Geographies of the illicit: Globalization and organized crime

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Abstract
The paper notes a growing, diverse and yet somewhat partial and disparate interest among geographers in the illicit. Within this there has been little substantive interest in organized criminality despite it constituting a range of activities comparable in their significance to other aspects of the illicit that have attracted extensive attention from geographers. This paper argues that the development of a geographical perspective on organized crime is timely and seeks to map out connections with both the extant literatures of organized crime and those of human geography.

Keywords
criminal sovereignty, economic geography, geographical perspectives, globalization, illicit, organized crime

I Maps of the illicit
If the twentieth century was dominated by cold wars... and the ‘war on terrorism’ has become the prevailing preoccupation since 9/11, then the struggle against organized and transnational crime will become a parallel defining security theme of the twenty-first. (Galeotti, 2005a: 1)

Geographers’ curiosity has led them to explore many hidden aspects of the contemporary world. We can recognize long-standing interests in the illicit including an extensive geographies of crime literature (Evans et al., 1992; Fyfe, 2001; McLaughlin, 2006), interest in informal economies (Daniels, 2004; Leyshon et al., 2003; Samers, 2005; Williams, 2004; 2006) and contributions to cognate issues such as conflict, geopolitical violence, terrorism, security and intelligence (Ettlinger and Bosco, 2004; Flint, 2003; Gregory, 2004; Simons and Tucker, 2007). Beyond a shared interest in the illicit, though, there is little to unify these literatures. They are philosophically, epistemologically and methodologically diverse and their primary orientations are to their respective subdisciplines (broadly, social, economic and political geography) rather than to the wider realm within which their objects of study are located. Thus, we are yet to see any substantive reflections on the ‘geographies of the illicit’.

One aspect of the illicit that appears somewhat underrepresented within geographical literatures, and those of social science more generally (Castells, 2000: 171; Dick, 2009), is organized criminality. For example, the long-standing geographies-of-crime literature has
been overwhelmingly concerned with crime at the local scale (McLaughlin, 2006). It has said little about those crimes that are more opaque or operate at broader scales. Geographers of crime, then, lag someway behind critical criminologists in their discussions of organized criminality as well as other ‘global’ crimes such as state, corporate and environmental crime. Further, within work on informal economies the links with and distinctions from organized criminality have only been briefly considered (see Daniels, 2004; Samers, 2005). Similarly, despite evidence of an enduring terrorism-organized crime nexus (Glenny, 2008a; Lee, 2008; Madsen, 2009: 57–76), links between terrorism and organized criminal groups (OCGs) are, at best, a peripheral concern of recent work.

Quantitatively it would seem that organized crime is comparable to other aspects of the illicit that have received greater attention from geographers. Estimates of the global extent of informal economies suggest they constitute 14–16% of GDP in some advanced countries, over 40% in transitional economies and as high as 77% in some developing countries (Daniels, 2004: 506). This compares to recent estimates of 15–20% of global GDP that has been attributed to organized criminality, with strong skews towards transitional and developing countries where its contributions to national income have been measured at 40–50% or higher (Dijk, 2007; Dunn, 1997; Glenny, 2008a). Further, it has been argued by academics, policing, intelligence and security agencies that transnational organized crime represents a comparable threat to that of terrorism (Carter, 1997: 146; Council of Europe, 2001; Galeotti, 2005a: 1–2; Glenny, 2008b), although we should remember that law enforcement agencies may present these threats politically to some extent to secure resources (Abraham and Schendel, 2005: 2; Hobbs, 1998: 139; Kleemans, 2008: 6; Lee, 2008: 336; Levi, 2002: 895; Woodiwiss, 2003: 21–22; Woodiwiss and Hobbs, 2009; Wright, 2006: 23). Furthermore, there is significant overlap between organized criminality and other illicit realms that geographers have examined, such as prostitution (Hubbard, 1999), volume crime, for example through the drugs trade (Rengert, 1996), and organized retail theft, a significant source of terrorist financing (Madsen, 2009: 57–61), and between organized crime and informal economies, for example in the cities of the South (Daniels, 2004; Weinstein, 2008). Mapped in this way, organized crime can be seen as broadly comparable to and overlapping with volume crime, informal economies and conflict, geopolitical violence, terrorism and security.

There is a danger that discussing the illicit in this way reifies it as a discrete ontological realm. Rather, there is a wealth of literature tracing the ways in which the licit and illicit are intertwined within regions and through social, economic and political practices (Castells, 2000; Hignett, 2005; Hill, 2005; Lintner, 2005; Nordstrom, 2007, 2009a: 75; Wilson, 2009), something we return to later. Thus the illicit emerges as a presence, albeit largely unacknowledged, in many issues routinely analysed by geographers. For example, we can plausibly argue that licit economic activities constitute only some of the dimensions of contemporary globalization (Aas, 2007; Bhattacharyya, 2005; Brooks, 2012: 82; Glenny, 2008a; Nordstrom, 2007; Abraham and Schendel, 2005; Wilson, 2009; Zook, 2003: 1263). By limiting the empirical foundations of geographical research into contemporary globalization and not acknowledging the presence of the illicit, there is a danger of failing to capture globalization in all of its complexities. Even recent geographically informed examples of the ‘globalization from below’ literature (see, for example, Henry et al., 2002), which offer more peopled, plural and relational readings of the global economy than earlier, more abstract, accounts, generally have little to say about illicit activities. It is hence worth asking what are the
implications, empirically certainly but theoretically/conceptually perhaps, of recognizing the illicit as a trace within some substantive areas of geographical inquiry. Weinstein (2008), in an illuminating if rare case, for example, focuses on the presence of OCGs, in the development of Mumbai. Here, after arguing that research into urban development has largely failed to acknowledge the role of illicit and informal actors and modes of governance, she traces the symbiotic relationships between the state and OCGs and the ways in which their involvement shaped the regulatory context of development in Mumbai (Weinstein, 2008). Put simply, it would not be possible fully to understand development here without recognizing the role of OCGs. It is naive to imagine that this is the only example. Indeed, Weinstein (2008: 25) also identifies a number of comparable examples from other cities internationally recorded across a diverse, multidisciplinary literature.

While geographers have not ignored organized crime, it is yet to emerge as a substantive research area within any of its subdisciplines. There is a range of work by geographers that touches upon organized criminality. Both Rengert (1996) and Allen (2005) have produced geographical analyses of the production, distribution and consumption of illegal drugs. This is significant in that they apply geographical models traditionally applied to licit markets to those of the illegal drug trade. It is disappointing that this work has not been picked up in any wider geographical project. Rengert’s work, for example, is primarily cited in the criminological literature, while Allen’s remains almost uncited to date by geographers (though see Pereira, 2010). Further, Brown and Cloke (2004, 2007) have called for geographers to engage with financial corruption and illegal financial flows as vital elements of a neoliberal global economy, but ones largely omitted from geographers’ accounts. This is complemented by Swain et al.’s (2010) work on the ‘corruption industry’ in the rise of neoliberalism in post-soviet space and Brooks (2012) exploration of corruption in the used car trade between Japan and Mozambique. The latter highlights how neoliberal discourses obfuscate corrupt practices in what is seen as a ‘development success’. These are rare examples of economic geography engaging with organized criminality as a series of industries comparable in size to many in the licit economy. Recognizing this, Hall (2010a, 2010b, 2012) has sought to forge a space for the discussion of organized criminality within the context of geography generally and economic geography specifically.

The few other examples of geography’s engagement with organized criminality include: Hastings’ (2009) analysis of the relationship between the sophistication of maritime piracy attacks and levels of state failure; and a session on the opium poppy, organized by Allison Brown of the University of Massachusetts, at the 2010 meeting of the Association of American Geographers. In addition, there are isolated examples of work within migration research that have focused on forced migration and trafficking linked to organized criminality (see Manzo, 2005; Samers, 2010). Finally, Craig Martin’s (2010) ongoing PhD research into the visibility of shipping lanes includes discussions of Somali piracy.

So, in sum, we have an extensive, if uneven, interest among geographers in the illicit generally and a diverse but patchy interest in organized criminality specifically. It is nonetheless possible to trace an enduring, uneven and often implicit interest in the spatial dimensions of organized crime (see Hall, 2012). However, we have only recently seen the beginnings of any attempt explicitly to articulate a geographical perspective on organized crime (Hall, 2010a, 2010b, 2012) and to consider its implications for the extant literatures of organized crime and for the subdisciplinary literatures of human geography. This review builds on these beginnings and addresses its implications with
specific reference to the literatures of geography and spatialized readings of contemporary globalization.

II Definitions and discourses of organized crime

Organized crime often attracts powerful imagery frequently at odds with a more complex yet parochial empirical reality (Hobbs, 1998). This is true for both cultural discourses and attempts to produce definitions of organized crime, which has long been acknowledged as a contested concept eluding easy definition (Levi, 2002; Madsen, 2009; Maltz, 1976; Wright, 2006). Despite this acknowledgement, a number of definitions have emerged within the criminological literature and from official sources that have sought to identify ‘essential’ (Levi, 2002: 880) structural or behavioural characteristics. For example, Albanese argues that organized crime is ‘a continuing criminal enterprise that rationally works to profit from illicit activities that are often in great public demand. Its continuing existence is maintained through the use of force, threats, monopoly control, and/or the corruption of public officials’ (Albanese, 2005: 10; see also Calderoni, 2011; Madsen, 2009; Wright, 2006: 2–14).

However, attempts to define organized crime in this way have provoked critical reactions from scholars who have raised empirical, epistemological and ontological concerns. Organized crime is an empirically complex, diverse phenomenon. It has been argued that there is greater diversity within organized crime than between organized crime and other forms of crime, raising the question of the validity of the term (Levi, 2002: 887). Organized crime is also dependent upon numerous connections to and overlaps with licit society, for example through the laundering of money through apparently licit businesses and financial institutions. Further, the identities of actors, and indeed activities, connected to organized crime are only rarely categorically criminal (Nordstrom, 2007). Thus delimiting boundaries between the criminal and non-criminal is problematic empirically and ontologically (Aas, 2007; Abraham and Schendel, 2005; Bhattacharyya, 2005; Glenny, 2008a; Wilson, 2009). While acknowledging that the concept has been subject to a degree of discursive ‘Americanization’, we can also recognize international differences in definitions of organized crime (Woodiwiss, 2003; Woodiwiss and Hobbs, 2009). Further, organized crime has been examined from a number of different epistemic and official perspectives, all of which emphasize different aspects. While some conceptualize organized crime as a set of illicit economic activities (Carter, 1997; Dick, 2009; Ruggerio, 2009; Smith, 1980), others see it more in terms of social organization (Albini, 1971; Ianni and Ianni, 1972; Lombardo, 1997). These differences are reflected in the differential emphasis on the ‘essential characteristics’ that underpin various definitions of organized crime.

Some scholars, in their critiques, have recognized the rhetorical power of definitions within policy and legislation. It has been argued, for example, that prevailing definitions perpetuate a series of ‘false discontinuities’ (Reuter and Rubinstein, 1978; Smith, 1980, in Levi, 2002: 881) which provide discursive mappings of normality and organized criminality. These are predicated on the location of the latter as external to ‘normal’ society, either through versions of an ‘alien conspiracy thesis’ or the deployment of cold war or gangster narratives (Hobbs, 1998, 2001; Madsen, 2009; Woodiwiss and Hobbs, 2009) which suppress suggestions of contact and interdependencies between these two realms. Alternatively, ‘false discontinuities’ are maintained through definitions and official discourses that identify sets of ‘essential characteristics’ derived wholly from the activities and characteristics of ‘illicit’ actors, while overlooking empirically similar, and potentially more serious, activities carried out by

We therefore have, rather than unproblematic definitions of organized crime, elements of wider discursive formations that have shaped the criminalization and policing of various actors and practices. These have drawn sustained criticism from scholars who locate practices typically defined as organized crime as part of the economic mainstream rather than seeing them only as the actions of miscreants:

transnational organized crime is not [to be] exclusively identified with the illegal activities of notorious large criminal syndicates. Rather ... transnational crime may well transcend conventional activities and mingle with entrepreneurial and, at times, governmental deviance. (Ruggiero, 2009: 119)

This paper aims to address the lacuna in geographical work around organized crime. It does this while recognizing the difficulties of neatly defining and delimiting exactly what constitutes organized crime. It has sympathy with those scholars who see the distinctions between what are conventionally defined as organized crime and many of the opaque practices of businesses and states as ones of degree rather than type. However, for the sake of analytical focus, it examines activities that are typically, and within official discourses, included within typologies of organized criminality (Albanese, 2005: 10). This is because it is argued that they form an empirically significant set of economic activities that are largely overlooked in geographical discussions of the contemporary global economy. This can be seen as part of an emergent effort by geographers to make visible opaque economic activities of all kinds, including those of businesses and states (Brown and Cloke, 2007; Cook, 2012).

III A global overview

The activities of OCGs form extensive, integral elements of the global economy. Although there is debate about the significance of organized crime (Madsen, 2009: 81–82), most estimates claim that it constitutes roughly 15–20% of global economic activity (Galeotti, 2005a: 1; see also Bhattacharyya, 2005; Glenny, 2008a; Napoleoni, 2003; Nordstrom, 2009a: 75, 2010: 163). The production and distribution of illegal drugs represents 50–70% of the income of OCGs (Galeotti, 2005a: 1; Glenny, 2008a: 262) and is equivalent to 8% of world trade, similar in size to the textile industry (Moynagh and Worsley, 2008: 176). The illegal movement of people across international borders represents the most rapidly growing source of income for OCGs (Madsen, 2009). This includes the smuggling of people who pay agents to transport them and the forced trafficking of people who are deceived, coerced or kidnapped, although the distinctions are often complex, shifting and difficult to locate precisely (Westmarland, 2010: 112–113). Illegal flows of people move predominantly from the global South and are underpinned by combinations of worsening global asymmetries, social and political unrest, cultural traditions of fostering, migration and remittance that are exploited by smugglers and traffickers, the hardening of international borders and great public demand in the North (Aas, 2007: 36; Bhattacharyya, 2005: 159, 174; Madsen, 2009: 43; Manzo, 2005; Passas, 2001; Scott-Clark and Levy, 2008). While the sexual exploitation of women and children for profit has tended to dominate academic discussion of smuggled and trafficked individuals (Westmarland, 2010: 113), they actually fulfil a wide range of labour functions across many legal and illegal sectors. Globally, it is estimated that four million people are moved illegally each year across international borders generating revenues of US$10 billion (Galeotti, 2005a: 3; Madsen, 2009: 45; Wright,
2006: 98), although some estimates are considerably higher.

While media and cultural discourses tend to be disproportionately drawn to a small number of ‘rock star’ trades (Nordstrom, 2011: 12), such as those in drugs and people, OCGs are involved in a host of other illegal activities. These include extensive trades in licit commodities. For example, cigarette trafficking, to avoid duty or exploit tax differentials, is a significant source of income for OCGs. Between 1996 and 2003 cigarette trafficking cost the British treasury £15 billion in lost revenue (Hornsby and Hobbs, 2007: 553; Nordstrom, 2007: 23). Further, it played a major role in financing the Balkans conflict, an event of global geopolitical significance (Glenny, 2008a). The complicity of cigarette manufacturers in this trade is widely acknowledged (Glenny, 2008a; Hornsby and Hobbs, 2007: 553; Madsen, 2009). Other notable activities of OCGs include weapons trafficking, trade in counterfeit goods (which alone accounts for roughly 7% of world trade, two-thirds of which originates in China: Glenny, 2008a; Phillips, 2005), trafficking of a multitude of other licit and illicit goods, as well as the provision and control of illicit services including prostitution and gambling, cybercrime, environmental crimes, maritime piracy, robbery, extortion, art crime and corruption (Aas, 2007; Albanese, 2005; Castells, 2000: 177–183; Glenny, 2011; Madsen, 2009; Neal, 2010; Walters, 2010).

All OCGs depend upon money laundering, the passing of illicit finance via circuitous routes through the licit economy, to create the illusion of licit income. Money laundering and other illicit financial flows are significant in their global extent and play important roles in the maintenance of the global financial system generally (Brown and Cloke, 2007: 319; Deneault, 2007; Dick, 2009; Hampton and Levi, 1999; Madsen, 2009). Estimating the global extent of laundered finance is difficult given its aim is to obfuscate illicit origins. While some estimates suggest that it could represent 10% of global GDP (Naim, 2005, in Nordstrom, 2007: 169), more sceptical assessments suggest figures of between 2% and 5% (Levi, 2002: 879; Reuter and Truman, 2004). Money laundering is not merely a ‘paper’ crime but has significant material consequences and has been implicated in national economic crises such as the crash of the RSA Rand in 2001 (Nordstrom, 2007: 168).

Organized crime undoubtedly makes significant contributions to regional development, particularly in parts of the global South lacking access to alternative routes (Bhattacharyya, 2005: 118; Dijk, 2007: 50; Goodhand, 2009; Lee, 2008: 345; Nordstrom, 2007, 2010: 175, 2011: 11). However, others have argued, citing violence, state capture and the diversion of resources from the legitimate economy, that the net developmental impacts of organized crime are inevitably negative (Bhattacharyya, 2005: 96; Dijk, 2007: 51–53; Glenny, 2008a: 291). Given this lack of consensus, there is scope for greater assessment of the roles of organized crime within regional development and its complex relationships to state-making and development outcomes (Madsen, 2009; Passas, 2001; Weinstein, 2008; Wright, 2006: 144).

Undoubtedly, contemporary globalization is having a transformative effect on the underworld (Galeotti, 2005a: 6), creating both specific opportunities and more general conditions favourable to OCGs, which in turn are making the underworld a more plural, international terrain (Aas, 2007; Abraham and Schendel, 2005; Bhattacharyya, 2005; Madsen, 2009; Passas, 2001; Weinstein, 2008). Principal among these conditions are tensions between liberalization and regulation of a globalized economy. A lack of effective regulatory oversight has made activities such as trafficking and money laundering easier for OCGs (Bhattacharyya, 2005; Brown and Cloke, 2007; Levi, 2002; Nordstrom, 2007; Strange, 1998). Further, many empirical outcomes of contemporary globalization produce conditions
favourable to OCGs. For example, the intensification of social and economic inequalities reinforces terrains of difference that OCGs can exploit through, for example, drug production and people smuggling and trafficking (Aas, 2007: 18). For Passas (2001), these ‘crimino-genic asymmetries’ underpin major illicit flows that run predominantly from the global South. Others point to the persistence of failed and transitional states and the role of Northern intervention in sustaining these (Goodhand, 2009), increases in cross-border trade, the expansion of internet commerce, a massive oversupply of labour in cities of the South, providing a potential pool of labour for OCGs, an increase in demand for illicit products and services in the global North and the hegemony of statism within law enforcement responses, all as sustaining the ongoing expansion of organized criminal activity (Glenny, 2008a: 30; Moynagh and Worsley, 2008: 179–181; Wright, 2006). However, it is not all one-way traffic. The liberalization and globalization of the Indian economy, for example, actually led to a decline in the demand for products and services of OCGs, formerly illicit goods now being more readily available. This caused many Indian OCGs to become more embedded within processes such as urban development (Weinstein, 2008).

IV Licit/illicit spaces
The difficulties of separating the licit and illicit, empirically and ontologically, within a variety of contexts are axiomatic within the critical literatures on organized crime (Aas, 2007: 125; Bhattacharyya, 2005: 63–64; Nordstrom, 2007; Wilson, 2009; Wright, 2006: 52). Some writers, arguing that the illicit is an inherent quality of seemingly licit political and economic systems, have drawn on Tilly (1985) and Smith (1980) who have proposed, respectively, not categorical distinctions between licit and illicitness, but continuums of state practice and war making, which encompass organized criminality, and enterprises that span the licit/illicit spectrum (Wilson, 2009: 44; Wright, 2006: 56). Others recognize the importance of specific historical moments, arguing that, while illicit actors clearly benefit from developments within licit political and economic systems, they have also played key facilitating roles in their development (Aas, 2007: 12, 123; Bhattacharyya, 2005: 74). Some authors have explored the roles of organized crime within major historical-political processes. Woodiwiss (2001) has scrutinized the relationship between organized crime and the formation of modern America, highlighting both confrontation and collaboration between government and OCGs. Elsewhere, Bhattacharyya (2005: 119) has discussed the role of surpluses from the illegal drugs trade in the rise of capitalism historically. Aas (2007: 11) also highlights recent developments, including the roles of organized criminality in weakening state sovereignty and deregulating national economies through the privatization of state assets in transitional economies.

The literature is also replete with examples of licit actors benefiting from organized criminality (Schendel, 2005: 60–61; Weinstein, 2008). These include ‘instrumental benefits from the drug trade for many legitimate businesses and state interests’ (Bhattacharyya, 2005: 99), links between illicit activities such as drug dealing, counterfeiting and money laundering and the licit economy in cities of the South (Daniels, 2004: 506–507), benefits to financial institutions from illicit financial flows (Brown and Cloke, 2007; Madsen, 2009: 110) and benefits of people smuggling to market economies (Aas, 2007: 40). In such circumstances, and coupled with significant consumer demand, we may see public and even (tacit) state toleration of organized crime (Bhattacharyya, 2005: 98; Hornsby and Hobbs, 2007). For example, the financial benefits of people smuggling and trafficking to Fujian province in China have led to it receiving the tacit approval of provincial
government (Glenny, 2008a: 366–367). Thus, while these activities are formally illicit, under certain circumstances they may be viewed as socially licit (Abraham and Schendel, 2005; Nordstrom, 2010: 173). These examples perhaps hint at a more fundamental distinction between law and policing, whereby some activities, although formally illegal, are routinely overlooked by governments and law enforcement agencies. This ambiguity is at the heart of Carolyn Nordstrom’s exploration of the centrality of the ‘extra-legal’ to economic and state practices:

Countries may formally decry extra-legal practices, and some may be genuine in their denunciations. But in terms of a nation’s sheer monetary bottom line, such activities bring in cash that girds the viability of the state. These activities can yield hundreds of millions of dollars yearly for a single country. (Nordstrom, 2010: 173)

There is a spatial contingency to ambiguities around the licit/illicit divide. In spaces that elude the sovereign gaze of the state or across which it is uncertain or contested, the formal distinctions between licit and illicitness become problematic, even meaningless. These include offshore financial centres (OFCs) (Deneault, 2007: 265; Hampton and Levi, 1999: 647), transborder economies and trade routes over which the state has struggled to extend its sovereignty (Abraham and Schendel, 2005; Nordstrom, 2007: 21–24; Wilson, 2009) and parts of the global South where the rejection of Northern models of economic development, legal statutes and cultural norms through acts such as drugs production and arms manufacture is seen as a form of resistance (Aning, 2007; Bhattacharyya, 2005: 120). However, Cameron’s (2008) work on fiscal geographies reminds us that the contingencies of the state are more fundamental and are observable even within its most central processes.

These ontological uncertainties are compounded within instances of ‘criminal sovereignty’, ambiguous practices of actors from both sides of the licit/illicit designation (Cribb, 2009: 8). Examples include OCGs taking on some of the functions and characteristics of states. This has been observed in many geographical contexts and historical periods, often where the institutions of the state and the rule of law are weak or where there is public ambivalence towards the state (Brophy, 2008; Costa and Schulmeister, 2007; Cribb, 2009; Goodhand, 2009; Hastings, 2009; Hesse, 2011; Wilson, 2009). In some cases there are long-standing interrelationships between OCGs and the political institutions of regions where, at times, OCGs enjoy a semi-legitimate status, as in the case of the Yakuza of Japan (Glenny, 2008a, 2008b; Hill, 2005; Paoli, 2005; Weinstein, 2008; Wilson, 2009). While these relationships are typically painted in terms of corruption and the penetration of the state, this overlooks the roles that OCGs can play as proxy agents of governance, often extending informal governance into realms that states find hard to reach such as borderlands, prison systems and the underworld generally (Galeotti, 2005b; Glenny, 2008a; Goodhand, 2009; Ruggiero, 2009). This suggests a political pluralism that has largely eluded western political theory (Wilson, 2009: 17–19).

Finally, despite their normative influence over definitions of criminality (Ruggiero, 2009: 122; Tombs and Whyte, 2010: 154), the literature records many instances of states and corporations behaving in ways that are empirically similar to OCGs or that are formally criminal. These include state and corporate crime (Dick, 2009; Hornsby and Hobbs, 2007; Lee, 2008; Madsen, 2009; Perl, 2005; Ruggiero, 2009; Tombs and Whyte, 2010; Wright, 2006), identified connections between states, corporations and organized crime or their direct involvement in it (Bhattacharyya, 2005: 112; Dick, 2009: 110; Glenny, 2008a: 16, 37, 99; Nordstrom, 2009b: 77–79, 2011: 11; Ruggiero, 2009: 119), and the widespread use of the
opacity inherent in the global economy by corporations to reach markets, to avoid duty or to evade regulatory gazes. For example, it is thought that one-fifth of goods transported by licit corporations goes undeclared (Nordstrom, 2007: 172). While such criminality tends to be ‘systematically screened out’ by the criminal justice system and underreported in the media (Tombs and Whyte, 2010: 154), it is beginning to be viewed increasingly as forms of organized crime (Ruggiero, 1996, in Wright, 2006: 66). These complex ambiguities around licit and illicitness illustrate the fallacy of seeing organized crime as restricted to a discrete ontological realm beyond ‘normal’ society (Woodiwiss, 2003). Rather, it is, in numerous ways, part of the economic, social and political mainstream (Brown and Cloke, 2007: 305, 318; Cribb, 2009; Lavezzi, 2008: 218; Nordstrom, 2007: 52–53, 2009a: 80; Scalia, 2010; Wilson, 2009; Wright, 2006: 54), highlighting the importance of geographers including it in their mappings of the processes of contemporary globalization.

V Space, scale, networks and organized crime

Explorations of the geographies of organized crime, its distribution across space and concentration within regions, are at best implicit and patchy aspects of the literature (see Carter, 1997; Hignett, 2005; Siegel, 2003). A substantial proportion of this literature comprises regional case studies (see Galeotti, 2005c, and the journal Global Crime, for example). Typically, these draw upon the endogenous characteristics of regions in constructing their explanatory frameworks (see Hall, 2010b: 8) and rarely allude to the international and comparative in their discussions. This is something yet to emerge within the literature, but see Hall (2010b) for a rudimentary analysis. Such case studies tend to stress the specific and contingent rather than contributing, explicitly at least, to the construction of general explanations for the patterns they observe. Further, such regional analysis appears somewhat out of step with calls for relational methodologies more appropriate for a global age and networked phenomena such as transnational organized crime (Aas, 2007; Law and Urry, 2004).

By contrast, some authors have constructed explanations at the transnational or global scale. Passas (2001: 23), for example, has identified structural inequalities at the global scale ‘in the spheres of politics, culture, the economy and the law’ as underpinning numerous illegal flows running from the South to the North. These ‘criminogenic asymmetries’ echo the economic and regulatory asymmetries routinely exploited by licit corporations. Elsewhere, Castells’ (2000) account of organized crime within Russia’s chaotic transition to capitalism rests predominantly on structural factors such as institutional and regulatory failures and their exploitation. Interestingly, his account of the Colombian cocaine industry is more attuned to local factors and contingencies, although this has also been criticized for its tendency to see greater structural coherence than actually exists empirically (Kenney, 2007). Reactions to this work have been mixed and have included both critique and a counter-current of empirical work that has undercut the transnational rhetoric within some literature. Much criticism of structural, transnational accounts revolves around a supposed lack of ‘nuance to local conditions and historic contexts’ (Aas, 2007: 125). This has gone beyond issues of resolution though to question the meaningfulness of analysis constructed at the transnational scale. As the analytical magnification is increased, the structural certainties within these accounts seem to dissolve. What emerges in their stead is a series of ‘micro-practices and associations that “while often illegal in a formal sense, are not driven by a structural logic of organization and unified purpose” (Abraham and Schendel, 2005: 4)’ (Aas, 2007: 125).

The empirical richness and conceptual purchase revealed at the local scale are most
apparent in the work of Dick Hobbs (1998, 2004; Hobbs and Dunnighan, 1998). Hobbs provides detailed ethnographies of organized crime as it is played out within specific locales in the UK, charting variations in the nature, organization and activities of OCGs and linking them to the varying socio-economic contexts within which they are located. He cites factors such as the social make-up of neighbourhoods and their tendencies for either stability or transience, local housing policy and the organization of the formal economy as key influences on the nature of OCGs within specific localities. He argues:

It is at the local level that organized crime manifests itself as a tangible process of activity. However, research indicates that there also exist enormous variations in local crime groups ... we found it possible to draw close parallels between local patterns of immigration and emigration, local employment and subsequent work and leisure cultures with variations in organized crime groups. (Hobbs, 1998: 140)

This highlights a degree of nuance absent from much organized crime literature. Despite the innovation of Hobbs’ work, it is disappointing to see that this perspective has yet to take a significant hold within the empirical literatures of organized crime resulting in any downward shift in their scales of analysis.

Capturing multiscalar processes such as globalization through any single scale of analysis is an enduring issue within the social sciences. Economic geography has recently been replete with discussion questioning the efficacy of single-scale approaches, mirroring wider discussions across the social sciences. However, these debates seem to have gained relatively little purchase within the literatures of criminology generally and organized crime specifically. A set of approaches labelled network ontologies, seeking to transcend the scalar-bind within which much social science research finds itself, have been at the heart of these recent debates (Boggs and Rantisi, 2003; Dicken et al., 2001; Murdoch, 1997, 1998; Sheppard, 2002; Wai-chung Yeung, 2005). Network ontologies ask us to think of space not as a Euclidian phenomenon but as a networked one, recognizing that processes in space unfold not necessarily or exclusively as a result of local conditions but rather through networked interactions with distant places (Henry et al., 2002; Sheppard: 2002: 319). Although to date there are no substantive explorations of the potentials of network ontologies within the empirical literatures of organized crime, there are tentative suggestions of their applicability (Hall, 2010b). Saviano, for example, alludes to the networked nature of the global criminal economy in his discussion of the Neapolitan Camorra OCG:

The Far East, as reporters like to call it. Far. Extremely far. Practically unimaginable. Closing my eyes, I see kimonos, Marco Polo’s beard, Bruce Lee kicking in midair. But in fact this East is more closely linked to the port of Naples than to any other place. There’s nothing far about the East here. It should be called the extremely near East, the least East. Everything made in China is poured out here. (Saviano, 2008: 4)

It would appear that dialogues between the literatures of organized crime and those of economic geography are now timely. They demonstrate the potential to expand the empirical terrain of the latter and the conceptual and methodological tool kit of the former.

VI An expanded economic terrain

Economic geographers have been at the forefront of attempts to produce spatialized readings of the contemporary global economy. To date, however, these have rested almost exclusively on empirical foundations rooted in the licit economy. This paper has argued that the economies within which OCGs are embedded are neither ontologically nor empirically distinct
to the licit economy but rather that there are considerable overlaps and interconnections between them. Acceptance of the global economy as this somewhat expanded terrain raises, as yet largely unexplored, questions about the abilities of prevailing readings to speak across this terrain. It is certainly not the case that geographers have been blind to the diversity of spaces and their economies within contemporary capitalism, including those associated with illicit and criminal activities (see Hudson, 2005: 6). However, this only emphasizes the unequal treatment received by these spaces within geographical research. Further, mapping geographical research agendas across these spaces seems to suggest a sense of their ontological separateness. Relatively little research, for example, has been located at the points where these spaces overlap. How, then, might geographers approach the study of the global economy as an expanded, interconnected terrain and those aspects of it that have received relatively little attention to date? This section begins to explore this problematic. It does so by outlining some key aspects (spatiality, regulation, organization and flow) of economic geographies as they apply to OCGs and their activities. It provides a broad overview of some key spatialities of the economies of organized crime, highlighting apparent differences but also similarities across the licit/illicit continuum, and emphasizing issues that appear somewhat underplayed within geographical accounts of the contemporary global economy. This is intended as a first step in the scrutiny of prevailing geographical models within the context of an expanded, interconnected economic terrain and in enlarging the empirical foundations of geographical research to encompass illicit economic activities, such as those of OCGs, recognizing their broader significance.

1 Spatiality

It is apparent that prevailing understandings of the spatialities of the global economy refer largely, or exclusively, to licit economic processes. There exist to date few systematic attempts by geographers to map its more ambiguous or illicit dimensions. There is some evidence of significant overlap between these various types of economic process, for example, China’s role as a centre of both licit and counterfeit goods production (Chow, 2003; Phillips, 2005). However, we might suppose that there are, equally, significant differences (Zook, 2003: 1277). Unexplored hypotheses include explorations of the degrees of overlap and divergence between licit and illicit economic processes, and also the extent to which those economic processes within which there is inherent ambiguity align with the spatialities of licit and/or illicit economic processes. If we wish our understandings of the spatialities of the contemporary global economy to be reflective of its wider dimensions, it is important to acknowledge the partiality of existing models. For example, while maps of the contemporary global economy suggest that certain areas are seemingly little touched by processes of economic dynamism, many of these are significant centres of criminal entrepreneurialism. Indeed, it is often the very conditions that condemn these spaces to the periphery of the licit economy that make them ideal locations for organized criminal activity (Castells, 1996: 162, in Zook, 2003: 1263). Nordstrom has argued that engaging with these alternative spatialities may significantly affect the ways in which ‘maps’ of the world economy are understood:

What would the world map look like if extra-legal networks … were charted in addition to the boundaries of formally recognized states? Would the whirls and eddies marking the centres of economic gravity in the world – and the attendant political power – produce a far different constellation of identities, nations and regions than that familiar from textbooks? Would the hierarchy of national economies, now ranked by GDP, look
significantly different, with some of the haves trading places with have-nots? (Nordstrom, 2011: 13)

2 Regulation

The question of regulation, or rather the evasion of regulation, seems to be a key factor driving the spatialities of a host of liminal and illicit economic activities (Zook, 2003). Illicit economic activities, generally, and certainly those of OCGs, depend upon the ability to evade the gazes of the state and international law enforcement agencies. This is achieved in many ways by creating or utilizing spaces beyond these gazes. These include coca or poppy fields in remote regions or those where state sovereignty is absent, uncertain or contested (Aas, 2007; Bhattacharyya, 2005; Castells, 2000; Nordstrom, 2007), shipping containers whose volume overwhelms the ability of ports to meet inspection targets (Glenny, 2008a: 389; Nordstrom, 2007: 160–161), flats, houses, warehouses, laboratories and industrial units used to store trafficked goods or produce illegal drugs (Glenny, 2008a; Hornsby and Hobbs, 2007; Saviano, 2008), OFCs (Brown and Cloke, 2007; Deneault, 2007; Hampton and Levi, 1999; Hudson, 2000; Roberts, 1995) and even differential spaces within the fiscal and regulatory geographies of states (Cameron, 2008: 1151; Unger and Rawlings, 2008). However, the exploitation of this opacity is not restricted to criminal entrepreneurs. Rather, it is exploited by both licit and illicit actors alike. OFCs, for example, are vital components of the wider global financial architecture (Brown and Cloke, 2007; Deneault, 2007; Hampton and Levi, 1999; Roberts, 1995) and even differential spaces within the fiscal and regulatory geographies of states (Cameron, 2008: 1151; Unger and Rawlings, 2008). That this has made these and other similar economies attractive destinations for laundering illicit finance is well documented. In 2001, for example, a French Parliamentary report ‘identified The City of London as a key centre for money laundering and terrorist financing’ (Unger and Rawlings, 2008: 335). This suggests an inherent opacity and regulatory complexity within and across the global economy (Brown and Cloke, 2007; Cook, 2012; Nordstrom, 2009a) which is exploited by both licit corporations and criminal entrepreneurs in empirically similar ways (Madsen, 2009: 112; Wright, 2006). Thus, despite regulatory discourses stressing transparency, it is equally this opacity that appears to be characteristic of the global economy, but one that has gained little purchase within geographical accounts of contemporary globalization.

The issue of regulation is further complicated by the movement and interconnection that characterizes the contemporary global economy. Social and economic goods moving along commodity chains typically pass through a variety of regulatory spaces which fundamentally...
impacts on their formal legal and social status as they do. Goods may slip in and out of legality and licitness along their journeys from production to market (Abraham and Schendel, 2005: 16). Further, Zook (2003: 1276) has shown how industries such as the online adult industry can evade regulatory censure through a form of arbitrage by connecting different elements of the industry across a range of spatially distributed regulatory spaces. Contents that might contravene regulation in one jurisdiction can be hosted in more welcoming regulatory environments in ways that do not affect their consumption. This reflects the regulatory asymmetries exploited by actors engaged in illicit financial activities, most notably money laundering. While regulatory environments, be they legal or social, are territorially bound, the goods they seek to regulate are increasingly mobile and relational. Licit- and illicitness are not absolute, fixed qualities. Rather, they are contingent and provisional upon the interplay of regulation, space, movement and connection.

3 Organization

The organizational forms of OCGs are, in part, a reflection of the economic contexts of post-Fordist globalization within which they operate. That there is a strong correlation between conditions in licit and illicit economies is now well established (Calderoni, 2011; Hobbs, 1998; Hobbs and Dunnighan, 1998; Lavezzi, 2008; Scalia, 2010; Weinstein, 2008). However, despite this correlation, there seem to be some structural differences between the organization of the licit and organized criminal economies. While large multinational corporations are recognized as key agents shaping the contemporary licit global economy, they appear to have few equivalent OCGs. OCGs tend to be small, flexible, often unstable and horizontally networked rather than hierarchical and monolithic (Duyne, 1993; Glenny, 2008a; Hignett, 2005; Hobbs, 1998, 2001; Hornsby and Hobbs, 2007; Kenney, 2007; Kleemans and van de Bunt, 1999; Kupatadze, 2007; Levi, 2002: 907; Madsen, 2009). This is not to suggest a sharp, clear divide between licit aspects of the global economy characterized by the presence of large multinational corporations and illicit aspects which are driven by small, flexible OCGs. As noted above, the divide between the licit and illicit within contemporary globalization is blurred, and it is clear that multinational corporations are connected to illicit globalizations. Those large cartels that do exist tend to be involved in extensive cross-border trafficking, but seem to have relatively limited, often vulnerable, spatial monopolies and rely on networking with other OCGs internationally (Levi, 2002). This suggests that the organizational models of the global economy with which we are familiar are not universal, and that there are distinctions in the ways in which these economies are organized but that they are not entirely distinct. These are discussions that have encroached little into the literatures of economic geography.

The increasingly international terrain across which OCGs operate has affected the bases upon which they are organized. Broadly, territory and ethnicity are now less significant foundations for the organization of criminal activities (Galeotti, 2005a, 2005b; Hobbs, 1998, 2001, 2004; Kleemans and van de Bunt, 1999; Serious Organised Crime Agency, 2006). However, while geographical differences between gangs are declining (Nordstrom, 2007), they have not disappeared entirely. There is evidence of enduring distinctions in the structures, organization, activities and cultures of OCGs from different regions (Aning, 2007; Davidson, 1997; Glenny, 2008a; Hastings, 2009; Hignett, 2005; Hobbs, 2004; Hobbs and Dunnighan, 1998; Lintner, 2005; Lombardo, 1997; Scalia, 2010). Others have recognized that, despite their international orientation, rootedness within specific locales is still vital to the identity and activities of OCGs (Castells, 2000: 183; Grascia, 2004; Hill, 2005; Kleemans and
van de Bunt, 1999; Madsen, 2009; Scalia, 2010; van de Bunt and Siegel, 2003: 4). However, there has been little analysis of the significance of these regional differences and their influence on the nature of organized crime within regions. While Albini et al. (1997: 154) have argued that these differences are superficial and have little tangible effect upon the shape of the organized crime landscape, this stands in contrast to work from economic geography which utilizes the concept of regional and national business cultures within its analysis of firm behaviour (see Coe et al., 2007: 321–334). Clearly, this is an issue to which a geographically informed analysis of organized crime could contribute.

4 Flow

A further aspect of contemporary economic processes about which the literature has said little is the relationships between economic flows and the spaces through which they pass. For example, while commodity chain analysis has spoken of the organization of economic flows and their ‘local development outcomes in those areas where the chain touches down’ (Bair and Ger effi, 2001, in Mackinnon and Cumbers, 2007: 150), it has been largely silent about those spaces through which the chain passes. Despite the prevalence of relational ontologies within economic geography and calls across the social sciences for post-statist perspectives (Aas, 2007; Law and Urry, 2004; Nordstrom, 2007; Schendel, 2005), this is still something that has produced little grounded analysis. However, the flows associated with organized crime reveal the fallacy of considering them as disembodied, ontologically separate from their spaces. Schendel (2005: 58) is critical of prevailing representations of economic flows which tend to overemphasize this sense of disembodiedness. His work on transborder societies reveals economic flows to be more embedded in the spaces through which they pass than prevailing accounts acknowledge:

Organizational studies of illegal flows rarely provide details of how people cooperate to get goods or persons to the borderland, across the border and on to consumers ... And yet, the organization of illegal flows is known to take on particular forms in borderlands and to adapt to local and forever changing conditions there. (Schendel, 2005: 51)

This points to a range of relationships beyond the strictly rational/economic that are shaping these flows and their emergent economic geographies. These include, as well as capitalist relations within and between OCGs, feudal, kinship, ethnic and clan reciprocities (Brooks, 2012: 83), which may themselves be transformed in turn by these flows.

The most high-profile consequences of illegal economic flows are the outbursts of violence in regions such as northern Mexico and the Balkans, key transit zones for the cigarette, cocaine and heroin trades (Brophy, 2008; Glenny, 2008a; Vulliamy, 2008). The literature also records examples of illicit flows affecting more subtle sociopolitical transformations across space. For example, Bhattacharyya (2005: 117–118) reflects on the grounded realities of the illicit globalizations of the drugs trade. She discusses the transportation of heroin from Afghanistan to Europe along the old ‘Silk Road’ utilizing traditional forms of transport. Here the transport of these commodities becomes embedded in the lives of those in the regions through which they (slowly) pass. She argues:

this is the manner of a global integration that touches a range of ordinary lives across non-technological and barely developed localities and provides employment for some of those who have little access to other kinds of work in the global economy. (Bhattacharyya, 2005: 117)

Goodhand’s (2009: 22) analysis of the Afghan opium industry also reveals its need for quasi-stable socio-economic infrastructure to sustain
drug trafficking routes which has been instrumental in bringing forms of development and state formation to the country’s peripheral borderlands.

The complexities of the relationships between flows and their spaces are revealed in Nordstrom’s ethnographies of the global economy within which she travels the ‘pathways of global crime’ (2007: XV, 2009a, 2009b, 2010, 2011). They reveal the trade route as a transformative force across space. She points out, for example, that trade routes carve out areas of ‘de-facto governance’ (Nordstrom, 2007: 42) particularly within regions with uneven or uncertain state sovereignty. Others have argued that the forms of governance emergent along trade routes can imagine transborder units that are more meaningful than those imposed through the geographies of state boundaries (Goodhand, 2009; Nordstrom, 2007; Schendel, 2005; Vulliamy, 2008). This ‘everyday transnationality’ (Schendel, 2005: 55) is captured in Vulliamy’s representation of the US-Mexico border as a region he calls ‘Amexica’:

So the borderland is a country in its own right, which belongs to both the US and Mexico, yet neither. I call this country – 2,000 miles long and about 100 miles wide, from the Pacific to the Gulf – ‘Amexica’. And now, because of the flood tide of narcotics running through it, Amexica is a battlefield, still as charismatic and irresistible as it is cruel and terrifying. (Vulliamy, 2008: 28–29)

Illicit (and licit) trade routes then engender their own political, as well as economic and social, geographies which, in an increasingly interconnected world, are worthy of greater attention by geographers.

**VII Conclusion**

This review has suggested that discussions of contemporary processes such as globalization, regulation and economic liberalization which admit only licit actors offer both empirically and conceptually limited readings of these processes. Much has been made within the literature, rightly, about the parallels between licit and illicit actors under processes, such as these. While this adds nuance and empirical reach to discussions of these and other processes, it also carries with it the danger of assuming that illicit actors and their activities can be easily accommodated within existing models of the contemporary global economy and its processes. However, as we have seen, parallels between licit and illicit actors are not the whole story. Despite the significant parallels outlined within this and other work, licit and illicit economic actors are not entirely reducible to this equivalence. While there are undoubtedly strong parallels between them, there also appear to be important differences.

For example, while globalization and economic liberalization are generally equated with the expansion of economic opportunities, both for licit and illicit actors, there might be instances where they actually lead to declines in demand for illicit goods and services. We have seen in the Indian economy, where OCGs circumvented economic restrictions through smuggling illicit products such as alcohol, gold and certain consumer goods, that following liberalization such products became more freely available, damaging the income streams of many Indian OCGs (Weinstein, 2008: 25). This example highlights the more general point that licit and illicit actors may not necessarily respond in the same ways to changing economic and political contexts. Analysis that explicitly considers the reactions of both licit and illicit actors to these changing circumstances within specific geographic contexts is rare, but offers a potentially profitable avenue of future research.

Even among illicit actors, it would seem that there will be a range of responses to changing economic circumstances. The responses of OCGs to falling demand for their products and
services, or changes within the economic and political contexts within which they operate more generally, will vary considerably according to their histories, nature, structures and the nature of these contexts. In some instances OCGs may become more embedded within state processes, such as urban development, as has been observed in Mumbai, for example (Weinstein, 2008). Elsewhere, where such opportunities are not available or where groups lack appropriate expertise or political connections, they may become more predatory and increasingly involved in activities such as cybercrime (Glenny, 2011).

As we have seen, the responses of OCGs to changing economic and regulatory environments can be key drivers within development trajectories across a range of geographical contexts. Thus, these actors, the mixes of them and their relationships to their political and economic contexts, become the mediators of wider economic processes and influence their geographical patterning across space. These factors will all shape differential outcomes both among illicit actors and between licit and illicit actors. This certainly suggests empirical limits within existing geographical discussions of the contemporary global economy, but also, perhaps, the need to extend or rework them conceptually to allow them to speak across this expanded economic terrain. This is a task to which scholars of organized crime and economic and political geography can contribute. To achieve this task, though, it is important that organized crime does not remain ghettoized within parochial conceptions of shadowy underworlds.

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