

# [At domestic product of countries such as paraguay,](https://assignbuster.com/at-domestic-product-of-countries-such-as-paraguay/)

At the height of its operations, Pablo Escobar’s cartelbrought in more than 26 billion dollars a year – more than the domestic productof countries such as Paraguay, Uganda and Iceland. The drug lord commandedarmies of sicarios, funded extensivedevelopment projects in his home town of Medellin and had thousands ofpolicemen and soldiers on his payroll: an imperium in imperio . Colombia’s “ kingof cocaine” was able to use his power to bend the government to his will, andwhen that stopped working, he launched a bombing and assassination campaignthat brought the country to its knees. Thanks to countless books, articles andeven a television series, he represents, in the popular imagination, the corrosivepower that criminals can wield over the state.

Like the Italian mafia or theJapanese Yakuza, it was not Escobar’s willingness to use extreme violence thatmade him a fundamental danger to the state but rather his ability to usebribery and corruption to subvert the system: “ plata” rather than “ plomo”. Itis this objective of global criminal organisations, argues John Kerry in TheNew War: The Web of Crime That Threatens America’s Security, that is” robbing us of our way of life”. Our antiquated legal systems, he explains, arelosing the fight against these international criminal enterprises whose aim isto gain control of the institutions that are the core of civil society – the courts, legislatures, banks, and media – in their own countries as well as in thenations where they operate. Transnational organized crime, in the words of PhilWilliams, is increasingly seen by politicians and scholars as “ the HIV virus ofthe modern state, circumventing and breaking down the natural defenses of the bodypolitic” 1. If one looks at the raw figures, thisstatement seems to be generally supported: according to the United NationsOffice on Drugs and Crime (UNODC), the threat of transnational crime has grown alarminglysince the end of the Cold War, now generating over “$870 billion a year – morethan six times the amount of official development assistance and close to 7 percent of the world’s exports of merchandise” 2. Unsurprisingly, drug trafficking represents a majority of this illicit trade, with an “ estimatedannual value of $320 billion”, with the cocaine and opiate markets alone worth “$85billion and $68 billion, respectively”.  Humantrafficking, the second largest sector, generates $32 billion a year accordingto the International Labour Organisation (ILO), with the “ number of victims oftrafficking at any given time estimated to be around 2.

4 million”. Theconsequences of this unchecked spread of cross-border crime are legion, warnsthe UNODC: not only does transnational crime threaten “ peace and human security”, but it also “ undermines the economic, social, cultural, political and civildevelopment of societies around the world”. More specifically, transnationalcrime both subverts government power and takes advantage of any perceived weaknessesof a state: “ the vast sums of money involved can compromise legitimateeconomies and have a direct impact on governance, such as through corruptionand the “ buying” of elections” 3. Yet as Feingold points out in “ Traffickingin Numbers: The Social Construction of Human Trafficking Data”, whilst thesefigures are indicative of serious and damaging criminal activity, the researchbehind them should be subjected to closer scrutiny: in the case of human trafficking, noone really knows the true value of the trade. The trafficking field is bestcharacterized as one of numerical certainty and statistical doubt. Traffickingnumbers provide the false precision of quantification, while lacking any of thesupports of statistical rigor4. In other words, headline grabbing figures such as thosecompiled by the UNODC, the ILO or the alphabet soup of non-governmentalorganisations (NGOs) are often nothing more than educated guesses at best andself-serving shock devices at worst.

As Cooley and Ron argue in “ The NGOScramble”, non-governmental organisations are, after all, private entities thatare subject to market pressures. It is very much in their interest to inflatethe scale of a problem in order to draw more attention to it – NGOs, theyargue, need to compete for a limited pool of publicity and money. This is notaided by the often sensationalist coverage of certain forms of transnationalcrimes by the media, which gives disproportionate amounts of attention to the violentand the shocking – providing the public with a distinctly pessimistic view ofboth the growth of cross-border crime and the government’s inability to stopit. Certainly, there have been manyattempts to portray the country as awash in trafficked women. Rarely is thereas much excitement about exploited migrant farm workers. The frisson of sexslaves down the street in suburbia is too good to pass up5             Moreover, the lack ofclarity regarding what exactly constitutes a certain type of crime, and what separatesone crime from another lends itself both to confusion and to a lack ofuniformity.

The ambiguity of commonly used terms and the crossover betweencriminal acts such as “ trafficking”, “ people-smuggling” and “ modern slavery” makesdata gathering and analysis all the more difficult. As Feingold points out, many of these crimes are not limited to a single short act but rather are long, muddled processes where a victim’s legal state is rarely clear.  People can go from being displaced persons, toillegal migrants, to trafficking victims and “ for most, trafficking is linkedto a migration event gone awry” 6.               It is inthis respect that the power of the state can be seen to be unchanged.

Thoughthey cannot entirely control the players, states still very much decide therules of the game. What makes one sphere of human activity a crime and anothersphere legitimate is nothing more than a state’s say so. If the scale oftransnational crime has grown then it is at least partly dues to statesdeciding to criminalise or redefine certain human activities: “ illicitglobalisation is thus not only about more-expansive transnational crime, but alsoabout more-ambitious global prohibitions” 7. As Andreas points out, sectors which were historically seen as legitimate –legally if not morally – such as Britain’s opium trade with China in the 19thcentury have since been criminalised. The reverse is also true: activitieswhich were once considered to be illicit have been either legalised or simplymade redundant: the end of Prohibition in 1933 decimated the illegal smugglingof alcohol into the US and the general adoption of free trade policies from the19th century onwards similarly made many forms of smugglingredundant. The term “ transnational crime” is thus a murky and fluid label, andas such its development is extremely difficult to accurately measure.               Nonetheless, those who see the rise of cross-border crime as an example of the failing controlof states would argue that, while it is true that we cannot properly measure thegrowth of a sector whose very definition is shifting all the time, we mustacknowledge that the rules of the game are fundamentally changing.

Theemergence of globalisation alongside new technology that allows for theanonymous transfer of messages (WhatsApp), of drugs (the now defunct SilkRoad), and of funds (Bitcoin), has meant that states are hopelessly outmatched– using archaic techniques to fight a modern enemy. Yet the historical record hasshown that it is usually states who have the upper hand, and although theycannot entirely eradicated large criminal networks, they can at least keep themunder a semblance of control. If anything, the relationship between states andcriminal organisations is similar to the “ Red Queen Effect” of evolutionarybiology: if one side gains a temporary advantage, it is quickly nullified by anew development by the other side. Both states and criminal networks continueto match each other stride for stride, neither able to gain a decisiveadvantage over the other.                The needto gain a decisive advantage over transnational criminal organisations is nothowever the goal of all states: rather “ illicit globalisation” is oftenharnessed by states for their own ends8. This is not limited to the usual suspects, such as North Korea, which is wellknown to engage in international criminal activity ranging from the counterfeitingof US dollars, to the illicit sale of arms, and even the production of fakeViagra. A host of seemingly law-abiding states have either employed criminalnetworks or encouraged/engaged in criminal activity, whether for gain in theshort term or the long term. In many ways, the rise of certain forms ofcross-border crime has been facilitated by states.

Take Switzerland, which fordecades has fiercely defended its secretive banks against outside interference– thus promoting the country as a secure and stable tax haven. Despitecooperation with the US’ Internal Revenue Service (IRS), the CIA World Factbookstill describes the country as a major international financial centervulnerable to the layering and integration stages of money laundering; despitesignificant legislation and reporting requirements, secrecy rules persist andnonresidents are permitted to conduct business through offshore entities andvarious intermediaries9The US itself is no saint however: as Andreas points out, America made good use of illicit networks during the Cold War to fund andsupply insurgent groups across the globe. Worse, this is by no means a recentphenomenon: as an article in ForeignPolicy entitled “ We Were Pirates Too” highlights, while America regularly castigatesChina for its encouragement and participation in intellectual piracy, thefledgling United States was equally unscrupulous in its attempts to catchdevelop its economy10. Like the Chinese in the 21st century, 19th century “ Americanshad no respect for British intellectual property protections” 11and actively encouraged its citizens to smuggle technological knowledge out ofBritain. The “ rise of cross-border crime” is a contentious statementin itself. Whether transnational crime has grown at a faster relative pace thanthe world economy is in doubt: not only are the figures and statistics presentedto support this assertion often vague “ guesstimates”, but there is a temptingincentive for organisations to exaggerate their claims – whether to elicitadditional funding or to further a political agenda12.

That criminal organisations with a global reach represent an existential threatto “ our way of life” seems like an exaggeration. States, after all, remain thecreators of the rules of the game: it is states that define what a criminalorganisation is and what activities are illegal. Whilst they often cannotcontrol the players, they retain the trump card: like Britain with smugglingand America with the prohibition of alcohol, they can eliminate an entire black-marketsector at the stroke of a pen. They monopolise the ability to criminalise anddecriminalise. If transnational crime has grown significantly in recent years, it is almost certainly due more to prohibitive policies put in place by states– such as Reagan’s notorious “ War on Drugs” – than to any decline in statepower.