

The Impact of Transnational Organised Crime

Name:

Institution:

The Impact of Transnational Organised Crime

Transnational Organised Crime (T.O.C) refers to illegitimate activities executed by criminal networks across national boundaries. Routinely, the perpetrators utilize fraudulent engagements and violence to advance their objectives. Some of the common offenses include human trafficking, cyber-crime, money laundering, nuclear trading, as well as weapons, animals, and drugs trafficking. Therefore, the paper intends to assess the impact of criminal networks across governments and the possible effects towards their economies. TOC crimes have the potentiality to affect the countries democracies and economic stabilities due to the utilisation of unjustified monies and procedures. The criminals can infiltrate the national governance by colluding with law enforcers, government officials, and high rank persons to cripple the economy and sovereignty of established entities. In most countries, unprincipled officials usually sideline the perpetrators activities for material interests. Moreover, TOC networks have the capability to influence the political sphere by bribing or funding individuals into public offices, besides financing fundamental sectors of the state to safeguard their actions. In case of noncompliance, the organisations can warn the governments of financial withdrawals, which can present severe effects towards the respective economies. The illegal networks can thereafter destabilise the economy and safety of a state at will since they associate with financial and security agencies of the regions. For instance, in the Australian economy, organised crime transactions impact the economic performance of the country through money laundry schemes. The Australian Crime Commission asserts that illegal organisations consume the national gross domestic product of the country by nearly two to three percent. In addition, criminal organisations can suppress government functionality by way of intimidations and financial influence. Transnational Organised Crime networks control the democracy, administration, and economic performance of countries due to their wide illegal networks and monetary resources.

The vast resources and influence of Transnational Organised Crime networks can suppress the performance and economies of countries. According to the Australian Crime Commission, the illegal networks consume 2% (15 billion dollars) of the nation's gross domestic product (G.D.P) annually (Australian Crime Commission 2015, p. 5). TOC networks siphon the country's income, besides limiting international relations that promote foreign direct investments. The economic impact affects all stakeholders including community projects, individual, as well as governmental activities. For instance, TOC networks can associate with legal businesses, which can in effect prevent the government from identifying or accruing requisite proceeds from the ventures. Money laundering is the commonest method that TOC syndicates employ to conceal their illegal monies and transactions. Importantly, the criminals explore unregulated areas in the country (s) to implement their actions. The Australian criminals can partner with overseas individuals to launder and deposit the proceeds in foreign economies without being noticed. In 2011, the Australian Institute of Criminology (AIC) highlighted that the country endured a loss of 47.6 billion dollars as a result of cyber-crime including other financial frauds, such as money market and intellectual property offenses (Australian Crime Commission 2015, p. 14). The institute equated the loss to 3.4% of the nation's gross domestic product. The syndicates also undertake conventional crimes, which can include burglaries to finance their activities in the respective countries. Besides the theft of items or monies from the infiltrated buildings, the economy will suffer on the basis of insurance compensations to the victimised parties. The government can in addition endure increased expenses in relation to health-care and long-term support services towards the injured and other affected persons. The economy will undeniably experience reduced performance due to the inability of victims of crime to execute their normal duties. For instance, the casualties of human trafficking and violence can be compelled to depend on the government or their close social circle for survival, which

as a result deteriorates the economic output of the nation. There are also reported incidences where organisations have left the nation due to periodical victimisations by TOC syndicates. The Australian Institute of Criminology (AIC) reported that TOC response initiatives, for example, law enforcement, insurance provision, and casualty assistances require approximately 25 million dollars yearly to mitigate the crimes impact (Australian Crime Commission 2015, p. 16). Similarly, Khan and Singh ascertained that TOC groups pursue nonconventional economic interests, especially in third world countries, which undermine their economic power as well as their partnerships with international countries (Khan & Singh 2014, p. 523). Based on their longitudinal study, they expressed that in the global sphere, TOC groups attain nearly 870 billion dollars annually from the trade of illicit items. The illegal trading has been estimated to be worth 1.5% of the world's gross domestic product, which justifies their capability to influence their operating countries democracies as well as their economic performances.

Illegal organised networks can alter the democracy of States due to their power and connections with the governing authorities. Due to the illegitimate objectives of TOC groups, the entities can propel corruption among other social evils in the governing systems. Bergeron expresses that nations that are devoid of the rule of law are more susceptible towards TOC activities (Bergeron 2013, p. 7). Allegedly, illegal networks assess unregulated countries in order to infiltrate and control its activities. The syndicates influence public officials, for example, the police, members of the executive as well as the judicial system to conceal their activities in order to attain professional or material benefits in return. In Islamic nations, such as Afghanistan, some parts of the region are ruled by terrorist groups, which suppress the legitimacy and governance of the country. In Somalia, terrorist groups have suppressed regulatory bodies in addition to the nation's surroundings leading to adverse insecurity in the nation. The United States intelligence agencies have also been consistently

paralysed as a result of associations with illegal syndicates. The executive as well as judicial members have inevitably been corrupted by TOC groups, who finance or bribe them, making governance to be outwardly cumbersome. The issue is prevalent in underdeveloped economies where free press and regulations have been compromised by illegal networks. Bergeron suggests that criminal gangs utilise private properties to advance geographical control, thereby incapacitating the ruling administrations capabilities (Bergeron 2013, p. 7). Moreover, the World Bank reported that illegal networks remit nearly 1 trillion dollars per year to corrupt government officials in emerging economies, which undeniably distorts the functionality of established organs. In Australia, public officials are routinely influenced by these groups to serve as 'facilitators' who promote criminal activities on their behalf. Drug trafficking has been reported to be facilitated by law enforcers who collaborate and receive monetary incentives in order to guarantee safe passage across entry points as well as during transportation (Australian Crime Commission 2011, p. 2). In this consideration, the underhand monies sway the law enforcers to conceal illegal activities, which in turn diminish the legitimacy of legal institutions, besides their prescribed by laws. Bergeron adds that in regions where security is nonexistent, illegal organisations offer the provision, and in effect compromise the nation's democracy (Bergeron 2013, p. 8). TOC networks are a product of public policies. In regions where sex or drugs trade are banned, the syndicates undertake the activities through underhand tactics with the help of government officials. Alternatively, during military operations, normal activities, such as food supply are normally interrupted by the events. Consequently, some criminal networks exploit the situations to provide food items at exorbitant prices.

Lastly, criminal gangs can restrain the execution of government responsibilities on the basis of intimidation and extensive resources. There are notable cases where illegitimate organisations have applied violence to promote unprincipled persons into power. In Italy,

electoral violence is rampant where the government is usually gagged by criminal organisations to terminate the malpractice. Stoica provides that criminal networks have the capability to impact legal doctrines, elections, and peace agreements that primarily suits them (Stoica 2016, p. 24). Organised crime entities have consistently championed immoral persons into power who in turn act as political actors for their disguised agendas. The political actors institute their powers to award business contracts towards the entities, which can be troublesome to comprehend. This is because the organisations utilise money laundering schemes to conceal their actions, thereby preventing government involvements. In case the malpractices are detected, the mafia groups engage violence and intimidations against the alleged parties to diffuse the revelations. The funding organisations can as well warn the government of possible monetary revocations to reinforce their objectives. In most countries, ‘captured’ legislators breach or formulate policies that favour their immoral sponsors, which in effect curtail the realisation of government objectives. Furthermore, in Australia, the proximity to Asian countries provides opportunities to illegal networks to formulate illegitimate market-systems (Australian Crime Commission 2011, p. 24). Due to the instability of Asian nations, the governments may be paralysed to discern and mitigate their operations in due time. Geographical factors can in addition limit the responsiveness of the Australian government to curb criminal syndicates. It was confirmed by the Australian Customs and Border Protection Service that between 2007 and 2015 periods, air, sea, and postal consignments increased to 17.5 million, 3.7 million, and 220 million in that order making government response to be quite limited against criminal operations. Ahmed further conveys that TOC entities have infiltrated Latin America and in effect inhibited the governments from providing requisite security, and alleviating the observed homicides and violence incidences (Ahmed 2017, p. 357). The prevalence has been necessitated by expansiveness of the networks, besides the compositions and complexity of their operations.

In nations, such as South America and Mexico, there are multiple incidences of police murders, which have been executed by drugs cartels among other criminal associations.

Transnational Organised Crime networks impact the democracy, governance, and economic stabilities of nations as a result of their vast illegal networks and financial capabilities. Due to tax evasions and money laundering schemes, the organisations have the capacity to affect the economic performance of countries considerably. As an illustration, TOC syndicates consume nearly 2 percent of the country's gross national output. The crime networks can also hamper the sovereignty of nations. In countries that possess weak regulations, the entities can corrupt the governing bodies to advance their objectives. What's more, TOC groups can subdue the functions of the State by applying monetary influence as well as intimidation against government officers.

References

- Australian Crime Commission. (2015). *The Costs of Serious and Organised Crime In Australia 2013–14: Methodological Approach*. 1-44.
- Australian Crime Commission. (2011). *Organised Crime In Australia*. 1-103.
- Ahmed, N. (2017). Transnational Organized Crimes (Tocs)-Causes, Effects And Challenges: The Perspective Of Latin America. *Asia Pacific Journal of Advanced Business and Social Studies (APJABSS)*, 3(1), 357-366.
- Bergeron, J. (2013). Transnational Organised Crime and International Security, *The RUSI Journal*, 158 (2), 6-9.
- Khan, S. & Singh S. (2014). The Economics of Transnational Organised Crime (TOC) in the Maritime Domain: Drug Trafficking in Africa and the Southern African Continent. *J Soc Sci*, 41 (3), 523-534.
- Stoica, I. (2016). Transnational Organized Crime. An (Inter) National Security Perspective. *Journal of Defense Resources Management*, 7 (13), 13-30.