts *et al.* 2004).[7] In the Thai case, the initial consumers of amphetamines were in the trucking, fishing and construction industries. The capacity of workers to work hard, for very long periods of time, gave the drug the name *ya kayan* ('industriousness medicine') but later was popularly known as *ya ma* ('horse medicine') because

they could provide animal-like strength and resilience (Broadhurst and Farrelly 2012: 10). The Royal Thai Police report that most of the drugs in Thailand have been produced by minority ethnic groups in the north-east part of Myanmar, particularly in the Shan State and transported by Hmong and other hill people to Bangkok in 1-kilo or smaller amounts (personal communication, Royal Thai Police, 20 September 2012).

The most important of the groups associated with this trade is the Wa, which has become increasingly Sinified as its mountain strongholds have been encouraged to trade with China.[8] The United Wa State Army is the most important and since the late 1980s, it has operated under a cease-fire agreement with the Myanmar military. One outcome of that cease-fire has been increased opportunities for trade, including of narcotics. The *wa daeng* ('red Wa') are crucial to the regional organized crime system/network as such Wa criminal groups do not operate in isolation and their connections with Chinese, Thai, African and other organized crime syndicates remain the subject of speculation (Broadhurst and Farrelly 2012: 11).

Apart from important studies by McCoy (1972) and Chin (2009), there have been few academic studies of crime in the region. The role of international (e.g. UNODC and the International Narcotics Control Board—INCB) and national counter-narcotics agencies, and non-governmental organizations, has been crucial in understanding the history and nature of organized crime. The organized criminal groups in this region are linked with local insurgencies, with international criminal syndicates, and with elements of the local and national bureaucracies and political systems. While reduction of opium crops has occurred (Chin 2009), efforts to curb counter-amphetamine production have not. For many in Thailand, Myanmar and Laos, but also in other regional logistics hubs, the golden triangle has remained a profitable sub-region for illicit 'grey' businesses (Broadhurst and Farrelly 2012: 11).

As the nature of the regional economy has changed, the golden triangle is no longer dependent on the illicit drugs trade alone. Complementary trade in weapons, chemicals and people are all part of this evolution, which has also seen expansion of gambling, particularly in areas that are easily accessible to Thai and Chinese who cannot legally gamble at home (Broadhurst and Farrelly 2012: 11). The rapid growth of the economies of Thailand and China has led to a situation where the golden triangle has become re-invented by consumer demands, and the political priorities, of these countries. For instance, during the late 1990s until around 2005 heavy investment in casinos along the China–Myanmar border led to large towns with economies almost entirely founded on gambling (Chin 2009; Broadhurst and Farrelly, 2012: 11). These towns have encountered economic difficulties as Chinese attitudes to gaming have become hostile because of widespread tax evasion and money laundering. Difficulties with visas and access have meant that some of the major gambling centres, like Mong La, are struggling to survive with much more modest flows of gaming tourists (many from Thailand). Growth in online gambling has also occurred and new gaming ventures have opened in Laos (one in Boten closing—see *The Economist* 2011) and another large-scale casino planned near Chiang Khong in the south-west, adjacent to the Thai border.

The trade in weapons is one of the criminal enterprises that have survived in the golden triangle. The regional arms market has developed since the Indo–Chinese wars and the illicit incomes of many criminal and rebel groups have meant that weapons can be readily obtained (Broadhurst and Farrelly 2012: 12). Thailand's gun laws are also weak, with many handguns imported on fake import licences, and over 400,000 were estimated to have arrived in the country in 1995–2001 (Tanyapongpruch 2001: 602). The business of people smuggling has capitalized on the poverty associated with a semi-permanent state of war found in the golden triangle. The lack of economic opportunities in Myanmar also drives illegal migration to Thailand and Malaysia. Most migrants are smuggled across borders by informal and small crime

groups and some are trafficked into conditions of exploitation, often in prostitution. A complex interaction of ethnic, political, economic, cultural and criminal trade has made effective policing difficult in the borderlands of the golden triangle (Broadhurst and Farrelly 2012: 12).

Regional responses to transnational organized crime

The forces of globalization and their socio-political and economic impacts have provided impetus to view organized crime not only as a domestic social problem, but also as a 'transnational' global threat. This new interest in transnational forms of organized crime aligns with the increased concern (especially since the terrorist attacks of 11 September 2001) about potential interactions with terrorism as well as risks posed by 'failed' states. Multilateral responses to law enforcement have become increasingly important in order to improve the effectiveness of mutual legal assistance to address both longstanding (e.g. narcotics trafficking) and newer (e.g. cyber crime) international, cross-border crimes.

Like the EU and Council of Europe, ASEAN has sought to co-ordinate the response to non-traditional security concerns such as transnational crime and counter-terrorism. Unlike the situation in Europe, institutional reform and integration of cross-border agencies in the policing sector has not followed. Differences in policy priorities arise because in Asia economic and financial issues dominate while European authorities emphasize political dialogue around issues of security and human rights. Economic development has often been prioritized by Asian governments and can trump concerns about illicit trade. A lack of concrete action in respect to many problems including maritime piracy, illegal drugs and terrorism has generated criticism of ASEAN's lack of progress on non-traditional security threats. There are also competing concerns about other human security issues such as pandemics and environmental hazards (ASEAN Secretariat 2006).

Throughout ASEAN, the appointment of police liaison officers to consular posts, 24/7 contacts for senior designated officers, exchange programmes, enhanced protection for courts and police who faced retaliation by transnational criminal organizations, and the sharing of criminal intelligence are no longer novel developments. However, they are also inconsistent across the region as a whole. General efforts to improve information sharing, joint police operations, mutual legal assistance, institutional capacity building (a Centre for Combating Transnational Crime), and training are being discussed. However, the 'securitization' of transnational crime in ASEAN in the mid-1990s may have made the development of co-operative arrangements in policing more difficult and limited action to dialogue (Broadhurst and Farrelly 2012).

Since the mid-1990s, ASEAN has begun to establish multilateral measures to improve the law enforcement co-operation of member states, and also to work more closely with the ASEAN Plus Three (China, South Korea and Japan) and ASEAN Plus Six (includes Australia, New Zealand and India) cohorts. In 2004 ASEAN entered into co-operative arrangements with China to enhance law enforcement capacity and address ' … such non-traditional security issues as trafficking in illegal drugs, people smuggling including trafficking in woman and children, sea piracy, terrorism, arms smuggling, money laundering, international economic crime and cybercrime'.[9] Chinese engagement with ASEAN is significant, with a China-ASEAN workshop for senior police held at Zhejiang Police College in October 2011.

At the November 2009 7th ASEAN Ministerial Meeting on Transnational Crime (AMMTC), held in Siem Reap, Cambodia, a revised ASEAN-China memorandum of understanding (MoU) on 'Cooperation in the Field of Non-traditional Security Issues' was concluded.[10] Joint efforts are co-ordinated through the framework of the ASEAN AMMTC supported by meetings of the relevant senior officials, who are tasked with developing five-year

plans and co-ordination with other ASEAN senior officials responsible for 'drug matters', and the meetings of ASEANAPOL (the chiefs of national police) and heads of customs and immigration. The 'Work Plan on Combating Illicit Drug Production, Trafficking, and Use' (2009–15) was adopted by the 7th AMMTC and reflects the worthy but ambitious vision of a 'drug-free' region by 2015. Several objectives are noted in the AMMTC's general action plan and include the development of a regional counter-measures strategy; greater co-operation among police, prosecutors and judges and enhanced co-ordination among ASEAN itself; a strengthened ability to counter 'sophisticated' transnational crime; and bilateral and multilateral treaties on mutual legal assistance and extradition (ASEAN 2010).

Such transnational co-operation and the role of agencies such as Interpol and the UNODC are important since they help to create the necessary climate to bring about a universal jurisdiction for many serious crimes. A key development was the UNTOC, adopted in 2000 and ratified in September 2003 by 135 countries including China, India, Japan and all other Asian countries (except the Democratic People's Republic of Korea—North Korea). From the eight identified areas of transnational crime, the most significant developments can be seen in efforts to combat trafficking in persons (ASEAN 2011). An additional protocol addressing human smuggling had also been adopted; however, fewer countries have ratified the protocol dealing with firearms smuggling. ASEAN has also undertaken to develop a regional convention on trafficking in persons and the Bali Process to combat people smuggling is a new multilateral mechanism designed to address this major cross-border crime (Broadhurst and Farrelly 2012).

Conclusion

For the Asian mega-region, the relationship between organized crime and terrorism is limited to common enterprise because criminal networks offer pathways to illicit products such as arms and false identities. This matters because links between crime and terror are often circumstantial, but terrorists may use crime to raise funds needed to support their goals. Indeed, the overlap between terrorist and crime networks remains uncertain in many parts of Asia. India's muted engagement with major mega-regional bodies such as ASEAN suggest that a useful pan-Asian structure capable of addressing threats such as transnational organized crime is far from materializing. Police reform and effective courts and anti-corruption regimes (as found in Hong Kong, Singapore) will be essential (Broadhurst and Farrelly 2012: 15).

The diversity of the criminal groups discussed above reflects the complexity of the vast region under consideration. The nature of the criminal activities undertaken are, however, broadly similar and are often grounded in poverty and economic under-development. Exploiting zones of conflict coupled with widespread corruption and ineffective law enforcement, even if contained to contiguous states, the reach of organized crime can distort markets and capture institutions of the state. Transnational crime is readily fostered across the region by the absence of strong bilateral and regional law-enforcement co-operation. Like 'ants moving houses', to borrow from Chinese idiom, much of the illicit traffic in narcotics, people and intellectual property cannot be intercepted. Critically in parts of South Asia, Central Asia, the borderlands of China and South-East Asia organized criminal activity often intertwines with terrorist groups. Thus, organized crime and political extremism become symbiotic sources of illicit wealth and lethal violence.

The UNODC assessed the global threat of organized crime and transnational crime in 2010 and concluded that global solutions and greater collective efforts were needed:

> … while organized crime groups can become problems in themselves, eliminating these groups is unlikely to stop the contraband flow. National efforts have successfully diverted

production or trafficking to other countries, but so long as there is demand, national law enforcement alone cannot solve the problem. Rather, global strategies, involving a wide range of both public and private actors, are required to address global trafficking. In many instances, this means regulating international commercial flows that have grown faster than our collective ability to manage them.

(UNODC 2010a: vi)

There is now a compelling sense of urgency about the risks of widening governance gaps and the region's capacities to disrupt, prevent and reduce harms generated by transnational crime. Unless we recognize that we do indeed live in 'communities of shared fate', the risk of a slow deterioration in both national and regional civility is now greater than ever.

Notes

1 The risk identified by the UN High-level Panel on Threats, Challenges, and Change are: economic and social threats, including poverty, infectious disease and environmental degradation; inter-state conflict; internal conflict, including civil war, genocide and other large-scale atrocities; nuclear, radiological, chemical and biological weapons; terrorism; and transnational organized crime. The UN Security Council reinforced the continued ' … serious threat posed in some cases by drug trafficking and transnational organized crime to international security in different regions of the world' (cited in UNODC 2010a: 2, citing UN Security Council 2010).
2 Limitations of space prevent a full discussion of the work of SAARC on transnational organized crime.
3 ASEAN was established on 8 August 1967 in Bangkok, with the signing of the 'Bangkok Declaration' by Indonesia, Malaysia, the Philippines, Singapore and Thailand. Later joined by Brunei Darussalam (8 January 1984), Viet Nam (28 July 1995), Laos and Myanmar (Burma, 23 July 1997), and Cambodia (30 April 1999).
4 The Shanghai Co-operation Organization may, however, emerge to play an increasing role in the mitigation of non-traditional security threats such as transnational organized crime. This security grouping around China's western frontier involves four Central Asian states and the Russian Federation.
5 In criminology this is the distinction drawn between enterprise crime and traditional organized crime groups based on fictive families and shared ethnic and other identities.
6 This section draws on earlier work reported in Broadhurst and Farrelly (2012: 10–13).
7 Since the coup of September 2006 deposed former Prime Minister Thaksin Shinawahra, his government has been criticized for the human rights abuses committed during the 'war on drugs'. Of the 1,329 drugs-related homicides reported in 2003 alone, 72 involved police shootings (see Human Rights Watch at hrw.org/english/docs/2004/07/07/thaila9014_txt.htm).
8 As part of a general effort to promote commerce across China's border areas. The combination of relative legal impunity and economic opportunity, however, has created hotspots for crime.
9 Article 1 of the 'MOU [memorandum of understanding] Between the Governments of the Member Countries of the Association of Southeast Asian Nations and the Government of the People's Republic of China on Cooperation in the Field of Non-Traditional Issues', Bangkok, Thailand, 10 January 2004.
10 The 8th ASEAN AMMTC was held in Bali on 11 November 2011.

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