



THE RISE OF TRANSNATIONAL RUSSIAN-SPEAKING ORGANIZED CRIME

Walter Kegö & Aïssata Maïga

Transnational Russian-Speaking Organized Crime is a growing scourge for the whole of Europe. Taking advantage of its unique “assets,” it also exploits eased border controls, new technologies, and legal loopholes. As such, it is difficult to combat with only isolated successes having been scored amid a lack of sustained and coordinated strategies between European countries and agencies. If it is to be prevented from flourishing further, more concrete steps need to be taken to combat its rise.

Decades before the “Russian Mafia” became a transnational power, it was largely contained within national borders. This is not so today: Transnational Russian-speaking Organized Crime (TROC), as more accurately defined, has grown exponentially with the advent of simplified border controls, transportation procedures, and global virtual communications. No longer exclusively Russian or even Slavic, it is rather a network comprised of various ethnicities. According to Vladimir Ovchinsky, former director of the National Central Bureau of Interpol in Russia, there were, as of 2007, at least 120,000 members of TROC groups hailing from across the post-Soviet space. The *Moscow Times* estimates, moreover, that this figure could today be anywhere between 300,000 and 500,000.

TROC can take advantage of unique assets compared to other forms of organized crime: these include deeply rooted criminal traditions, well-established state corruption and a host state—Russia—but also to a certain extent other post-Soviet countries—that groups can work from with relative impunity, the interdependence of business and politics, links between former Eastern bloc countries, immense financial resources, and the “passivism” of populations who tacitly accept and even participate in corrupt practices. These “assets” have allowed TROC to flourish across the post-Soviet world and even spread globally, at a speed that law enforcement authorities and politicians have failed to foresee and counteract.

Western Europe in particular has become an attractive target for TROC activities: it offers profitable destination markets for drugs and human trafficking, as well as possibilities for money laundering and investments. Indeed, TROC groups are investing in real estate, take advantage of lax

banking systems (which are sometimes also complicit in nefarious schemes), and use European “tax havens” such as the UK, Germany, Austria, Switzerland, and Liechtenstein, the latter branded by the OECD as an “uncooperative offshore tax haven,” to keep capital out of reach of legal investigation or asset seizure. Moreover, TROC is flexible in that it adapts according to what a country can “offer.” For example, amidst economic difficulties, Spain has offered incentives for investment in the tourism sector, and has thus turned a blind eye to investments from TROC groups. In the UK, which has since 1995 offered an expedited process of acquiring British citizenship for wealthy Russian immigrants, criminal interests have exploited this to invest heavily in real estate.

TROC has also displayed an ability to network and ally with local groups and mafias. In return it offers facilitated and secure access to East European markets, and to Central Asian heroin. It is increasingly active in the five European criminal “hubs,” as identified by Europol: the North West hub of the Netherlands and Belgium, the principal coordination center for drug distribution, located close to highly profitable destination markets and well-developed transport infrastructure; the North East hub—Baltic States and Russian Kaliningrad—remains a transit point and a base for violent poly-criminal groups with international reach. The South West hub—Spain and Portugal—has a leading role in cocaine and cannabis trafficking and distribution, and currently serves also as a transit zone for human trafficking. The Southern hub—Italy—continues to be prominent in criminal entrepreneurship, counterfeiting, human trafficking, and smuggling, as well as a base for wealthy criminals. Finally, the South East hub—Bulgaria, Romania, and Greece—has been expanding due to the presence of Balkan routes for illicit



commodities to and from the EU, and for illegal immigration via Greece.

Challenges of Combating TROC

Steps to combat TROC are very difficult to implement. It is deeply rooted in most European countries, from businesses to the political level. They have been shrewd in adapting to and exploiting specific countries' rules and regulations, and they have utilized the presence of well-established ethnic groups, such as those of Russian descent in Germany. Further, TROC is not a static entity, which enables it to evolve and adapt quickly and escape the clutches of law enforcement, employs cutting-edge technology, and is well-versed in exploiting legal loopholes as well as democratic weaknesses in certain Central and Eastern European countries.

There have been some successes, however, which have involved international cooperation between concerned countries' law enforcement agencies, international organizations, and which were followed by asset seizures. In 2010, after a year-long investigation, the Spanish police coordinated operation Java, which resulted in the detention and arrest of 69 Georgian mafia members in a co-ordinated operation across Europe. The arrests took place in Spain, Austria, Germany, Switzerland, France, and Italy. More recently, on June 4, 2013, several French police teams, assisted by Interpol and Europol, were able to arrest 42 suspects of various nationalities (Georgia, Armenia, Russian Federation, Azerbaijan) simultaneously in several French cities. Those arrests were made possible within the framework of a complex investigation against Russian-speaking, mobile, organized crime groups.

Coordinated efforts that have been made have therefore demonstrated encouraging results. Nevertheless, such initiatives remain the exception rather than the norm and are not part of a coordinated European or global initiative. Indeed, there has been a lack of concerted political will to sufficiently grapple with the issue. Diplomatic relations and state interests with post-Soviet countries, especially with Russia, constitute also a serious hurdle in the fight against TROC. Furthermore, law enforcement authorities and political entities have not adapted to the scale and scope of the problem and are in need of greater understanding of the means and methods of TROC operations so as to devise combative strategies.

The first necessary step to counter TROC is the creation of transnational and reactive law enforcement units. They should be composed of law enforcement personnel, empow-

ered to take the necessary actions. These units should be ideally located in geographical locales corresponding to the five European criminal hubs identified by Europol. A second step to be taken is to improve international cooperation and the exchange of information in a timely manner, for investigative and prosecution needs. The EU also needs to invest in and improve its knowledge of new criminal trends linked to new technologies, such as BIT coin, cyber attack strategies and prevention, and online money laundering techniques. These are all areas where law enforcement bodies are lagging behind, while criminals benefit from state-of-the-art finance techniques. A better control over private banks is also an unavoidable step to identify and freeze illicit transactions. According to the UNODC, only 0.2% of the laundered money worldwide has been identified and seized by law enforcement agencies. This figure must be improved dramatically, or all other initiatives are condemned to fail.

As TROC continues to grow and needs to control transit and destination countries, the EU countries, without their old protective borders, must realize that they have become de facto a single state, at least from the perspective of TROC, and act accordingly. In sum, the initiative to combat TROC must be addressed by the European law enforcement community to challenge their creative and rapidly evolving methods and activities.

Walter Kegö is Senior Fellow at the Institute for Security and Development Policy, Stockholm. Aïssata Maïga is an Intern at ISDP's Transnational Initiative with five years' experience working at Interpol.

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