

Organised crime affecting the united kingdom - essay



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In order to assess the extent to which organised crime is affecting the UK one must first try to define the term itself. A recent definition by Interpol describes it as “ Any group having a corporate structure whose primary objective is to obtain money through illegal activities, often surviving on fear and corruption”[1]. UK based SOCA simply states that “ Organised crime covers a very wide range of activity and individuals involved in a number of crime sectors. The most damaging sectors to the UK are judged to be trafficking of Class A drugs, organised immigration crime and fraud. In addition, there is a wide range of other threats, including high-tech crime, counterfeiting, the use of firearms by serious criminals, serious robbery, organised vehicle crime, cultural property crime and others.”[2]There are many terms brandished about for organised crime and it is difficult to come up with one definition, therefore, this makes it difficult to also assess what is being tackled as far as the UK is concerned.

As the SOCA definition above shows there are many different types of crimes which can be called “ organised crime” so therefore in order to assess of how there being tackled one will need to assess them individually, for the purposes of this essay one will focus on Trafficking i. e. drugs and how money laundering is being dealt with in the UK as a big part of “ organised crime” are its proceeds.

Organised crime generates a huge income and as crime becomes more globalised and so revenue generated from it increases more and more every day. Profits are usually in the form of cash so therefore need to be disguised in a way to blend into the banking system. The ultimate aim of the money laundering is to get the proceeds of the crime into the financial world

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legitimately, so the criminals can benefit from it and not get caught. The process is long and complicated as the cash has to be moved several times in order to cover its tracks. Different routes the money might take are being transferred in between various different accounts and through “ front companies” which are set up to disguise the illegitimate profits in a legal business form, this process is repeated many times until the criminals can extract their profits legitimately. There are three stages to money laundering, firstly ‘ placement’, whereby the illegitimate profit is put into the banking system, followed by ‘ layering’, where the cash is passed through many different areas in order to perplex its origins, and the final step is ‘ integration’, where the cash is put through legitimate companies and accounts. Money laundering in the UK is a criminal offence, and as such, any person involved in any known or suspected money laundering activity risks a criminal conviction carrying a jail term of up to 14 years. It is significant that even innocent involvement on the part of professionals such as bankers and lawyers can provoke a criminal charge.

Money laundering is an offence covered by many different parts of legislation in the United Kingdom and can be found in statutes such as the Criminal Justice Act 1988 (as amended), and the Terrorism Act 2000 (as amended). The most significant change made by these two pieces of legislation is that they enforce two new obligations to create Suspicious Transaction Reports. The legislation, then, increases the responsibility on professionals dealing with big financial business of any kind to be cautious in detecting suspicious transactions, and this in effect helps find criminals when such occasions do arise, so, in essence, this is an example of the UK successfully implementing

legislation in order to tackle “ organised crime” . This attack on money laundering is huge part of tackling organised crime as it is suggested that “ the economic and social impact of organised crime in the UK is staggering and statistics show that global profits from people smuggling are estimated to be \$10 billion annually, 280, 000 problem drug users cause half of all crime, every £1 spent on heroin is estimated to generate about £4 of damage to the national economy and there are around 400 organised crime bosses in the UK with an amassed criminal wealth of approximately £440 million”.[3]The economic and social cost of organised crime is estimated to be in the region of £20 to £40 billion per year.

The role of recovering criminal assets fell upon the Assets Recovery Agency which was set up under the Proceeds of Crime act 2002 and played an important part in the government’s plans to seize the profit out of crime, and separate and prevent the criminal organizations from continuing with their activities by removing the money which motivates their activities and their major source of income[4]

The Assets Recovery Agency had three strategic aims “ to disrupt organised criminal enterprises through the recovery of criminal assets, thereby alleviating the effect of crime on communities, to promote the use of financial investigation as an integral part of criminal investigation, within and outside the Agency, domestically and internationally, through training and continuing professional development and to operate the agency in accordance with its vision and values”.[5]

The UK is a founding member of the Financial Action Task Force (FATF), established in 1989 to develop global measures to prevent money laundering. The FATF has 40 recommendations, engineered to combat money laundering and create the best resources to do so internationally. UK money laundering experts regularly participate in FATF mutual evaluations of its members, showing that the UK's initiatives against money laundering are strong as not only are they tackling the issue internally but are looking at the international impact money laundering has.

On the 1st April 2008 the Assets Recovery Agency merged with the Serious Organised Crime Agency. Commenting on the merger Hughes, of SOCA said " we are gaining important skills and expertise with the arrival of Assets Recovery Agency staff and we welcome them into SOCA. Now that the merger has taken place we will get on with the job that parliament want us to do, namely depriving crooks of their ill-gotten gains" [6]. In support of this the Home Office minister Coaker said that " assets recovery is critical in the fight against all levels of crime and we are determined to stop criminals profiting from crimes which affect the lives of law-abiding majority".

[7]Adding to this Goggins, said " this merger will strengthen the fight against crime in Northern Ireland as it combines the intelligence expertise of SOCA with the hands-on practical experience of ARA. This combination will make the recovery of assets even more effective and strengthen our fight against those who profit from organised crime".[8]This important merger highlights the steps in the UK have taken to try to successfully tackle aspects of " organised crime", by merging together these two organisations it showed

that the UK has acknowledged the fact the money laundering linked with organised crime is a very serious issue that needs to be dealt with.

A further offence as introduced in the Drug Trafficking Act 1994 and the Terrorism Act 2000 which states the offence of 'failure to report'. This occurs where the person suspects that another person is involved in laundering the proceeds of drug trafficking or terrorism, and fails to report it. In the case of the Terrorism Act 2000, this offence is broadened to those who have reasonable grounds for knowing or suspecting. These statutory offences have amplified the range of money laundering offences within the UK legislation, and have similarly enlarged the mandatory degree of vigilance on financial professionals. By increasing the legislation to include those or may not even be involved directly in the crime or its proceeds it eliminates any sort chains there may in a particular organised crime group's structure. This offence highlighted is very similar to offences laid out in the US's Racketeer Influenced and Corrupt Organizations (RICO) whereby prosecutors could arrest group leaders based on the activities of those who worked with them. This shows another way in which the UK is successfully trying to tackle the issue by looking at all aspects of weakening organised crime.

Overall the legislation on tackling money laundering is effective, with agencies such as SOCA recognising its importance " Money is at the heart of all organised crime. The lifestyle and status it brings are the main motivation for most criminals." [9]. SOCA states that it " is determined to ensure that criminals can't enjoy their profits" [10]. According to the report released by SOCA 2009/10 £317. 5 million was seized from organised crimes groups in the UK. A recent example of SOCA in action in April 2011 where " SOCA was <https://assignbuster.com/organised-crime-affecting-the-united-kingdom-essay/>

granted the Confiscation Order in Leeds Crown Court for £933, 422 against Paul Anthony Romano Morgan from Leeds" [11], this is a significant achievement for the UK in tackling the issue of organised crime.

In order for the UK to continue being protected the effects of money laundering, authorities, however, must work stronger at identifying criminals that are still accessing the financial system. Only by using more advanced method will criminals and money launderers become more hesitant.

Professor Bill Gilmore stated: " for the first time, to take co-ordinated and effective worldwide action to undermine the financial power of drug trafficking networks and other criminal organisations, is now in sight if not, as yet, fully within our reach".[12] Highlighting there is still room for the UK to improve to completely eradicate organised crime.

One of the most threatening of activities undertaken by organised crimes groups is the trafficking of illegal narcotics. The drug trade has the capability to infiltrate all aspects of society and can threaten the social, political and economic security of any nation, so it is not surprising that it is becoming an increasing issue in the UK.

The impact of the drug trade may not necessarily be the most threatening to social security, but it is probably the most threatening to the people of the country. The problems with drug trafficking are not simply mattered of criminal activities taking place but what the drugs trafficked into the country are causing, such as addiction and furthermore diseases being spread through improper use and then furthermore the crime associated with drug abuse as more and more people depends on these trafficked narcotics.

McFarlane points to another interesting threat which may emerge from an increase in crime: " Furthermore, with increasing crime, a free press and civil rights tend to be ignored both by the criminals and by the hard-pressed law enforcement agencies." [13] The threat that drug trafficking brings is potentially very large and is affecting the economic stability of the UK and therefore has become a focus of major law enforcement to tackle and one will now review on whether attempts to combat drug trafficking have been successful.

The Serious Organised Crime Organisation (SOCA), takes a role in the gathering of information about major drug syndicates that control the UK drug trafficking scene. Created in 2007, " SOCA is responsible for the collection, analysis, research and dissemination of intelligence relating to major criminals involved in serious crime, including the distribution and trafficking of drugs" . [14] And in the Annual SOCA Plan 2010/2011 they mention that " Class A drugs, poses the greatest single threat" [15] showing that they realise that it is a serious target to be dealt with. SOCA has been working heavily on tackling drug trafficking with a recent case in again in April 2011 highlighting the capture and trial of one of SOCA's most-wanted, Edward Morton, who went on the run for more than three years, and has been sentenced to 24 years in prison for his part in a organised crime group which trafficked illegal narcotics worth millions of pounds into the UK. SOCA's Gerry Smyth said: " This operation succeeded in breaking up highly organised professional drugs trafficking gang who brought large quantities of controlled drugs onto the streets of the North East of England. Morton tried to evade justice by hiding in Amsterdam. He failed. SOCA and its national

and international partners are determined to bring fugitives back to the UK courts to face justice.”[16], this highlights SOCA and UK’s enthusiasm on working with international organisation to tackle the problem, which is a positive factor as most drugs are trafficked into the country so therefore it is not enough to tackle the issue internally and from this case we can see the UK has picked up on this and is using this to tackle organised crime successfully.

Important organisations that help deal with the international aspect of the problem is HM Customs and Excise National Investigation Service. “ There are two principal aspects of Customs control for drugs. The first is preventive control at ports and airports and through coastal surveillance. The second is specialist investigations based on information and intelligence gathered from various sources at home and overseas, designed to anticipate and intercept consignments of drugs and arrest the organisers of smuggling attempts.”[17]With this work continuing it will add the to work with other agencies such as SOCA to deter drug traffickers in the UK. However one may note that the HM customs side of operations does need substantial improvement if today the figure of the profits of drugs being trafficked into the country remains at a staggering 4-6. 6 billion a year, this emphasises aspects of the UK operations that needs to be improved in order to tackle organised crime successfully.

In fulfilling its aims, the UK works as a partner or member in a number of leading international organisations, The UK is part of United Nations International Drug Control Programme (UNDCP), formed in 1991, which acts

as the focal point in the United Nations for international support and battle against drugs.

The UK is also an active member of the Dublin Group, which merges the EU and other countries to bring together individual country policies and give assistance to source country of the illegal narcotics. Many actions have been implemented throughout local Dublin Groups to ensure more commitment from national governments in assisting producer countries but also assistance from the actual source countries themselves in order to successfully tackle organised crime.

In particular, the UK plays an important role in the 1988 UN Drugs Convention, which provides a broad framework for intercontinental cooperation against drug trafficking. The UK ratified the Convention in June 1991, extending it to UK Dependent Territories.

The UK participates in the G8 Group on Transnational Organised Crime (TOC) following the G7/8 Halifax Summit in 1995. The group's objective was to recognise gaps in intercontinental cooperation against TOC and put forward realistic actions for improvement. All of these movements and actions were taken by the UK show their intent on successfully tackling drug trafficking and in essence organised crime as they have again acknowledged that the problem is not entirely internal and international aid needed to be addressed as most organised crime groups have a non-British ethnicity and in order to administer actions against them and to deter them in it important that the UK seek support of source countries and on reflection it seems that they have done this successfully.

There are other arguments that state that the UK cannot tackle the issue of drug trafficking alone simply but regret the source or even the supply, some may argue that present legislation needs to be revisited and weaknesses in it need to be addressed, Steve Rolles of Transform Drug Policy said “ When prohibition of something collides with huge demand for it, you just create an economic opportunity and illegal criminal entrepreneurs will inevitably exploit the opportunity that it creates[18]Lord Mancroft agreed by stating “ We have controlled drugs in this country but you only have to walk a mile of this palace to realise that the controls do not work, because anywhere on the streets of London you can buy any of these drugs The way forward is a range somewhere from the way we control alcohol or indeed the most dangerous object in our everyday lives, the motorcar. If you go outside in the street and step in front of a moving motor car you will find out how dangerous it is, so what do we do? We do not prohibit it. We license the vehicle, we license the users, we made them pass a test, we make them have insurance so if they damage anybody they have to pay up, we tell them how fast they can use it, on which side of the road. That is control.”[19]

However to argue in favour of what is already being done and its benefits and arguing against “ controlling” drugs trade Professor Strang of the National Addiction Centre told states, “ There is no question that the illegality of a substance is a major deterrent to its use...one would have to presume that if legal constraints were taken away the level of use would almost certainly increase”[20], these two arguments highlight different approaches the UK can implement the second being what is being actioned now, however despite how drastic the first argument that Rolles and

Mancroft may be one that may have to consider its possible effectiveness in aiding the UK's campaign in tackling organised crime, by eliminating the opportunity for organised crime groups.

To conclude it seems on a whole the UK is successfully trying to tackle organised crime, but there are some holes so to speak and from looking at SOCA Annual report 2010/11 one can see that the UK's weakness when it comes to tackling organised crime is its understanding of the inner workings of an organised crime group, " Organised crime is identified in the National Security Strategy as a major threat to the UK. Broad estimates value the economic and social costs to the UK, including the costs of combating it, at between £20 billion and £40 billion a year. Whilst the understanding of organised crime is becoming clearer year on year, there are however still gaps. To be successful in reducing the harm caused by organised crime it is essential that efforts to combat it are well-directed. This requires investment in developing knowledge and understanding of the threats and of those responsible for them. The harm to the UK comes in particular from a large number of individuals and groups operating in tactically astute ways", in response to this the UK has recognised that it needs to improve and will do so by bringing " together a wide range of departments and agencies, each with specialist skills and powers"[21]but whether or not this proves to be successful is yet to be seen. However, in 2010, the Home Office published an evaluation named " Drugs Value for Money Review". It pointed out that there was a lack of factual data being collected by the government on the effectiveness of its drug policy against the trafficking of drugs it stated that " policies to reduce the availability of drugs produced the greatest analytical

challenge. The absence of robust and recognised measures of success, combined with a limited base of research evidence, makes it particularly difficult to draw conclusions about supply-side policy.” [22], so this reiterates the point that in order for the UK to successfully tackle organised crime it needs to put more effort into its research in order to create a higher intelligence to what they are actually trying to tackle.