

In a Time of Rapid Social Change: Organized Crime in Asia and the Pacific

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ABSTRACT

This paper examines organized crime in Asia and the Pacific. First is a historical and contextual review of organized crime and efforts to counter it. Followed is an analysis of major social forces around and behind organized crime, from failure of the state, dysfunction of the economy, advanced communications and transportation, globalization, and the lure of profit, to the power of organization. The third part explores organized crime with respect to its organizational bases, criminal activities, business models, and other essential patterns or characteristics. The paper points out that organized crime thrives on rapid, drastic, and multifaceted social change. Asia and the Pacific, as a dynamic region of expanding economic development, deepening political reform, and sweeping cultural transformation, will have to face and fight organized crime and various other forms of criminality in unprecedented volumes, forms, and complexities.

Keywords: Organized crime, social control, Asia, and the Pacific

Asia and the Pacific is as a dynamic region of expanding economic development, deepening political reform, and sweeping cultural transformation. Amid rapid, drastic, and multifaceted social change, crime, deviance, and social problems occur in unprecedented volumes, forms, and complexities, posing serious challenges to social control systems in countries throughout the region (Andersson and Gunnarsson 2003; Shaw 2003; Cole 2006; Hamm 2007; Phillips 2007).

Organized crime stands out saliently as it stays behind drug smuggling, human trafficking, the sex trade, and various other cross-border criminalities around the world (Newman 1999; Abadinsky 2006; Lunde 2006). While the mass media draw attention to well-equipped, well-organized crime groups, such as the Medellin Cartel, the Cali Cartel, the Kunsha Group, and the Mafias, various ethnic and local gangs attract serious attention from law enforcement as well (Soothill 1996; Frisby 1998; Finckenauer 2004; Kraul, Connell, and Lopez 2005). In countries of origination, local gangs recruit prospective emigrants, gather and transport raw materials and drugs in small amounts, prepare equipment, offer information, and provide various services for the larger international crime group. In countries of destination, ethnic gangs, based in their ethnic enclaves, collect money from illegal immigrants who have jobs, sell drugs to users and street dealers, run prostitution rings, operate gambling houses, intervene in business disputes for economic gain, and extort business establishments in the name of protection. Taking advantage of modern communications and transportation, various gang groups are now able to broaden their network and diversify their operation across regional and national borders. In Asia and the Pacific, gang leaders in Hong Kong may dispatch their members to Mainland China or send word to their followers in San Francisco and Los Angeles (Chin 1999; Zhang and Chin 2003).

This paper examines organized crime in Asia and the Pacific with respect to its organizational bases, criminal activities, business models, and other essential patterns or characteristics. For a systematic understanding, a historical and contextual review of organized crime and efforts to counter it is provided. The paper also analyzes major social forces around and behind organized crime, from failure of the state, dysfunction of the economy, advanced communications and transportation, globalization, and the lure of profit, to the power of organization.

Organized Crime: Background and Context

Organized crime manifests in the organized nature of crime activities and groupings. There are highly structured criminal groups that recruit members, socialize recruits, select targets, plan activities, manage criminal undertakings, and strive for profit like business enterprises. Because they are organized, they are able to commit crimes of scale or international significance, such as drug trafficking and the sex trade, through extraordinary means, including conspiracy with corrupted officials, coercion of a localized community, public threat, and coordinated violence.

The most notorious organized crime group in the world is the Mafia. The Mafia traces to Sicily, Italy, a strategic island on the Mediterranean trade route. As a literal term, “Mafia” itself emphasizes family as a “place of refuge” for life and survival (Lewis 1964; Inciardi 1975). Indeed, on the island that was invaded by successive foreign aggressors—Romans, Byzantines, Arabs, Normans, Germans, Spaniards, Austrians, and French—Sicilians learned to survive on the strength of their families. When they emigrated to the United States, Sicilians found that it was again family that helped them cope with their new hostile environment. Ironically, family and its extended yet united structure for securing trust, loyalty, and dedication also became an effective and reliable vehicle for some Sicilians to establish dominance and gain prominence in the criminal enterprise. Following World War II, Sicilian crime families were so successful that they made the Sicilian Mafia a live legend in the world of crime. For a long time, “Mafia” has been virtually synonymous with organized crime in the mind of most people around the world.

Sensational news dispatches and some television series would have people believe that an “alien conspiracy” composed of dozens of Italian crime families known as La Cosa Nostra dominates organized crime in the United States, and perhaps, the world. The truth is that organized crime goes far beyond the Mafias on the international stage (Cressey 1969; Paoli 2003). Across the globe, there are territorial clusters, based in a country, in a racial or ethnic culture, or in a geographical region. There are enterprise groups, specializing in drug trafficking, human trade, counterfeiting, money laundering, or contrabands. There are also project-oriented bands that are assembled or disassembled in response to specific opportunities or pressures. Because of the transnational nature of their business dealings, organized crime groups often establish and maintain routine or contingent ties with each other. Among the most well-known, Chinese triads focus on activities ranging from drugs, gambling, illegal immigration, money

laundering, prostitution, and racketeering to usury in native Chinese societies, including Hong Kong, Macao, and Taiwan, or oversea Chinese communities, such as Chinatowns, throughout Asia and the Pacific. The Japanese Yakuza has thousands of members in numerous clans that engage in extortion, prostitution, and drug traffic, especially amphetamines, in Japan and across Asia. Colombian cartels are incorporated business entities specializing in the management of all aspects of drugs from growing to processing to transporting to distributing. Russian Mafias boast millions of members through hundreds of gangs in the former Soviet Union and beyond. These Russian groups penetrate in the government at home and reach out to other organized crime groups, including Colombian cartels and Sicilian Cosa Nostra. Around the world, Russian Mafias profit from a variety of crimes: the drug trade, dealing of weapons and firearms, trafficking in women and children, prostitution, extortion, money laundering, stolen automobiles, counterfeiting, and even shipment of nuclear materials (Finckenauer and Voronin 2001; Shelley 2003).

Diverse and varied though it is in both organizing and operating, all of organized crime shares several salient features. First, organized crime is a conspiratorial activity. It involves the coordination of a considerable number of people in the planning and execution of illegal acts or sometimes in the pursuit of a legitimate business by unlawful means. Second, organized crime requires serious commitment by its primary members as well as some close associates who provide specialized skills or services as needed. Rules are clearly specified. Violations are promptly responded to. Retributive punishment may include harsh measures, such as substantive loss, dramatic injury, a death threat, and sometimes even a death sentence, to the violator and his family. Third, organized crime builds upon a hierarchical structure. A chieftain leads his close advisors or confidants who in turn direct their trusted followers or subordinates to carry out specific activities. The chain of command is maintained with differential rank, status, and share of profit. It can only be successful because of personal trust, relational closeness, and shared risk at work. Fourth, organized crime aims at economic gain as its primary goal. Power and status may come along with profit but remain secondary in overall importance. To achieve or maximize economic gain, organized crime groups tend to maintain a monopoly on the illegal goods or services in which they specialize. Fifth, organized crime groups exploit people and their fear or greed with various predatory strategies or tactics. Government officials they corrupt; to legitimate businesses and the general populace they often employ abduction, intimidation, arson, and violence. Sixth, organized crime does not exist only in the illegal business arena. Sometimes it uses legitimate businesses for illegal activities. For example, money is laundered through commercial banks or drug profits are

transferred to licensed enterprises. Sometimes it engages in legitimate activities for unlawful gains. For instance, it processes dues for labor unions or manages small capitalization stock transactions on behalf of elderly or inexperienced investors. Finally, organized crime evolves with time in selecting and using modes of communication, means of transportation, weaponry for defense and offense, ways of responding to social pressures, lines of business, and even styles of management. In the information age, various organized groups have actively explored and employed computers and the internet for multiple purposes, especially sales of illegal materials, such as pornography (President's Commission on Organized Crime 2001; United Nations Office on Drugs and Crime 2005).

Reaction to organized crime often begins with sensational coverage of mob wars and their victims by the mass media. Following news reports, there are then academic studies, governmental investigations, enactment of laws, and prosecution of criminal cases. In the United States, major investigations conducted at the federal level include those by the Committee on Mercenary Crimes in 1932, the Special Senate Committee to Investigate Organized Crime in Interstate Commerce from 1950 to 1951, the Senate Permanent Subcommittee on Investigations from 1956 to 1963, President Lyndon Johnson's Commission on Law Enforcement and Administration of Justice from 1964 to 1967, and the President's Commission on Organized Crime from 1986 to 1987. In 1963, the Senate Permanent Subcommittee on Investigations secured testimony by Joseph Valachi, a disenchanted soldier in New York's Genovese crime family. The testimony, as the first account by an insider, provided critical information on the inner workings of a secret quasi-military criminal syndicate by Italian organized crime known as La Cosa Nostra (United States Senate Committee on Governmental Affairs 1990).

Most important, governmental investigations pave the way for formal lawmaking and institutionalized reaction. Among the first legislative measures aimed directly at organized crime was the Interstate and Foreign Travel or Transportation in Aid of Racketeering Enterprise Act in 1952. The Act prohibits travel in interstate commerce or use of interstate facilities with the intent to promote, carry on, manage, or facilitate unlawful activities, such as gambling, bribery, extortion, arson, and liquor law violations. In 1970, Congress passed the Organized Crime Control Act. Title IX of the Act, known as the Racketeer Influenced and Corrupt Organization Act (RICO), attacks racketeering activities by prohibiting the use of racketeering as a means of making income, collecting loans, or conducting business and prohibiting the investment of funds derived from racketeering in any enterprise involved in interstate commerce. To aid in prosecution, the Act

even authorizes the establishment of a Federal Witness Protection Program under which witnesses who testify in court are guaranteed new identities and other forms of protection against revenge. RICO and its successful implementation also prompted the adoption of an enterprise theory of investigation by the Federal Bureau of Investigation. Instead of focusing on criminal acts as isolated incidents, the FBI now turns more and more to the criminal enterprise, its subsystems and their operational processes, such as day-to-day communication, transportation, and finance, to build a case against organized crime (McFeely 2001).

On the international front, debates on a United Nations response to transnational organized crime and its threat to the political, economic, and social fabric of member societies began in the mid-1990s. An International Convention against Transnational Organized Crime was subsequently formulated, representing a historic step in the global fight against illegitimate activities by criminal groups and enterprises. The Global Programme against Transnational Organized Crime, established under the Convention in the United Nations Office on Drugs and Crime, has since worked on the ratification of the Convention by individual nations. To promote the ratification of the Convention, regional meetings were convened in Algeria for Africa, in Ecuador for Latin America and the Caribbean, in Guatemala for Central America, in Latvia for Eastern Europe, and in Japan for Asia and the Pacific. In addition, expert group meetings were conducted to prepare legislative guides to the Convention and its three protocols. So were national-level meetings in cooperation with member states, such as Cape Verde, Guinea Bissau, Haiti, Indonesia, Nigeria, and Romania (United Nations Office on Drugs and Crime 2005).

Central to the Convention and its mission, the Global Programme against Transnational Organized Crime has made specific efforts in the assessment of prevailing patterns and trends, the training of criminal justice practitioners, the development of tools and technical assistance, and the sharing of information among member states on transnational organized crime. With respect to assessment, a database on organized crime groups across a variety of countries is now available for public review; a manual on investigating and countering organized crime is ready for official reference; and a few regional assessment surveys are conducted, covering such dynamic regions as Central Asia and West Africa. On the matter of training, a multimedia seminar is in shape to help police investigators, prosecutors and judges, intelligence analysts, and customs officials learn best practices in the fight against transnational organized crime. Pilot seminars were first conducted in Colombia, Croatia, Peru, and Slovakia. Since 2002, formal training has taken place in many other countries, including Chile, Ecuador,

Guatemala, Mexico, Mongolia, Nigeria, Romania, Ukraine, and a number of Southern African countries. Finally, regarding information sharing, the Programme envisions a special “helpdesk” in the future on transnational organized crime, in addition to the data it gathers from and presents about individual countries and the whole world community on such common issues as the nature of active organized crime groups and their salient characteristics, national legislative systems and their institutional establishments, and international cooperation and its procedural arrangements (United Nations Office on Drugs and Crime 2005).

Organized Crime: Large Social Forces

There are a wide variety of social forces around and behind organized crime across national borders. While some are obvious and well known, others take meticulous research to uncover and understand.

One hypothesis argues that the failure of the state to deliver essential political goods such as security, justice, and stability encourages criminal groups to perform state functions (Sung 2004). In Asia and the Pacific, weak states exist in different countries, from those still in the shadow of colonialism to those strongly under the influence of foreign interests, from those caught between tradition and modernity to those mired in either autocratic recklessness or democratic indecision, and from those divided by civil wars to those united as a loose sovereign polity. For example, how much security can a government provide for its citizens, especially those in and around the war zones, when it engages in a war with guerrillas? In fact, civil or regional wars in Afghanistan, Cambodia, India, Indonesia, Myanmar, Pakistan, the Philippines, and Sri Lanka all create ideal milieus in which both domestic and international organized crime groups rule and prosper on matters ranging from business protection, local justice, shipments of arms, supplies of contrabands, and production of drugs to human trade in sex and slavery. Moreover, a general weakness of the state manifests itself in various contexts, from the rigidity of bureaucracy to a lack of trained personnel, from massive waste to rampant corruption, and from decision-making mistakes to carelessness in policy implementation. For instance, Russian Mafias may target corrupt officials and their greed in routine operations in the territory of the former Soviet Union whereas in the West, such as the United States and Canada, such crime groups may take advantage of legal formalities and procedural loopholes for strategic survival.

Parallel to the state failure hypothesis is an economic failure hypothesis on predatory organized crime (Sung 2004). This hypothesis holds that poor economic outcomes such as high unemployment, a low standard of living, and reliance on an underground economy stimulate the growth of criminal syndicates as suppliers of goods in demand, services, and jobs. Throughout Asia and the Pacific, economic gaps between rural and urban areas, developing and developed regions, and poor and rich societies are staggeringly wide. The rural-urban divide alone, for example, may account for much of organized crime. In major cities, such as transportation hubs, political capitals, and international centers of commerce, there is not only a sizable middle class living in self-sufficiency but also a small leisure or elite class disposing of wealth through conspicuous consumption. By contrast, the majority of people in the countryside do not have much to gain in their day-to-day struggle for survival with nature. A farmer who tills the land laboriously from sunrise to sunset may still not be able to earn as much as someone who digs in the waste discarded by city residents or even a small portion of what a porter would earn at a municipal seaport or a maid in an urban household. As a result, most youths flee their villages to become migrant laborers in cities. Some rebel against their customary way of life by forming gangs, joining organized bandits, or participating in an ongoing insurgency or an existing guerrilla force. Massive migrant labor provides both target and source for organized crime. As targets, rootless migrants are lured or forced into prostitution, servitude, or slavery. As sources, they supply aides, guards, associates, members, and even core leaders for various organized crime groups. When connection between rural areas and urban centers are needed, gangs, bandits, and insurgent groups originating from the countryside can be brought on board for larger organized crime operations, such as human trafficking and the drug trade.

Another noticeable explanation for organized crime is an advance in communication and transportation experienced even in the remote areas of Asia and the Pacific. In almost every communiqué issued by national and international organizations, transnational organized crime is viewed as an inevitable side product of increasing commercial, political, and social interactions across the globe brought about by modern technology, communication networks, and means of transportation. Indeed, advances in communication and transportation reduce distances, render state frontiers porous, and aid criminal groups in both planning and execution. Information shared over the internet and by cellular phones is instant, prompting new ideas and plans for special operations for emergent groups. Flights, ships, rails, and buses provide common schedules and vehicles for routine transactions for established groups. Despite tremendous differences in economic development, most countries in Asia and the Pacific are

accessible by radio networks, satellite news, commercial communication, and common transportation services, such as airline, shipping, rail, and bus services. Like their legitimate counterparts in multinational corporations, transnational organized crime leaders can ride in sleek limousines, fly luxury business jets, carry advanced communication devices, stay at five-star resorts, and watch live satellite news from Bangkok to Los Angeles, from Hong Kong to Manila, from Phnom Penh to Singapore, or from Lima to Tokyo. Like any legitimate participant in international diplomacy, organized charity, or tourism, a member of an organized crime group can use a computer, take a bus, ride a train, fly a commercial airliner, and check into a hotel when he or she works on an assigned job anywhere across Asia and the Pacific, whether it is in Ulan Bator, Mongolia or in Sydney, Australia.

Besides those recognized factors, there are forces that need to be explored in the quest of causes for transnational organized crime. One is the contrast between human nature and social structure, between human needs and social supply, and between human desires and social constraints. Specifically, human beings, driven by their natural instincts and desires, tend to make unlimited demands for certain goods and services. Society, patterned in a traditional established order, tends to place limiting conditions on what goods and services are allowed, how they are delivered, and whether they are rationed by age, gender, race, or socioeconomic status. For example, sex is socially regulated and can be legitimately gratified only in legislated institutions such as marriage, the family, and domestic partnership. It becomes socially problematic when individuals follow their natural instincts to engage in sex at a time or in a situation appropriate to their mutual desires. Organized crime, in essence, fills in, capitalizes on, or profits from the gap between universal human demands and legitimized social supplies of goods and services. In Asia and the Pacific, the gap becomes widened when people in developed countries can spend so little of their disposable income to buy an illicit service or illicit goods from their counterparts in developing or undeveloped countries.

Another force is globalization. It is well known that globalization brings different countries closer, making the world a smaller and easier place for trade, cultural exchange, and social cooperation. It is, however, not completely understood that globalization does not necessarily equalize the world. In fact, while it pushes less developed societies closer to their more developed counterparts in the supply of labor, space, and raw materials, globalization pulls the former further from the latter in the share of profit, power, and prosperity. With globalization, people see each other and their differences more closely and frequently, and therefore can develop a sharper realization of inequality and injustice. For instance, many Mexicans who

struggle hard in their native land can only enter the United States illegally to perform hard labor for Americans. Because they enter illegally, these immigrants are not able to claim or enjoy many social benefits in the country that sees them as illegal aliens. The situation creates an opportunity for organized crime: Organized crime groups recruit Mexicans nationals, transport them across the border, and place them in American households, farms, and other receiving institutions needing labor; organized crime groups aid illegal immigrants who are not allowed to open bank accounts nor allowed to drive by granting false identity cards, false driver licenses or issuing false insurance policies. In general, organized crime can act upon the public sentiment of deprivation, alienation, and injustice shared by people in the Third World. For example, some organized crime groups target only citizens from affluent societies or operate in the First World with a clear intent to create social disruption or spread fear among the general public. The drug trade seems to serve as a more indirect vehicle for social revenge. As some Third World scholars point out, drugs are fairy evils that help bleed rich countries for the wealth they have garnered, legitimately and illegitimately, from around the world. The reasoning is mischievous yet logical: "You have made so much from us. There must be some ways for you to lose or for us to get back."

At a practical level, profit enables the formation and maintenance of an institutional structure and network required for organized crime. Profit from organized crime can be potentially almost unlimited given the fact that organized crime groups do not pay tariffs or taxes, may unilaterally set prices for their goods and services, and have the leisure to decide how they will compensate their members. Also, by conventional logic, for the high risk involved, organized crime members deserve a high payoff. With profit, organized crime groups are able to keep members by attractive material incentives, train new recruits with advanced technology, enforce rules effectively, apply penalties in a timely fashion, and glorify leaders through all possible luxuries. In operation, economic muscle enables organized crime groups to increase sales, broaden services, expand territories, solidify monopolies, take up new businesses, or boost their reputation or status in relation to the conventional business, the government, or the general populace. Throughout Asia and the Pacific, organized crime specializes mainly in the drug trade, human trafficking, and arms smuggling. Profit makes some organized crime groups not only grow stronger and more stable inside their institutional boundary, but also become bold and aggressive in dealing with law enforcement, business rivalry, and membership betrayal. While small-grouped entrepreneurial snakeheads tend to use many means, including bribery, to buy their ways in and out of the system for a human trafficking operation, large-scaled corporate

syndicates often show no hesitation in engaging in personal assassinations, public bombings, and even military-style skirmishes or battles in their drug growing, processing, transporting, and distributing businesses.

On the other side of profit is cost. Organized crime incurs high cost compared to conventional business ventures. Bribing corrupt officials, paying trained or skilled operatives, eliciting membership dedication and loyalty, supporting leaders and their risk-taking or status-demanding lifestyle means that an organized crime group may have to bear costs several times more than what a legitimate business need spend on the operation of a project or the delivery of a client-oriented service. The criminal organization must be able to control and absorb this high cost. Organized crime is an underground enterprise. Secrecy demands the power and protection of an institutional structure. It is only through an organized network that information can be gathered with a certain amount of independence, the core of command can be relatively sheltered from the team of operation, or on-field task execution can to some degree be buffered from post-incident evaluation. In Asia and the Pacific, there is a general observation that all organized crime groups take advantage of institutional setups in their illegal business undertakings. There are, however, specific developments. While a few groups capitalize on a large scale, an established reputation, or a familiar business for domination in a locale or region, many more organized crime enterprises appeal to small-business models to manage cost, keep secrecy, and bypass scrutiny from law enforcement, the media, and the general public. For example, most Chinese smuggling groups operate as ad hoc task forces with limited hierarchical structure. Using familial networks as well as fortuitous social contacts, Chinese smugglers assemble, disassemble, and reassemble groups strategically or tactically in response to business opportunities, market conditions, and social control reactions (Zhang and Chin 2002).

Finally, organized crime exists and thrives simply because some criminal activities, such as the drug trade, human trafficking, arms dealing, and other cross-border transactions, lie beyond individuals and their individual capacities. A single individual, no matter how ambitious, adventurous, smart, or strong, cannot carry out certain complex criminal tasks all on his or her own. Even for many criminal acts that individuals perform well, an organization can show its advantage by doing them in scale, through a set procedure, for a known feared reputation, and with effectiveness and efficiency.

Organized Crime: Type, Pattern, and Characteristics

For profit, power, or status, organized crime is a conspiratorial enterprise. It involves a group of people in the planning and execution of illegal activities or in the pursuit of a legal business venture by unlawful means.

Beginning with the way people are brought together for a task, organized crime groups divide into four categories. The first is family-based. The most well known is the Mafia. A family-based crime group, however, is not necessarily built on blood relationships. Members may come from a particular locale or organization, sharing a unique memory of a hometown or some stage-of-life deeds. They call each other brothers and sisters. They look up to senior folk or an emergent leader as their guide or head. For example, some alumni groups and hometown associations in Chinatowns on the Pacific Rim may fall into this category when they engage in the recruitment and placement of illegal aliens who belong to them by family or community. The second is age-graded. An age-graded crime organization attracts people from a specific age group. Members in the age range share a similar level of experience, education, or energy. The most prevalent is the youth gang. For instance, Mara Salvatrucha or MS-13 and its rival, Mara 18, include members from early teens to early adulthood. Active in the United States, Central America, Mexico, and Canada, MS-13 is responsible for waves of violence and crimes, from making firearms, transporting drugs, exporting stolen cars, and murder, to various street offenses, on the Eastern shoreline of the Pacific Ocean (Kraul, Connell, and Lopez 2005). The third is race or ethnicity-based. This category is characteristic of almost all organized crime groups, from Italian Cosa Nostra to Japanese Yakuza, from Chinese triads to Latino gangs, and from Colombian cartels to Russian mafias. Race or ethnicity-based organized crime groups build upon a membership of the same race or ethnicity for greater mutual understanding, solidarity, and security. People of other races or ethnicities may be used only as sponsored associates or paid specialists. The fourth is language-connected. This category relates to the third type as people of the same race or ethnicity are likely to speak one common language. It, however, goes beyond the third because people who speak one common language do not necessarily belong to one race or ethnicity. For instance, Latino gangs spread across different countries in Americas mainly due to the fact that members of those gangs speak Spanish. Russian Mafias expand to Eastern Europe and Central Asia because people in those regions can conveniently communicate with each other in Russian. As English becomes a worldwide means of communication, there will be more and more crimes committed among tourists, migrants, students, diplomats, multinational corporate workers in

the actual world or over cyberspace by groups organized around or connected by the English language (Fiandaca 2007; Phillips 2007).

In terms of the activities involved, organized crime lives mainly on two types of business enterprises. The first is illegal business for big profit. Certain drugs are totally prohibited by almost every country in the world. The Colombian drug cartels have grown into regional and global business empires that challenge established national governments and legitimized international forces. These cartels produce, process, transport, and distribute cocaine, marijuana, and other drugs. Immigration is controlled across national borders, especially between affluent and impoverished societies. Chinese triads eye this reality as an opportunity to profit by recruiting, transporting, placing, and managing migrant laborers from Mainland China to Hong Kong, Macao, Singapore, and Taiwan, and even to advanced economies in Europe, Oceania, and North America. Prostitution is illegal and socially stigmatized. Russian mafias send women from Russia and Eastern European countries to major Asian and Pacific metropolises to work as prostitutes. Gambling is banned in most places by government. Japanese Yakuza niches in to develop and maintain a monopoly on gambling throughout Japan. Murder for hire is seen as one of the most heinous crimes by law enforcement. Latino gangs market it in response to needs from both criminal undergrounds and the conventional world. Although none of the aforementioned activities belongs solely to the groups cited above, these illegal activities altogether offer a wide range of business opportunities.

The other type of business adventure for organized crime remains relatively unnoticed. It is the conduct of legal business through illegal means, such as harassment, threat, and violence. Involvement in legal business is critically important to organized crime. It provides a business front to hide underground operations, transfer illegal gains, legitimize problematic transactions, and establish market influence. Japanese Yakuza offers an illustrative example of how some organized crime groups can grow into their respective social environment, developing a kind of symbiosis with law enforcement, political establishments, business communities, and the general public (Kaplan and Dubro 1986). In the community and with local residents, Japanese Yakuza controls turfs, settles disputes, engages in personal protection, and provides general security. When "A" suffers a loss with at-fault "B" in a traffic accident, "A" can receive a fast and reasonable compensation from "B" through the assistance of Yakuza without the tedious process of legal formalities. In the corporate world and with various businesses, Yakuza recruits day laborers and stevedores to work for Japanese shipping and construction companies to evade Japan's strict immigration law, dispatches so-called "land-raising" specialists to evict

stubborn land owners or tenants to make way for new projects, or sends so-called “sokaiya” specialists to attend a company’s annual meeting sometimes for the company’s protection, sometimes for the company’s harm. In the political world and with governmental officials, Japanese Yakuza provides services ranging from drumming up election campaigns, delivering sensitive messages, and blocking media releases of embarrassing information, to making connections to business and other vital interests. Even with law enforcement, Japanese Yakuza seems to enjoy a kind of respect from the police for its adherence to a feudal-era code of chivalry. From time to time, Yakuza turns in some of its members to help the police break a case. Most important, the police to some degree count on the existence of Yakuza for dealing with street crime. When some hooligans come into a neighborhood and start making trouble, chances are Yakuza will take care of them before the police are needed.

At the core of its business, organized crime seems to take on two different models. One is the multinational corporate model. The other is the small business model. The multinational corporate model is used in the drug trade, human trafficking, smuggling of weapons and military equipment, pornography in cyberspace, and sex tourism. In business, it connects suppliers or producers with transporters or distributors, with wholesalers or retailers, and eventually with consumers. By division of labor, it has a clear distinction between management and operation, between planning and production, and between finance and security. Its organizational structure is hierarchical, with the corporate headquarter and branch facilities or offices, with core members and sponsored or hired associates, and with a CEO-like head and frontline workers or handlers. An organized crime group under the multinational corporate model can use scale, risk, international reach, media exposure, law enforcement attention, and public fear in its pursuit of high profit and success. With an established reputation, it can easily pick up a business, take over a market, or silence a group of competitors or adversaries, sometimes even without actually taking any action at all. Colombian cartels, Italian Cosa Nostra, and Russian mafias, with their respective overarching dominance in major transnational crime ventures, exemplify well organized crime using the multinational corporate model.

On the other hand, the small business model thrives on migrant labor, civil disputes, gambling, smuggling of contrabands, and prostitution. An organized crime group following the small business model targets specific opportunities that arise from interpersonal or inter-group interactions or cross-border transactions. In operation, it uses small teams with each of the team members assuming multiple roles for different tasks. The group leader performs multiple duties as well: initiation, planning, financial management,

facilitation, or field supervision. Differing from its counterpart corporate model, a small organized crime group resorts to portability or manageable size to minimize cost, reduce complexity in organization and operation, keep a low profile, avoid media attention, and ward off any possible law enforcement attack. Many Chinese organized crime groups, which are historically highly localized individual organizations, seem to fit into the small business model. In recent years, due to dramatic changes in their home territories, Chinese crime groups, including secret societies, self-help associations, and street gangs, have begun to spread prolifically across Asia and the Pacific. The most feared secret societies or triads are actively involved in a wide range of illegal activities, including human trafficking, drug smuggling, money laundering, loansharking, prostitution, gambling, and extortion within and across Mainland China, Hong Kong, Macao, Taiwan, and the United States (Chin 1999). In alien smuggling and heroin trafficking destinations, they work with self-help associations among Chinese immigrants or tongs and street gangs in Chinatown, forming a self-protection shield often impermeable to law enforcement. Although they are not as scaled, coordinated, and threatening as international Mafias, Chinese crime groups are each well-organized with clear objectives of profit and well-thought plans for operation. They persist as individual entrepreneurship flourishing in Hong Kong, Taiwan, Mainland China, and various Chinese enclaves in North America.

On a general level, organized crime thrives on war, political transition, economic development, cultural change, and social transformation. War gives rise to social anarchy. It also creates gaps between demand and supply in labor, consumer goods, and military materials. For example, wars in Afghanistan, Iraq, and many other parts of the world not only fan insurgency and terrorism, but also fuel organized crime and underground activities. Political transition weakens the state and its ability to keep social order and provide vital services. It also changes the distribution of power and the allocation of social resources. For instance, at the time of the breakdown of the former Soviet Union, when individual republics reemerged with a Western model, organized crime groups used violence, corruption, and other means to challenge or influence state authority in the redistribution of public properties, specifically in the regulations the state had to make regarding the processes and outcomes of privatization (Juska, Johnstone, and Pozzuto 2004). Russian mafias were especially aggressive. They purchased valuable state properties through insider deals and then resold them for lucrative profits; they recruited officials as their “silent partners” so that they could use the governmental apparatus to control businesses they required to have their “protection”; some of their trusted members attained public office; they bought other public officials so that

they could influence the state's domestic as well as foreign policies to the benefit of their criminal enterprise (Shelley 2003; Finckenauer 2004). Thus, economic development, cultural change, and social transformation bring about opportunities for both legitimate and illegitimate business undertakings. Rapid change can alter the way people relate to the outside world, perceive different ideas and ideologies that come to their attention, and approach various practical issues in life. Throughout Asia and the Pacific, human trafficking, drug dealing, gambling, prostitution, and sex tourism rise as the flow of people, materials, and information increases within and outside national and territorial boundaries. Whether it is Japanese Yakuza or Chinese triad, whether it is Colombia cartel or Latino gang, no organized crime group will hesitate to seize for profit any opportunity that becomes available in an ever-changing era.

Finally, a troubling trend in organized crime is that it features more and more violence in developing countries. Partly because of the stark economic contrast between the rich and the poor, partly out of a reaction to police brutality, oppression by the regime, or corruption by public officials, and partly because of a general state of cultural disorientation or social maladjustment, organized and individual crime offenders in some emerging economies and democratizing societies often engage in kidnapping, assassination, murder for hire, and other violence for gain. In severely affected countries, most notably in Latin America, organized crime groups conduct hundreds of kidnappings each year, from expressive kidnapping to political kidnapping to kidnapping for money (United Nations Office on Drugs and Crime 2005). Besides inflicting enormous pain on innocent victims, kidnapping spreads fear among the public, threatens social stability, and discourages business investments that are so vital to societies struggling in the early stage of economic development. In developed countries, on the other hand, organized crime seems to become tactically lodged in high-tech and other institutionalized complexities just as society as a whole is enveloped in political democracy, middle-class affluence, cultural sophistication, public correctness, lifestyle diversity, and racial or ethnic tolerance. For example, some organized crime groups begin to penetrate unions, the corporate world, the governmental bureaucracy, or the stock market for hidden yet greater gain in their business ventures.

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