

AIR POWER STUDIES CENTRE

PAPER 67

Month Year

**A SECURITY POLICE STRATEGIC VISION FOR
OPERATIONAL CONSIDERATIONS INTO THE NEXT
CENTURY: NEW CRIMINAL THREATS AND THE
AUSTRALIAN DEFENCE FORCE**

By

Clarke Jones

About the Author

The ...

INTRODUCTION

In the past, defence intelligence bodies have undertaken strategic analysis of threats to national security arising from terrorist organisations, foreign intelligence services, regional tensions, and other internal and external threat sources. However, has this analysis included the threat to national security arising from organised crime? Is there such a threat and, if so, how does it compete for threat countermeasure resources on the national scale? Unless all potential threat sources and targets are discussed in the same context, national assets might not be allocated to national crime and security agencies in an appropriate fashion and, worse still, a false sense of security may prevail. Thus, the Australian Defence Force (ADF) might well feel secure against the threat of attack by hostile forces or intelligence services and at the same time be ignorantly insecure from other threats such as organised crime. The insidious nature of the latter threat makes it likely that, unless a national strategy involving all relevant intelligence and counter-intelligence bodies is formulated, Australia's security may be at risk and ultimately harmed, because the threat has not been fully assessed.¹

Until recently, organised crime, even in its cross-border manifestations, has been considered mostly a matter for domestic police forces. Rarely in Australia has it been viewed as a concern for the ADF. Yet the emergence of different types of criminal activities affecting the ADF now make this perspective unavoidable. This convergence of crime and threat to national security promises to change our understanding of each of these concepts, as well as our perceptions of security.²

The key concepts behind the idea of organised crime as a national security threat comes from an understanding of the definitions of both crime and security. In the past, our conception of security generally focused on the sovereign state and the power machinations that influence the rise and fall of these bodies. However, the ongoing radical changes in the global environment have created new paradigms in security thinking. The state is losing its place as the focal point of the security discussions and non-state actors are becoming increasingly important and powerful in both national and international affairs. This is illustrated by the emergence of multinational corporations and non-governmental organisations (including the privatisation of what were once traditional government agencies), all of which have gained a larger role on the world stage and are increasingly able to influence governments and events.³

Consequently, past definitions of security, especially those which primarily focused on the political and military aspects of security, fail to account for a new generation of threats. Many of these threats are transnational in their scope. As such they are beyond the power and authority of any one nation or state. As with problems such as food scarcity, global warming, virulent new strains of disease, overpopulation, and depletion of natural resources, organised crime challenges the abilities of single nations or states to address them. Organised crime crosses traditional economic and political boundaries, and presents a threat in which conventional solutions to national security problems, (such

¹ McIvor, G., *Macro to Micro Threat Assessment*, a paper produced by a former Squadron Leader of the Royal Australian Air Force Security Police, 1995, p 11.

² Ciccarelli, J., 'The Theory of Crime as a Security Threat (or Crime Ain't Just For Cops Anymore)', *Transnational Crime - A New Security Threat*, Australian Defence Studies Centre, 1996, p 11.

³ *ibid.*, p 8.

as national law enforcement strategies), are no longer adequate.⁴ Current research supports this notion and suggests that the traditional investigative approaches of law enforcement agencies utilised against organised crime in Australia are being consistently challenged by the changing nature of organised crime. Similarly, research from the Netherlands indicates that a conventional law enforcement response is not enough to deal with the emerging threats posed by organised criminal groups. Such a response tends to be 'after the event' or deals primarily with street crimes which are the effects of criminal organisations.⁵ It is against this background that one must examine established concepts of organised crime.

Crime has traditionally been seen either as a local or national law enforcement problem. Organised crime is often referred to as Australian crime, Chinese crime, American crime or Russian crime but rarely conceived of in a global sense. However, with the expansion of transnational criminality, organised crime groups, like corporate business enterprises, are exploiting the abundant opportunities of the international environment. Consequently, our domestic concepts of organised crime and our unilateral responses to that crime only serve to inhibit an effective response to this security threat. National borders do not impede illegal activities, but often constrain law enforcement operations, thus becoming a defacto ally of criminal groups.

While Australia has a wide range of issues affecting its strategic vision of security, it has traditionally focused on the narrow perspective of national defence and military threat. Where once territorial integrity and national sovereignty were the sum total of national security concerns, we now talk about economic security, environmental security, and human security as components that need to be defended. Increasingly all of these components are subject to influences which are unimpeded by national boundaries. Security in this formulation extends to individuals and their way of life, through to the territorial integrity and sovereignty of the state, as well as the stability of the international system.⁶

Within this 'new security agenda', considerations of security have been broadened to encompass a range of non-traditional security issues including a host of potentially criminal issues, for example, drug and arms trafficking, illegal immigration, terrorism and industrial espionage.⁷ Security, therefore, must be seen as being multi-dimensional in nature, incorporating a range of economic and environmental factors which have a fundamental impact on the well being of the nation.⁸ As a result, these non-traditional threats raise serious concerns about the adequacy of Australia's traditional security paradigms.⁹

⁴ *ibid.*, p 8; Grabosky, pN., 'The Future of Crime Control', *Trends and Issues in Crime and Criminal Justice*, Australian Institute of Criminology, Number 63, November 1996, p 1.

⁵ Jones, C., *Disorganised Crime in Australia*, Masters of Arts thesis for the Department of Justice and Youth Studies, Royal Melbourne Institute of Technology, 1998, p 22.

⁶ Rioux, J. and Hay, R., 'Security, Foreign Policy, and Transnational Organised Crime: A Perspective From Canada', *Transnational Organised Crime*, Volume 1, Number 2, Summer 1995, p 179.

⁷ Dupont, A., 'Regional Security Concerns Into the 21st Century', in Ciccarelli, *Transnational Crime - A New Security Threat*, 1996, p 71.

⁸ Harvey, J., *Conventional Deterrence and National Security*, Air Power Studies Centre, RAAF Base Fairbairn, 1996, p 89.

⁹ Dupont, 'Regional Security Concerns Into the 21st Century', p 71.

The objectives of this paper will be to:

- a. highlight inadequacies in traditional security paradigms,
- b. identify the influence of organised crime on the international security environment,
- c. examine the influence of organised crime on Australian national security,
- d. examine some developing trends in organised crime and discuss the implications for the ADF, and
- e. briefly explore the ADF's capability in assisting law enforcement agencies counteract the organised crime threat.

Defining the Threat: Organised Crime

This paper will not enter lengthy discourse on the definition of organised crime. It will, however, identify the dangers in conceptualising organised crime as homogeneous and also the dangers in limiting views to traditional Mafia or hierarchical models.

In Australia there is no agreed model of organised crime. This is not surprising considering that there is no agreement among law enforcement and security agencies about the definition itself.¹⁰ This notion is supported by the Director International of the Australian Federal Police, Mr David Schramm, who suggests that the term 'organised crime' is the subject of controversy and debate as there is no internationally accepted definition of what exactly constitutes organised crime.¹¹ Also, Mr Mike Thomas, from Australian Federal Police Strategic Intelligence Southern Region, in his recently completed thesis titled, 'Controversies to debate - the organised crime issues in Australia', stated that he had difficulties in determining whether there was a consensus on the definition of organised crime. He suggested that the organised crime 'controversy' in Australia has often been intensified by the indiscriminate use of the term 'organised crime' itself.¹² Thomas's thesis concluded that in public, political, and law enforcement discourse in Australia, the term is rarely used with precision.

Discussion of issues relating to organised crime are often underpinned by erroneous assumptions about the nature of organised crime which derive largely from the Mafia or structuralist perception of the problem. Consequently, the need is perhaps not so much for an all-purpose definition or model of organised crime for all time, but some more precise understanding of how individual patterns of criminal activity, individual patterns of organisation and the social and economic context interact within a defined geographical and political area. Also, because a particular problem has always been conceptualised and understood within certain parameters, this does not prevent it from taking on new forms by constantly changing.

¹⁰ Halstead, B., *Transnational Crime - The Nature of the Threat to Australia*, Office of Strategic Crime Assessment, Occasional Paper No. 1/98, April 1998, p 2.

¹¹ Schramm, D., 'Isolation no longer a natural security buffer against trans-national crime', *Platypus Magazine: The Journal of the Australian Federal Police*, Number 51, June 1996, p 5.

¹² Thomas, M., *Controversies to Debate - The Organised Crime Issues in Australia*, Masters Thesis, Royal Melbourne Institute of Technology, 1997.

In the struggle to reach a consensus in definition and a workable model for organised crime, some have claimed that issues regarding size, structure and cohesion of the criminal organisations need to be considered. At the one end of the spectrum organised crime could be viewed in terms of large hierarchical organisations that are structured rather like traditional corporations. More commonly, however, at the other end, organised crime groups tend to be loosely structured, flexible and highly adaptable.¹³ Commentators argue that the 'real' power and effectiveness of organised crime lies in its amorphous qualities. Rather than resembling a formal corporate structure, organised crime more closely resembles a social exchange network in the community. Moreover, many criminal groups are relatively small, fluid, and characterised by considerable opportunism.¹⁴ Indeed from this perspective, the challenge is that organised crime is anything but organised, at least in the sense that government departments and agencies, and, especially, defence forces are structured and operate accordingly to established rules and procedures.

THE NEW SECURITY THREAT

The Changing International Environment

The possibility of criminals corrupting or destabilising governments, weakening the global economy or trafficking in nuclear weapons or other technologies of mass destruction are some of the significant concerns confronting international security. Indeed, criminal activity is woven into many security threats. Other criminal threats include the linkages of drug trafficking and other crime to terrorism and insurgency, and illegal immigration in some countries where government control and services have eroded.¹⁵ For example, President Boris Yeltsin stated that organised crime has become a number one problem facing Russia.¹⁶

Two of Australia's closest allies, the United States and Britain, who have a significant influence on Australia's operational doctrine, have identified organised crime as a prime concern to national security. In the United States, President Clinton highlighted the criminal threat to the United States when he addressed the 50th anniversary meeting of the United Nations. He identified organised crime as one of the paramount security concerns of the post Cold War world.¹⁷ Recently the United States House of Representatives passed a bill that authorised \$270 billion in Pentagon programs to include monitoring and patrolling United States borders.¹⁸ The United States defence force would in theory assist border patrols and customs agents in the 'war' against drug smuggling and illegal immigration. Also back in 1982, President Ronald Reagan declared war on organised crime and the illegal drug trade. Since then, United States

¹³ Dickie, P. and Wilson, P., 'Defining Organised Crime: An Operational Perspective', *Current Issues in Criminal Justice*, Volume 4, Number 3, March 1993, p 218.

¹⁴ Williams, p, 'The New Threat: Transnational Criminal Organisations and International Security', *Survival*, Volume 9, Number 3, Summer 1995, p 4.

¹⁵ Mendel, W.W., 'Combat in Cities: The Los Angeles Riots and Operation Rio', *Low Intensity Conflict & Law Enforcement*, Volume 6, Number 1, Summer 1997, p 184.

¹⁶ Ciccarelli, 'The Theory of Crime as a Security Threat', p 12.

¹⁷ *ibid.*, p 5.

¹⁸ 'Drug War Amendment', *INTERSEC: The Journal of International Security*, Volume 8, Issue 6, June 1998, p 260.

Federal spending on narcotics control has increased massively and its Department of Defense is now playing an increasingly complex role in an inter-agency campaign with the United States Drug Enforcement Agency.¹⁹ In fact, the United States National Security Strategy identifies international crime as a national security threat requiring the same military mission support previously extended to countering terrorism.²⁰

In 1997, the British Foreign Secretary, Robin Cook, emphasised his concerns to British national and international security when he announced that his government was taking a tough stance on organised crime and drug trafficking. In a conference organised by the Malaysian Foreign Affairs Institute, he stated:

Britain would refocus the resources of its intelligence and law enforcement agencies and make the issue a top priority for its Secret Service agents (MI5) ... Our diplomatic aid, law enforcement and intelligence assets would be tasked with fighting the international drug trade ... I would urge Burma's allies in ASEAN to press the military government to recognise the damage they do to the future of their country and of the region by conniving with the drug barons.²¹

Since 1989, Britain has spent almost A\$11 million to fight organised crime in South East Asia. Consequently, organised crime is an increasingly necessary component of national security analysis and military planning.²²

Despite recent developments in America and Britain, long term failure to deal with the organised crime problem has meant that the world now faces criminal groups that have the potential to undermine the rule of law, international security and the world economy and which, if they are allowed to continue unimpeded, could threaten the concept of the nation-state. Existing law enforcement efforts and resources, already severely strained, have not retarded the rapidly growing, highly sophisticated and evolving criminal milieu.²³

During the Cold War, 'realist' definitions of national interests and of national security matters were relatively simple. However, in the aftermath of the Cold War, new challenges face government and law enforcement agencies. Over the last two decades, economic, political and technological changes have also considerably altered the criminal environment, both domestically and internationally. As a result, criminal organisations have been quick to adapt their structures and activities to new opportunities within this environment.²⁴ As such, current conceptions and definitions of, and solutions to, the problems associated with organised crime require re-examination. Traditional patterns of security thinking do not seem to apply in the new circumstances.²⁵

¹⁹ Cornish, p, 'Cold Wars to Cocaine Wars: The Role of Military in Counter-Narcotics Operations', *INTERSEC: The Journal of International Security*, Volume 7, Issue 11/12, November/December 1997, p 386.

²⁰ Mendel, W.W., 'Combat in Cities: The Los Angeles Riots and Operation Rio', p 184.

²¹ Ng, E., 'Britain pledges use of spies on drug trafficking', *The Canberra Times*, 30 August, 1997, p 10.

²² Mendel, W.W., 'Combat in Cities: The Los Angeles Riots and Operation Rio', p 184.

²³ Ciccarelli, 'The Theory of Crime as a Security Threat', p 6.

²⁴ McFarlane, J. and McLennan, K., *Transnational Crime: The New Security Paradigm*, Strategic and Defence Studies Centre, 1996, p 1.

²⁵ Dalby, S., 'Security, Intelligence, the National Interest and the Global Environment', *Intelligence and Nation Security*, Volume 10, Number 4, October 1995, p 175.

A theoretical examination of organised crime and national security helps us to understand the larger forces at work, and how governments must adapt to meet the new requirements resulting from these forces. If one is to assume that most criminal enterprise is inherently economic in nature and technologically advanced, then the threat posed by crime takes on new dimensions in this increasingly economically and technologically focused world. The damage that criminal enterprises play on national economies is spreading, and criminal groups have little regard for national boundaries or loyalties. As states begin to lose sovereignty over their citizens through the growing influences of globalisation, and as individuals through privatisation attain more autonomy, we may see the capabilities of the state decrease while criminal capabilities grow exponentially.²⁶

Indeed, in a climate of expanding opportunities and decreasing government authority, one of the greatest capabilities possessed by crime groups is the ability to operate outside the constraints of laws and government. Because criminals groups are used to operating across jurisdictional boundaries, they are sovereignty free rather than sovereignty bound and use this freedom and flexibility to engage in activities that are difficult for states to regulate.²⁷

However, if the state also attempts to operate outside the law to level the playing field, they then endanger the credibility of their own laws and institutions, and abandon any moral advantage that they previously held. This conspires to make law enforcement agency strategies reactive rather than proactive, leaving the initiative with the criminals. Criminals are not bound by systems, and have freedom of movement, especially across borders where domestic enforcement efforts are hindered by jurisdiction.²⁸

This freedom of movement highlights a concept which John Ciccarelli terms the 'deterrent vacuum'. He states:

In order for crime to flourish it must be allowed to develop in relative safety. Often, effective domestic law enforcement is not a solution to criminal organisations, but merely a repellent. Criminals will seek areas of the least deterrence to their activities, and as air seeks to fill a vacuum, crime also gravitates towards areas of increased opportunity, decreased risk and lack of centralised control and enforcement ... Thus, crime has moved between the gaps in our societies; filtering into the uncontrolled spaces between nations and states, sliding into jurisdictional cracks and moving into the vacuum left in the wake of social and political turmoil.²⁹

Consequently, criminals have used these gaps to protect and build their criminal organisations. As a result, some criminal organisations (for example, Colombian cartels, Chinese Triads, outlaw motorcycle gangs and Russian criminal groups³⁰) have acquired formidable capabilities, such as access to sophisticated weapons and communication

²⁶ Ciccarelli, 'The Theory of Crime as a Security Threat', p 6.

²⁷ Williams, p, 'Transnational Criminal Organisations and International Security', *Survival*, Volume 36, Number 1, Spring 1994, p 100.

²⁸ Ciccarelli, 'The Theory of Crime as a Security Threat', p 7.

²⁹ *ibid.*, p 7.

³⁰ Jones, *Disorganised Crime in Australia*, p 128.

systems. At worst, these criminal groups may eventually have the capability to challenge even the power of the state.

THE 'GRAY AREA PHENOMENON'

The Blurring of Traditional Security Boundaries

Organised crime groups operating across state and international borders, have forged close working relationships or alliances in areas of close mutual dependence.³¹ Examples of such arrangements are the loose-knit but profitable relationships between Russian crime groups and the American La Cosa Nostra, the Sicilian Mafia, the Colombian Cocaine Cartels and Asian organised crime groups.³² Additionally, as the armed capabilities of these groups and their willingness to resort to violence have grown, the distinction between war and crime has become obscure. This is particularly true since the nuclear threat has significantly diminished with the end of the Cold War, the collapse of communist states and the collapse of bipolar alignment of nation-states. At the same time, increasing economic competition, growing globalisation and diminishing sovereignty of nation-states and social instability within some countries has created an environment for organised crime to flourish.³³ For example, international organised crime and its diversified operations are increasingly capable of disrupting, if not completely destabilising nations, as Russia's criminal groups and Colombia's drug cartels have demonstrated.³⁴

These threats to the stability of nation-states by non-state actors and non-governmental processes and organisations have been termed the 'Gray Area Phenomenon'.³⁵ New circumstances have highlighted a disintegration of traditional operational boundaries between terrorism, organised crime and other kinds of illegal activity. Technology, mobility and the end of the Cold War have highlighted this demarcation and have opened new avenues and opportunities for organised crime and terrorism, while closing down others.³⁶ Previously there might have been little debate about the categorisation of a non-state groups. However, due to the exchange of strategies and techniques and the interlinking of networks and infrastructures, the overall picture is distorted and the threat is not so easily identifiable.

³¹ Alliances also allow organised crime groups to cooperate with, rather than compete against, indigenous entrenched criminal organisations; enhance their capacity to circumvent law enforcement; facilitate risk sharing; make it possible to use existing distribution channels; and enable trafficking organisations to exploit differential profit margins in different markets.

³² McFarlane and McLennan, *Transnational Crime: The New Security Paradigm*, p 2.

³³ Rioux, and Hay, 'Security, Foreign Policy, and Transnational Organised Crime: A Perspective From Canada', p 173.

³⁴ *ibid.*, p 173.

³⁵ Holden-Rhodes J. and Lupsha P.A., 'Gray Area Phenomena: New Threats and Policy Dilemmas', *CJ International*, Volume 9, Number 1, January-February 1993, p 11.

³⁶ Robertson, M., 'Internal Security: Terrorism, Government, Business and the European Trends', *Low Intensity Conflict and Law Enforcement*, Volume 4, Number 1, Summer 1995, p 91.

One only has to review news reports in the media to find a litany of 'Gray Area' threats and themes. These include:

- a. Somalia is a case study in organised crime, conflict, and warlordism in which drug trafficking of Khat is an intimate part.
- b. In Lebanon, the reality of much of the fighting around the 'Green Line' was over drug warehouses and opium and hashish shipments, as well as religious faith and difference.
- c. The Tamil guerrillas of Sri Lanka have financed their war, in part, by trafficking heroin to Europe.
- d. The Revolutionary Armed Forces of Colombia (FARC) and the National Liberation Army (ELN) guerrillas, like the Burmese Communist Party in Myanmar, have increasingly become drug lords, rather than warlords or revolutionaries. For example, the FARC is thought to have over 30,000 hectares of coca plantations.³⁷
- e. In Peru, Sendero Luminoso's Huallaga Valley Front and Tupac Amaru Revolutionary Movement (MRTA) are today little more than camp followers and security forces for the drug traffickers.
- f. In Pakistan, violence and urban anarchy frequently combine organised crime drug and arms trafficking with religion and ethnicity.
- g. In El Salvador, street gang criminals deported from the United States have established Los Angeles style gangs, and are forming ties to major Mexican drug trafficking groups, such as the Arellano-Felix organisation of Tijuana.³⁸

The emergence of dual function groups and an apparent willingness for hitherto segregated terrorist and organised criminals to cooperate for mutual benefit have been fed by the necessity for each to master increasingly sophisticated skills, whether they be utilisation of high technology (weapon systems, computer software) or exploitation of complicated legal regimes. An examination of the Sri Lankan Tamil Tigers highlights this phenomenon.

Once a traditional terrorist organisation, Western officials now state that the Tamil Tigers have links with organised crime groups in Russia, Lithuania and Bulgaria. To buttress this proposition, the Sri Lankan Government alleges that the Tigers have hauled opium on their ships from Burma. The Tigers are also on the cutting edge of arms trafficking. They have displayed how easy it is to find weapons, pay for them with money moved through major banks and move them across borders. They have also demonstrated how ill-prepared governments are to deal with the traffic. Unlike the trade in heavy weapons, the movement in small arms is neither monitored nor reported by most governments. The Tamil Tigers have brought arms from dealers in Hong Kong,

³⁷ Cornish, 'Cold Wars to Cocaine Wars: The Role of Military in Counter-Narcotics Operations', p 386.

³⁸ Lupsha, pA., 'Transnational Organised Crime Versus the Nation-State', *Transnational Organised Crime*, Vol. 2, No. 1, Spring 1996, p 28.

Singapore, Lebanon and Cyprus, and from corrupt military officers in Thailand and Burma, and directly from governments, including those of Ukraine, Bulgaria and North Korea. They have also bought from Cambodia assault rifles, grenade launchers, anti-tank weapons and Russian made surface-to-air missiles. Along with the trafficking, the Tigers are estimated to collect US\$1 million each month from the Tamil diaspora in Canada, Britain, Switzerland and Australia and accounts belonging to Tiger cadre have been found in Denmark, Sweden, Canada and Australia.³⁹

Martin van Creveld wrote in *The Transformation of War* that 'as the second millennium A.D. is coming to an end, the state's attempt to monopolise violence in its own hands is faltering'. He goes on to note the following:

Once the legal monopoly of armed forces, long claimed by the state, is wrested out of its hands, existing distinctions between war and crime will break down much as is already the case today in Lebanon, Sri Lanka, El Salvador, Peru, or Colombia ... Often crime will be disguised as war, whereas in other cases war itself will be treated as if it were crime.⁴⁰

If crime and war become indistinguishable, then national defence may in the future be viewed as a local concept. As crime continues to grow in our cities and the ability of state governments and criminal justice systems to protect their community diminishes, urban crime may develop into low-intensity conflict by coalescing along racial, religious, social, and political lines.⁴¹

These trends, the range of their complexity, the inevitable penetration of society and the relationship between government, business and industry, can easily be illustrated by a number of examples: the extensive, highly sophisticated operations carried out by the Colombian Cali Cartel; the little publicised role of the Provisional IRA as a very successful organised crime group; and the newly developed and ever extending Russian organised crime groups. Like all general propositions, there are variations on this theme. Some organised crime groups which are connected to business and industry are not recognised as 'terrorists'. Equally, terrorist groups have not been necessarily well organised nor capable of seriously influencing government, let alone business or industry.⁴²

Organised crime groups are assisted by weak states, weak governments, and weak economies, which combined, provide them with fertile territory on which to conduct their business. In addition, technology and mass production have provided cheap tools of mass destruction. The ability to produce mass violence, firepower and lethality which were once only the province of the state, is increasingly available to citizen, cult, terrorists, or organised crime groups. For example, the late Pablo Escobar asked the Cubans for Sam-7 ground-to-air missiles. Kuhn Sa, the Thai warlord and heroin trafficker, is said to have had a number of Sam and Stinger missiles. The Cali Cartel

³⁹ Bonner, R., 'How Tigers Stalk the Arms Bazaars', *The Melbourne Saturday Age*, 21 March 1998, p 27.

⁴⁰ Lupsha, 'Transnational Organised Crime Versus the Nation-State', p 29.

⁴¹ Kaplan, R.D., 'The Coming Anarchy', *The Atlantic Monthly*, February 1994, p 74.

⁴² Robertson, 'Internal Security: Terrorism, Government, Business and the European Trends', p 92.

purchased several 500 pound bombs from Nicaragua to use on Escobar.⁴³ Perhaps the most threatening of all, in the Commonwealth of Independent States, military equipment and fissile (nuclear) material appear to be in the possession of non-state groups. This frightening incident dossier clearly illustrates how organised crime groups' capacities have grown to rival those of nation-states seeking to counter them.⁴⁴

This higher order of threat is posed by states that are complicit in crime (ie. Russia and Colombia). In these rogue states or regimes, corruption is endemic and criminal activity is routine, if not overtly proclaimed. Governments and states involved in criminal activity, such as drug and arms trafficking, by the very nature of their activity are in opposition to legitimate governments. This means that clashes between criminal organisations and government are unavoidable and the agenda of issues over which a clash might take place is broadened. For example, the National Defence Council Foundation, a United States private organisation that monitors world conflict, released an annual list of conflicts raging around the world affecting national security. Eleven of these countries, including United States and South America, listed the cause of the conflicts as organised crime, arms and drug trafficking. The National Defence Council Foundation claim that one quarter of the remaining fifty-three countries listed conflicts arising from organised crime involvement in arms and drug trafficking.⁴⁵ Thus, regional conflict, which was once exclusive to nation-states, is now a tool available to a wide range of non-state players such as organised criminal and terrorist groups.⁴⁶

Research suggests that the collusion of some government members with crime groups may also open the way to a broader range of criminal activity, including nuclear smuggling and arms trafficking. The increase in organised crime emanating from Central and Eastern Europe and the Commonwealth of Independent States, where in some instances, criminals have infiltrated the highest levels of government, and where nuclear material and chemical and conventional weapons in some cases are abundant, compounds the existing security dilemma posed in those regions.⁴⁷ Central to these security dilemmas are a number of examples which have been reported in the media.

First, the Melbourne Sunday Herald Sun reported that the South African government had investigated claims that, in 1995, South African defence force scientists sold chemical weapons technology to Libya. It was alleged that, after the arrest on drug trafficking charges of former defence force chemical weapons expert, Dr Walter Basson, other defence force scientists revealed details of a covert chemical program, including the sale of chemical weapons technology to Libya. The report stated that Dr Basson, a toxicologist, was apparently the central figure in the former apartheid regime's drive to develop both chemical and biological weapons for South Africa.⁴⁸

⁴³ Rioux and Hay, 'Security, Foreign Policy, and Transnational Organised Crime: A Perspective From Canada', p 181.

⁴⁴ Lupsha, 'Transnational Organised Crime Versus the Nation-State', p 30.

⁴⁵ Garifalakis, N., Butcher, R. and Lawrence, F., 'The World at War', *Sunday Herald Sun*, 9 February 1997, pp 48, 81.

⁴⁶ Holden-Rhodes and Lupsha, 'Gray Area Phenomena: New Threats and Policy Dilemmas', p 12.

⁴⁷ Rioux and Hay, 'Security, Foreign Policy, and Transnational Organised Crime: A Perspective From Canada', p 182.

⁴⁸ Erasmus, C., 'Chemical war secret sales', *The Melbourne Sunday Herald Sun*, 16 February 1997, p 38.

Second, the Weekend Australian reported that anarchy in Albania and the influx of more than 10,000 Albanian refugees into Italy have facilitated the smuggling of radioactive material for sale on the arms trade black market. The report claimed that looters stole ten containers of radioactive material from a military installation at Fier near Tirana. Italian Secret Service sources believe the missing radioactive material had been smuggled in on one of the commandeered Albanian naval vessels that arrived in Southern Italy during the anarchy. The report also alleged that the nuclear material was smuggled by criminals who have connections with Italian organised crime groups.⁴⁹ Security sources have supported these allegations and have stated that some Albanian criminals have connections to Italian organised crime which organises purchases and shipments of drugs to Italian and Greek shores. They have also claimed that Albania has long been considered a major trafficking route for hard drugs such as heroin from Turkey and neighbouring Macedonia.⁵⁰

Third, the Melbourne Sunday Age reported that Russian defence chiefs (some of whom are alleged criminals themselves) have painted an apocalyptic picture of the state of the country's vast stockpile of nuclear weapons and warned that the whole of the Russian armed forces faces a crisis of under-funding. Russia's nuclear arsenal is the biggest in the world with anything from 9,000 to 21,000 warheads. The defence minister, Mr Igor Rodinov, warned that without extra resources they may soon become unmanageable. The present budget falls A\$8.9 billion short of what the defence ministry regards as its minimum needs.⁵¹ Resulting from this deficit, Mr Eric Arnett of the Stockholm International Peace Research Institute stresses:

The biggest problem for the Russians is actually knowing what is in the inventory ... Disarmament put a huge strain on the system and the fear is that some small nuclear weapons might just disappear from the inventory.⁵²

Arnett's concerns became apparent when, in September 1997, alarming allegations claimed that Russian Government officials lost control of more than 100 suitcase-sized nuclear bombs.⁵³ In an interview on the television program 'Sixty Minutes',⁵⁴ the head of Russian national security, Alexander Lebel, claimed that he did not know the whereabouts of the weapons and stated that they were no longer under control of the Russian Armed Forces.

Fourth, the Melbourne Age stated that in the United States a Miami strip club owner, Ludwig Fainberg, was charged with acting as a middleman for a Colombian Cartel trying to buy a Russian submarine from Kronstadt naval base near St Petersburg. The Piranha-class submarine was to be used to ferry cocaine and other contraband underwater to the United States. According to the report, the deal was negotiated with military officials from the former Soviet Union. Fainberg allegedly ran a criminal enterprise from his strip club, 'Porky's', near Miami International Airport. The indictment said he acted as a middleman between Russian and Latin American drug

⁴⁹ Owen, R., 'Albanian gangsters go nuclear', *The Weekend Australian*, 22-23 March 1997, p 16.

⁵⁰ Smith, H., 'Drug dealers high on democracy', *The Melbourne Sunday Herald Sun*, 9 February, 1997, p 42.

⁵¹ Hearst, D., 'Nuclear stockpile crisis', *The Melbourne Sunday Age*, 9 February 1997, p 13.

⁵² *ibid.*, p 13.

⁵³ Reeves, p, 'Russian PM denies nuclear bomb loss', *The Sunday Times*, 7 September 1997, p 8.

⁵⁴ *Sixty Minutes*, Channel Nine, 12 October 1997.

operators. Fainberg had also bought six Russian military helicopters, each worth US\$1 million, for the drug traffickers.⁵⁵

And finally, the Melbourne Age reported that missiles used in the latest outlaw motorcycle gang feud in Scandinavia originated from Russia. It was described how an armour-piercing anti-tank missile was fired by a member of the Hell's Angels motorcycle gang into a Danish police station, destroying part of a cell block but failing to injure a member of the Bandidos Motorcycle Club, the intended victim. Detective Inspector Christian Petersen of the Copenhagen police stated that it was a worrying development that the Hell's Angels motorcycle chapter in Scandinavia appeared to have access to a new supply of heavy-duty weaponry. Missile attacks, mostly launched by the Bandidos, have been recorded using twelve Russian missiles stolen from a Swedish army base. Also, in October 1996, two people were killed and nineteen injured when a Bandidos missile was fired into the Hell's Angel's headquarters in Copenhagen.⁵⁶

The above examples, including possibilities of nuclear and chemical weapons smuggling, are particularly troubling issues for national and international security. It is not beyond reason to imagine criminal organisations attempting to steal chemical weapons, plutonium or highly enriched uranium, to sell to terrorists or rogue states for profit. A terrorist group or rogue state acquiring a nuclear capability through the action of an organised crime group, represents the ultimate demonstration of organised crime's potential to threaten world security. This alone justifies tighter monitoring of organised crime.⁵⁷

The activities of organised crime groups are often interwoven with those of violent political groups in the international system. Drug money, for instance, is often used to pay for arms for insurgent and guerrilla movements. Moreover, guerrillas or mercenaries sometimes serve as enforcers for criminal gangs. Organised crime groups are likely to be an important source of arms, money, and services for guerrillas, terrorists, and mercenaries, and clandestine operatives worldwide.⁵⁸

When examining the changing nature of organised crime and terrorism, the National Defence Council Foundation does not consider conflict as solely military confrontation. Drugs and organised crime are factors that can put a country into turmoil. The foundation believes that drug violence is as much a world-wide threat as the proliferation of nuclear, biological, and chemical weapons and suggests that drug violence impacts on a sovereign state's ability to rule by increasing the criminal elements, thereby eroding security, distorting economic systems, inflating monetary systems, reducing democratic processes, and endangering the collective health of citizens.⁵⁹

⁵⁵ 'Arrest sinks plans for nuclear submarine drug run', *Melbourne Age*, 8 February 1997, p 14.

⁵⁶ Henley, J., 'Danish Bikies Locked in Missile War', *Melbourne Age*, 20 February 1997, p 10.

⁵⁷ Rioux and Hay, 'Security, Foreign Policy, and Transnational Organised Crime: A Perspective From Canada', p 182.

⁵⁸ *ibid.*, p 183.

⁵⁹ Garifalakis, N., 'War is Everywhere', *The Sunday Herald Sun*, 9 February 1997, p 46.

Given these links, it is not surprising that some commentators,⁶⁰ point to the blurring of distinction between organised crime, terrorism, and regional conflict in areas such as Colombia, Peru, and Sri Lanka, making less meaningful the distinction between internal law and order and national and international security. Messenger in his book, *The Century of Warfare: Worldwide Conflict from 1900 to the Present Day*, explains that terrorism has been pursued by the drug barons of Central and South America, especially in Colombia. This is designed to warn governments to stop interfering with their operations. Increasingly, too, Messenger suggests that mainstream terrorist groups are using drug trafficking to finance their activities in countries such as Bosnia-Herzegovina/Croatia where drug trafficking has funded weaponry for ethnic skirmishes;⁶¹ in Somalia where drug violence has emerged from civil war and clan insurgency; and in Turkey where Kurdish insurgency has been funded by drug trafficking.⁶²

Consequently, there is a need to move away from a traditional mindset with regard to organised crime and terrorism, their interconnections and modus operandi. Organised crime and terrorism are changing, business is changing, as is the environment in which they operate. Research into internal security matters supports this need for change and suggests a new paradigm that characterises these groups as enterprise theorists.⁶³ There is no difference between terrorists' utilisation of financial and economic means to support their movement and organised crimes' utilisation of financial and economic means to support their operations. For example, terrorism, like organised crime, will respond to market demand and market opportunities. It will be inclined to function as a part of the economic process, and parts of its agenda and strategy will be determined by the character of a state's economic behaviour and mechanisms.

In tackling this problem, the strategies used by nation-state agencies against this 'Gray Area' are often constrained by many factors. These include:

- a. the often trans-jurisdictional or trans-national nature of the 'Gray Area Phenomenon',
- b. the inadequacy of the existing force considerations,
- c. the inability to tailor the use of force equation to confront, and
- d. the failure to recognise the extent to which the 'Gray Area Phenomenon' / nation-state power balance has been altered by technology.⁶⁴

In addition, within state systems, law and law enforcement are the traditional tools of maintaining order and civility within a nation.⁶⁵ Today however, nation-states are

⁶⁰ See Robertson, M., 'Internal Security: Terrorism, Government, Business and the European Trends', *Low Intensity Conflict and Law Enforcement*, Vol. 4, No. 1, Summer 1995, p 91; and Holden-Rhodes and Lupsha, 'Gray Area Phenomena: New Threats and Policy Dilemmas', p 11.

⁶¹ Messenger, C., *The Century of Warfare: Worldwide Conflict from 1900 to the Present Day*, Harper Collins Publishers, London, 1995, p 390.

⁶² Garifalakis, et al, 'The world at war', pp 48, 81.

⁶³ Robertson, 'Internal Security: Terrorism, Government, Business and the European Trends', p 92.

⁶⁴ Holden-Rhodes and Lupsha, 'Gray Area Phenomena: New Threats and Policy Dilemmas', p 12.

⁶⁵ Lupsha, 'Transnational Organised Crime Versus the Nation-State', p 29.

challenged by non-state actors, such as transnational organised crime groups, which have the ability to rival and compete with nation-states in terms of their monopoly over the use of force. And, in many areas of the world, non-state actors, frequently organised criminals, control large portions of the nation-state's population and territory.

For these reasons agencies are not anxious to use force. Instead they often watch, debate and wrangle, while they or those around them are quietly nibbled away by the 'Gray Area' forces of disruption, destabilisation and anarchy. To understand this it is necessary to recognise the constraints on nation-states in dealing with 'Gray Area Phenomenon'. One of these constraints is organisational.⁶⁶ While we have a United Nations, bi- and multi-lateral alliance systems, international military treaties, and criminal conventions and organisations such as Interpol, most of these threats cross existing organisational mission boundaries as well as territorial jurisdictions. As a result, nation-states cannot easily respond to such threats.

Organised Crime and Australia's National Security

The national security implications of organised crime in Australia are many. Organised crime affects the security of Australians by spreading violence, threatening economic welfare, and aggravating social ills. It threatens the Australian state and other political institutions through corruption and the public mistrust of the political system this engenders. International security, hence Australian security and foreign interests, are also affected, as crime creates rogue regimes, fosters problems among states, and contributes in a variety of ways to create conflict in our system. Hence, traditional definitions of security are increasingly inadequate to understand many of the challenges facing Australia's national security. Australia faces a diverse, sophisticated and vastly more powerful criminal threat than ever before. It now becomes readily apparent that organised crime is not just a problem for law enforcement but also for other government agencies including the intelligence and counter-intelligence agencies within the ADF. It is worthwhile then to consider several points at which organised crime and Australia's national security intersect.

First, policies to prevent and repress organised crime sometimes clash with Australia's policies which promote open immigration, friendly diplomatic relations, profitable trade and investment opportunities, and international aid. Different points of view among government agencies on the importance assigned to fighting crime can create tensions, misunderstanding, and poor coordination affecting a number of external activities. The impact on our diplomatic and other relations with foreign countries or regions where organised crime activity originates goes beyond the functional to impinge upon the conduct of what might otherwise be normal relations. For example, policies or strategies that may be effective in the fight against organised criminal activity may come into conflict with policies promoting effective trade relations.

Second, Australian agencies which are traditionally more concerned with political issues, such as the Department of Foreign Affairs and Trade, Office of National Assessment, ADF, Australian Secret Intelligence Service and Australian Security Intelligence Organisation, are devoting more attention to transnational crime and criminal issues now that the communist threat has passed, and organised crime exerts greater influence in

⁶⁶ Holden-Rhodes and Lupsha, 'Gray Area Phenomena: New Threats and Policy Dilemmas', p 12.

many countries with which Australia has closer ties. The crime issue is particularly germane to Australia's dealings with some countries in the Asia Pacific area, such as China, Taiwan, Former Soviet Bloc, Thailand, Hong Kong, Papua New Guinea and Indonesia, just to name a few, where organised criminal activity and Australia's foreign and national security interests most profoundly intersect.

Third, as the level of reported organised criminal activity has increased, the problems and workload in the relevant government departments have increased correspondingly. For example, while there have always been criminals entering Australia, alleged members from the Chinese Triads, Russian criminal gangs and Colombian Cartels have also been detected entering Australia. This has transformed the nature of the problem for the Department of Immigration and Multicultural Affairs, which must intensify its efforts to combat criminal entry and immigration smuggling through, for example, modified screening and monitoring procedures. The Department of Foreign Affairs and Trade and Department of Immigration and Multicultural Affairs, not traditionally sensitised to crime and enforcement issues, is now increasingly under pressure to adopt a more rigorous stand on immigration. This necessity for a more rigorous policy is justified when explaining that criminal networks, particularly those ethnically based, if allowed easy entry, function to provide a ready made framework (command and support infrastructure, communications, underground operations, funding and access to arms) for higher level political activity and ultimately a recourse for security threats such as terrorism and organised crime.⁶⁷

Lastly, in extreme cases, Australia's foreign relations are strained with certain countries where organised crime is state sponsored or supported or where the government machinery at many levels is tangled up with criminal organisations. In the first instance this might contribute to the creation of pariah regimes with which we have little or no relationship or where previously good relations are disrupted or discontinued, with negative consequences for Australia's business interests.

Thus, organised crime is creeping onto the foreign and Australian national security agenda, albeit slowly. This is particularly so in the United States and Britain where defence resources are being increasingly allocated to combat organised crime. The Australian Government, on the other hand, is yet to allocate significant defence resources to assist law enforcement agencies with this problem. The transnational nature of some organised crime groups has resulted in the United States and Britain seeking support from its neighbours, allies and trade partners. Consequently, the ADF may in the future face increased pressure by these allies to alter its operational doctrine by expanding constabulary roles in the effort to help combat organised crime.

The role of the ADF, as identified in Australia's Strategic Policy 1997, is to deter or defeat any credible armed attack and to ensure national security.⁶⁸ While the effects of organised criminal activity could not be classed as a physical attack on Australia's territory, it does however impact on Australia's regional and global interests and it certainly has the potential and means to undermine Australia's capability to defend

⁶⁷ Robertson, 'Internal Security: Terrorism, Government, Business and the European Trends', p 94.

⁶⁸ *Australia's Strategic Policy*, Department of Defence, Canberra, December 1997, p 3.

itself.⁶⁹ Hence, criminal activity against the ADF potentially threatens Australia's national security.

While defence against armed attack is the government's fundamental responsibility, national security has many other facets. ADF capabilities are inherently flexible, especially those which exercise air power. Consequently, the ADF has considerable potential to contribute to the promotion of Australia's wider national interests, in conjunction with the other elements of national security.⁷⁰ For example, the RAAF Air Power Manual 3rd Edition identifies a number of ADF operations (other than war) including law enforcement, aid to other authorities, counter-terrorism and protection of alliance interests.⁷¹

Organised Crime and Possible Implications for the ADF

The following section, through a brief assessment of overseas and Australian criminal trends, examines the implications for the ADF. Three areas for study were identified.

The first area explores whether the ADF is organisationally vulnerable to organised criminal activity. For example, are there vulnerabilities in the traditional organisational structure which is focused on conventional threats in a wartime context? Is it easy for organised criminals to achieve their operational objectives within the ADF?

The second area examines the nature of the threat organised crime poses to the ADF itself. For example, what sort of attack could take place and where are the likely targets for organised crime? This area covers the theft of assets - arms, ammunition, computer hardware and software, and information - from defence establishments.

The third area considers the possibility of future expansion of organised crime in Australia. Hence, from a strategic perspective, potential roles for the ADF in assisting civilian law enforcement and other government agencies with combating the organised crime threat are proposed. Potential roles could include intelligence collection, transport of personnel and equipment, territorial surveillance and reconnaissance, strike, interdiction and interception.

Organisational Vulnerabilities

During the 20th century, the ADF has witnessed a period of diversity and change within its international environment. Included in these changes have been the end of the Cold War, advances in technology, communications, transportation, economic growth, and knowledge accumulation. Ironically, the same factors which promised and delivered greater operational capabilities to defence forces also produced increased activity and creative illegal initiatives from organised crime groups. Some criminal organisations, such as the Colombian Cartels, Russian criminal groups, Chinese criminal groups and outlaw motorcycle gangs, have displayed a significant capacity for exploiting and

⁶⁹ Ciccarelli, 'The Theory of Crime as a Security Threat', p 5.

⁷⁰ *The Air Power Manual 3rd Edition*, Air Power Studies Centre, RAAF Base Fairbairn, February 1998, p 15.

⁷¹ *ibid.*, p 15.

adapting new technology in their illicit activities.⁷² If left unchecked, such innovative crime groups have the potential to pose formidable threats to Australia's national security.

To its disadvantage, the ADF whose primary role is the defence of this security has maintained conventional frameworks and operational strategies. For example, the ADF's traditional structure, with clearly identifiable centres of gravity and chains of command, are traditionally suited to wartime roles of combat against other military adversaries (who in the past have had similar organisational structures) and not against criminals. History has shown that conventional forces and strategies are not always successful against non-traditional forces. For example, during the Vietnam War, the Viet Cong who employed guerilla tactics posed considerable operational difficulties for conventional forces who were trained in open warfare.

The hierarchical bureaucratic structure of the ADF was not intended to be encumbered with red-tape and inefficiency. Originally, such an organisation was considered technically superior to any other form of organisation. One of the ironies in the development of organisational theory is that bureaucracy, which has come to mean a ponderous and unadaptive organisation, was originally advocated as the best form for dealing with a changing environment. Contrary to this belief, the bureaucratic model was most successful in dealing with a static environment, and encountered difficulties when quick responses were required to changing circumstances. Formal, rigid structures also encouraged a stagnant outlook. As a consequence, the ADF's security agencies have focused primarily on wartime threats to the detriment of new evolving security concerns associated with their changing environment. Thus, the ADF, unaccustomed to dealing with modern sophisticated criminal organisations and their operations, is potentially at risk from such a threat.⁷³

Criminal entities disregard Western-based laws of war and rules of engagement and are not concerned with such conventions as legitimacy or public opinion. The dynamic structure of the modern organised crime group appears to represent a type of interconnected structure based on self-sufficient individual criminal groups that take part in seemingly random patterns of activity.⁷⁴ These groups which rely on a networked form of command and control rather than a traditional hierarchical one are less susceptible to disruption and communication problems.

Organised crime has the potential to represent a new war-making entity: physical terrain is meaningless; it does not field an army which can be decisively defeated in open battle; and its leadership can be dynamic, covert and transnational. Consequently, traditional centres of gravity and concepts of winning or losing do not apply.⁷⁵ The 'Gray Area Phenomenon', which can encompass organised crime, terrorism, gangs, mercenary groups, intelligence and private security organisations, has created a whole new

⁷² Southerland, M.D. and Potter, G.W., 'Applying Organisation Theory to Organised Crime', *Journal of Contemporary Criminal Justice*, Volume 9, Number 3, August 1993, p 251.

⁷³ Bunker, J.R., 'Five-Dimensional(Cyber) War-fighting: Can the Army After Next be Defeated Through Complex Concepts and Technologies', paper prepared for the U.S. Army War College Ninth Annual Strategy Conference, Strategic Studies Institute, 10 March, 1998, p 1.

⁷⁴ Bunker, J.R. , 'Street Gangs - Future Paramilitary Groups', *The Police Chief*, June 1996, p 55.

⁷⁵ Bunker, 'Five-Dimensional(Cyber) War-fighting: Can the Army After Next be Defeated Through Complex Concepts and Technologies', p 30.

opponent which lingers between law enforcement and military jurisdictions, exposing inadequacies and rigidities in the structures and capabilities of police and military forces. By contrast, organised crime and its associations can be very resilient, complex and adaptive opponents.⁷⁶ They have also demonstrated their ability to engage in criminal activity that is equivalent in effect to that of endemic low-grade terrorism.⁷⁷

While the ADF's external environment is changing and the nature of the threat from organised crime is also changing, the search for efficient use of financial resources has led inevitably to the rationalisation of military functions, as well as those of the security and policing services. Consequently, military commanders are focusing on the traditional warfighting elements of Australia's military capability and defeating attacks against Australia's territory has become the central force structure priority to the exclusion of non-traditional threats. In a sense, it has become the focus of all of the ADF's activities.⁷⁸ For this reason, some commanders tend to view the security and policing role as a distraction from the operational focus and not as a vital support function. Yet, in reality, without the security and policing function, (ie. counter-intelligence; force protection; law enforcement, including the prevention, detection and investigation of offences) it is not beyond the imagination for criminals (including terrorists) to infiltrate the ADF and cause major disruption to its war fighting capability. This could be achieved through the corruption of information systems or disclosure of operational capability by organised criminals acting on behalf of foreign intelligence services.⁷⁹

For organised crime groups to prosper they must be allowed to develop in relative safety. As highlighted by John Ciccarelli's 'deterrent vacuum' concept, criminals will seek areas of the least resistance to their activities and gravitate towards areas of increased opportunity and decreased risk.⁸⁰ In assessing the ADF's vulnerability, security planners should consider the ease with which organised criminals could hit their targets. The organisational dynamics of some criminal groups and their sophistication in counter-intelligence and intelligence methods could assist their operational objectives.⁸¹ Some organised crime groups - for example the Hell's Angels motorcycle gang - have established counter-intelligence measures to a degree that rivals the techniques used by defence and law enforcement agencies.⁸² These members have been known to encourage their female contacts to obtain employment in police departments, government offices and security companies contracted to defence establishments in order to gain intelligence on operations and individual members.⁸³ This potential inside threat has been identified by some security planners within the ADF as an issue which requires further examination.

Compounding this threat, is the recruitment process by which organised crime groups actively (sometimes aggressively) obtain new membership. Some organised crime groups recruit for specific operations and target people for specific tasks based on

⁷⁶ *ibid.*, p 24.

⁷⁷ Bunker, 'Street Gangs - Future Paramilitary Groups', p 54.

⁷⁸ *Australia's Strategic Policy*, p 29.

⁷⁹ Ciccarelli, 'The Theory of Crime as a Security Threat', p 11.

⁸⁰ *ibid.*, p 7.

⁸¹ Marr, p, 'Outlaw Motorcycle Gangs: An Overview', *Australian Police Journal*, March 1995, p 54.

⁸² Hyder, K., 'Angels With Dirty Secrets', *Police Review*, 22 January 1993, p 27.

⁸³ Layman, J. 'Follow Road Signs to Outlaw Biker Gangs', *Police*, Volume 20, Number 2, February, 1996, p 73.

qualifications and expertise rather than family or ethnic background. Rather than having a permanent structure, the criminal organisation forms for a specific role and disbands once the mission is completed.⁸⁴ Tom Sherman, former chairperson of the National Crime Authority, suggests that organised crime groups cannot prosper without the help of professionals and skilful advisers.⁸⁵ A professional or skilful adviser within the ADF could involve service personnel who have access to and knowledge of weaponry, knowledge of unarmed combat, or access to and knowledge of computer systems and information. For example, members trained in counter-terrorist operations, armoury personnel or information systems administrators would be highly sought after candidates for recruitment, as would personnel who are involved in maintaining the ADF's security interests.

ATTRACTIVE TARGETS FOR ORGANISED CRIME

Weapons Theft

The tensions and internal conflict in South East Asia and the South West Pacific combine to create a potential pool of buyers of illicit weapons and ammunition. Australia is recognised as a regional producer of military weapons and ammunition and as such attracts the attention of dealers seeking to exploit the source of supply. While the 1997 national gun legislation and buy-back scheme may have limited the supply of automatic and semi-automatic weapons available in the Australian community, the new legislation may lead to an increase in the amount of weapons being traded on the black market. The reduced availability of the weapons has produced an increase in price, making defence arsenals attractive targets for organised criminals. An intelligence analyst with the Queensland Police Service supported this notion and stated: 'Australia's ban on firearms will make it a target for illegal arms trade'.⁸⁶ Thus, it is quite possible that organised crime groups may look for vulnerabilities in defence arms and ammunition facilities. A number of recent incidents alleging connections between organised crime and the ADF supports this proposition.⁸⁷

Brett Martin, reporting for *The Bulletin*, alleged that Royal Australian Navy personnel were accused of drugs and arms smuggling and organised theft from naval stores. One of the most disturbing allegations was that corrupt RAN personnel were stealing weapons from naval stores. According to Martin, evidence connected these weapon thefts to the Gypsy Jokers, an outlaw motorcycle gang. In 1995, the New South Wales Police raided this gang and found the floor plans and electrical wiring plans for the RAN armouries at Moorebank in Sydney's western suburbs. An audit of the Moorebank central stores also revealed a large quantity of valuable items missing from a restricted area of the stores. The items included plastic explosives, detonators, chainsaws, Zodiac inflatable boats, outboard motors, and night-vision goggles. In one instance, a senior investigator's computer records were stolen from within a secure area.⁸⁸

⁸⁴ Jones, 'Disorganised Crime in Australia', p 118.

⁸⁵ Sherman, T., 'Professional business advisers and organised crime', *Platypus Magazine: The Journal of the Australian Federal Police*, (48) September, 1995, p 31.

⁸⁶ Saunders, M., 'Asian Crime Epidemic Tipped Within Five Years', *The Weekend Australian*, 8- 9 March 1997, p 10.

⁸⁷ Martin, B., 'Rape, Loot and Pillage', *The Bulletin*, 14 October 1997, p 23.

⁸⁸ *ibid.*, p 24.

In other incidents, the Australian Federal Police Platypus Journal reported that criminals have been detected pilfering high powered guns from gun stores and defence armouries. In one incident police located military style weapons, explosives and ammunition which belonged to the Special Air Service Regiment in an outlaw motorcycle gang club house. Some criminals were making fortunes trading weapons for Papua New Guinea cannabis. Investigators in Papua New Guinea and Australia believed that many of the weapons stolen by criminals in Brisbane were ending up in the hands of native freedom fighters. The demand is so great that weapons worth between A\$300 to A\$400 in Brisbane can be exchanged for three or four kilograms of locally grown cannabis, which is estimated to be worth A\$8,000 a kilogram in Brisbane. The trade usually involved shotguns, semi-automatics, hand guns, .22 rifles, and military weapons.⁸⁹

In July 1997, two civilians attempted a break-in at an Army armoury. During an interview, the two men revealed that they planned to break into the armoury by drilling a series of small holes through the armoury wall and then removing the piece either by chisel or explosives. The vehicle used by the two men contained a number of items to assist their mission. Their equipment included material to make explosives, radios, and an electronic scanner tuned to local police frequency. One of the men had a detailed sketch map of the unit. Subsequent investigations revealed that the motivation for the attempted break-in appeared to be financial, as the two men were being paid by another person (alleged to have organised crime connections) to obtain the weapons. A list of other units showing a series of hand written asterisks and numbers against several unit names was also recovered. It was assessed that these units were possible additional targets.⁹⁰

Computer and Information Theft

Perhaps the most significant development of our time has been the revolution in information technology. Recent and anticipated changes in information technology in light of the convergence of communications and computing have been phenomenal and have already had a significant impact on ADF operations.⁹¹ Computers have undoubtedly revolutionised the ADF's communication networks, administrative systems, logistic support, and technical operations. The ADF is moving rapidly to the point where it will be possible to assert that everything will depend on computer hardware and software. Indeed, its very war fighting capability is dependent upon computer-based telecommunications networks and information systems.⁹² Along with this greater capacity, however, comes greater vulnerability.⁹³ Technological advances have also provided new methods for committing crime and new targets for organised criminality.⁹⁴

⁸⁹ 'Criminal aim to make big money in a guns for drugs swap', *Platypus Magazine: The Journal of the Australian Federal Police*, (54), March 1997, p 10.

⁹⁰ *Army Security News*, Directorate of Security - Army, January - March, 1998, p 1.

⁹¹ Grabosky, pN. and Smith, R.G., *Crime in the Digital Age: Controlling Telecommunications and Cyberspace Illegality*, The Federation Press, New Jersey, 1998, p 1.

⁹² GAO Report on Pentagon Computer Security, *Information Security - Computer Attacks at Department of Defence Pose Increasing Risks*, Report to Congressional Requesters, May 1996, p 3.

⁹³ Grabosky and Smith, *Crime in the Digital Age: Controlling Telecommunications and Cyberspace Illegality*, p 186.

⁹⁴ *ibid.*, p 186.

Recognition of organised crimes' natural progression into sophisticated business practices is growing among law enforcement and government agencies. Computer technology has changed the way law-abiding citizens earn their living, but it is also transforming the way organised crime groups are trying to steal it. For groups as disparate as the Colombian Cartels, Chinese Triads, Russian and Italian crime groups, computers have become essential for running their businesses and protecting them from interdiction.⁹⁵ Dozens of trafficking organisations have discovered that computers are indispensable tools in the efficient management of what is a highly competitive international industry. For example, information technology has helped the Colombian Cartels widen holes in the United States border security. The Drug Enforcement Agency discovered drug-laden Colombian jets outfitted with air-to-air signal 'Identify Friend or Foe' (IFF) and transponders that monitor the routes of American military jets flying over the Gulf of Mexico and the Caribbean Sea. Cartel planes flying north towards the United States sketched out the flight paths of the United States Air Force jets and then skipped along in the planes' trails, hoping to deceive American defence radar specialists.⁹⁶

Information systems are attractive targets for organised criminals and can facilitate their activities in a number of ways. First, they enhance the capacity to plan and coordinate criminal activity. Second, they are instrumental in the marketing and distribution of illegal services. Third, they sustain the organisational structure which supports the above functions. The nature of technology is such that it allows these functions to occur unobtrusively, reducing the need for face-to-face contact or visible interaction in public. Fourth, they can be used to obstruct law enforcement and criminal investigation.⁹⁷ Finally, computing equipment and information about technological advancements are attractive commodities on their own yielding generous profits to the criminal.

Thus, the enormous benefits of computing are not without cost. The writer recognises that not all incidents of computer crime within the ADF are associated with organised crime. However, it would be naive to think that the ADF has not suffered from incidents of computer related organised crime. If this proposition is accurate, the substantial loss to the ADF may not only be in monetary terms, but also in possible compromise to defence information systems through potential loss of information.⁹⁸ The systems are attractive targets for individual criminals or criminal organisations seeking monetary gain, or dedicated to damaging defence and its operations.⁹⁹

Does the ADF Have a Role in Combating the Organised Crime Threat?

The third area for consideration encompasses the ADF and its response to the organised crime threat. This area examines whether there is a necessity for allocation of ADF assets to domestic and international constabulary tasks such as operations against organised criminal activity.

⁹⁵ Ramo, J.C., 'Crime-On-Line: Mobsters around the world are wiring for the future. Can cops keep up?', *Time Magazine*, 23 September 1996, p 30.

⁹⁶ *ibid.*, p 31.

⁹⁷ Grabosky and Smith, *Crime in the Digital Age: Controlling Telecommunications and Cyberspace Illegalities*, p 188.

⁹⁸ Allegations have suggested that organised crime groups within Australia have been known to assist Foreign Intelligence Services (FIS) in the collection of intelligence.

⁹⁹ GAO Report on Pentagon Computer Security, *Information Security - Computer Attacks at Department of Defence Pose Increasing Risks*, p 5.

Some military analysts, while discussing organised crime, sense a whole new low intensity conflict with which to grapple. Critics might claim, however, that what is being confronted is crime, rather than warfare, and that it is unwise to assume too hastily that regular armed forces are the most appropriate response to the heavily armed and determined organised crime group. Some critics argue further that any defence and government interest in countering organised crime would be merely a case of fabricating a threat, a convenient rationale for the continuing existence of security agencies in a post-Cold War environment of budgetary constraints.¹⁰⁰

Strategically, if the challenges from militarised organised crime groups (ie. South American Cartels, Chinese Triads, Russian gangs and outlaw motorcycle club gangs) pose a real threat to the national security of Australia, where does the ADF fit in to combat this problem? Given the militarisation of the narcotics business internationally, and the connections made with guerrilla and terrorist groups, it is difficult to imagine a challenge to these groups being anything other than in traditional military terms. The danger, however, would be that traditional national defence and security would be displaced as the prime role for armed forces, and it might prove difficult to reconstitute appropriate forces at the critical moment.¹⁰¹

The use of regular military forces to support and assist non-military enforcement of Commonwealth, State and Territory law is contained in the Defence Instructions, Defence Assistance to the Civil Community and Defence Force Aid to the Civil Power. These instructions cover strict guidelines for ADF operations in constabulary tasks. The Defence Assistance to the Civil Community instructions include the assistance by the ADF to Commonwealth or State/Territory Governments and their civil authorities in the performance of law enforcement related tasks, where there is no likelihood that defence personnel would be required to use force. Where there is any possibility that the use of force may be required by defence personnel to aid law enforcement authorities it is dealt with under Defence Force Aid to the Civil Community policy and procedures.¹⁰² For example, the use of the Special Air Service Regiment to counter possible terrorist activity for the 2000 Olympics in Sydney would come under these instructions.

If the trends regarding the development of organised crime in Australia are accurate, then in future situations the ADF has the capacity to provide a variety of equipment and expertise to counter organised crime and terrorist operations. Included in this expertise could be helicopters and transport aircraft to move men and equipment, offshore patrol craft to intercept drugs and arms smugglers, and physical protection for law enforcement operations. Future Air Force operations could involve the identification and destruction of drug crops and processing plants. For example, illegal profits from organised crime operations, beyond the reach of local law enforcement, could readily become vulnerable to aerial destruction. Another option could be the use of Army forces in a direct, but low key, assault on major criminal operations. Special forces would be ideally suited for covert surveillance leading to interdiction and arrest, and for sabotage and ambush operations. Security and policing organisations within defence also have the capability to

¹⁰⁰ Cornish, p, 'Cold Wars to Cocaine Wars: The Role of the Military in Counter-Narcotic Operations', *INTERSEC*, Volume 7, Issue 11/12, November/December 1997, p 387. Also notes taken from an interview with a government agency, 19 May 98.

¹⁰¹ Cornish, 'Cold Wars to Cocaine Wars: The Role of the Military in Counter-Narcotic Operations', p. 388.

¹⁰² DI(G) OPS 05-1, *Defence Instructions (General)*, Department of Defence, 12 February, 1993.

carry out security surveillance operations on organised criminal activity that may have a direct bearing on national security matters.

Realistically, the most useful military contribution to counter organised crime operations is the provision of intelligence rather than lethal force. The collection, analysis and dissemination of intelligence regarding an enemy's capabilities and intentions has always been considered a vital supplement to any military campaign. Intelligence collation and analysis is one of the most immediately relevant military skills, and has obvious applications to counter organised crime. For example, United States-led operations in the Caribbean already have a sophisticated intelligence infrastructure, using airborne early warning aircraft, ground based radar systems and radar aerostat balloons.¹⁰³ Similarly, within Australia, the Jindalee Over the Horizon Radar Network and PC3 Orion and other aircraft platforms could be employed to assist law enforcement agencies with surveillance and reconnaissance and to collate intelligence on illegal aliens, drugs, arms which systematically enter Australian territory. Additionally, the application of Naval and Air Force assets for the physical interception of aircraft and ships operating illegally could also be an option.

The existing responsibility for policing the coastal waters of Australia is already shared between units from Customs, Navy, Air Force and civilian police agencies. Coastal surveillance craft come in various sizes and indeed the range of patrol and interception craft is no less varied. Consequently, the cost involved in policing Australian coastal waters covers a very broad spectrum. To a degree, the equipment deployed to police these waters should reflect the levels of perceived threat.¹⁰⁴

Withdrawal speed rather than firepower is used by most drug smugglers to avoid capture. However, overseas experiences indicate an increase in the use of hostile measures by organised crime groups to protect their profitable investments and operations. For example, Russian, South American, and Asian syndicates have a weapons capability, including small arms, explosives and even missiles, to protect themselves from law enforcement interception. In 1997 two Lithuanians were arrested for allegedly trying to sell Russian-made shoulder-launched anti-aircraft missiles to the Colombian Cali Cartel. This potential threat, therefore, should influence the choice of platform used to intercept organised criminal activities entering Australian waters. In some parts of the world, it has been found necessary to arm aircraft used for fishery patrol duties, because poachers have regarded them as powerless.¹⁰⁵

Indeed if this trend of organised criminals increasingly arming themselves with sophisticated weaponry to protect their investments from interception continues, then ideally to preserve Australian territory and Australian interests, the ADF and law enforcement agencies should work together to detect and intercept suspicious targets entering Australian waters. This could be accomplished through the help of law enforcement intelligence, Air Force and Navy visual identification and radar detection. With the added protection of Air Force and Navy, surface craft could then be directed to make an interception.

¹⁰³ Cornish, 'Cold Wars to Cocaine Wars: The Role of the Military in Counter-Narcotic Operations', p 388.

¹⁰⁴ 'Policing Coastal Waters - protecting natural resources, defeating smugglers and checking pollution', *INTERSEC: The Journal of International Security*, Volume 7, Issue 9, 1997, p 296.

¹⁰⁵ *ibid.*, p 296.

The current use of military craft to protect Australian interests from organised crime was highlighted in October 1997, when two vessels allegedly operating illegally in Australia's exclusive economic zone (near Heard Island in the sub-Antarctic) were apprehended by members from the RAN on the frigate HMAS Anzac. The foreign vessels were raided by an armed boarding party from a Navy Sea Hawk helicopter. It was the first armed defensive undertaken by Australia in the sub-Antarctic since World War II. To accomplish the operation, a RAN taskforce steamed 4,000 kilometres from the mainland chasing the illegal fishermen.¹⁰⁶ In this effort to combat the growing illegal fishing trade, where the produce is often sold on international markets in parts of Asia, Europe and the US, the Navy worked closely with officers from the Australian Fisheries Management Authority. Commenting on the success of the operation, the Minister for Foreign Affairs, Alexander Downer, stated:

The apprehension of two foreign fishing vessels allegedly operating illegally in Australian waters represents a major success for the government in its efforts to protect Australia's national interests and our sovereign rights.¹⁰⁷

The increase in fisheries and trade activities around Australia and the amount of activity that probably will be generated by the Olympic Games in Sydney 2000 will have a significant impact on the sea and air approaches around Australia. Consequently, significant opportunities for organised crime groups, and vulnerabilities undermining Australia's interests and security, will be created.

The ADF can play a vital role in countering organised crime in Australia. However, in reality, the current situation warrants the use of the established systems of civil law enforcement and military cooperation than to accept the idea of a war on organised crime. Some organised crime operations, for example, the narcotics trade, are a huge and complex problem for the Australian Government. The increasing willingness of some organised crime groups to arm themselves to protect their operations take on a military appearance, and it follows therefore that a response by the ADF in the future may be part of the solution.

CONCLUSION

As social modernisation proceeds at a rapid pace, organised crime is increasing, opening new markets across the world. At the same time its operations are increasingly sophisticated and marked by networks and alliances between groups. As a result, organised crime in many countries is a huge and complex problem. Australia has not escaped this problem, but there is no agreement between commentators on the extent to which organised crime affects our national security. Much of the rhetoric about organised crime, however, presumes a predatory homogeneous threat to all countries around the world. In reality, the organised crime problem varies from country to country and from region to region.¹⁰⁸

¹⁰⁶ MacKinnon, D., 'Study investigates complexities of maritime crime in Australia's offshore areas', *Platypus: The Journal of the Australian Federal Police*, Number 58, March 1998, p 24.

¹⁰⁷ *ibid.*, p 25.

¹⁰⁸ Halstead, 'Transnational Crime - The Nature of the Threat to Australia', 1998, p 31.

The activities of organised crime in Australia are worrisome enough to merit a higher level of attention from policy makers, including those traditionally concerned with threats to national security. Current overseas trends and the evolution of some groups in Australia should be monitored carefully to make an accurate security assessment. This should also include consideration of vulnerabilities which have been highlighted within the ADF from organised criminal activity.

Consideration of the potential impact of non-military threats to Australia's national interests has been slow in developing. The recognition of these other-than-war factors, and the adaptation of Australia's policy to ensure an appropriate and effective response to the issue of organised crime should become one of the prime focuses for Australia's security planners. The emergence of complex, adaptive organised crime groups as challenges to Australian security raises concerns for future defence operations. If an organised crime group's network and capability were to quickly expand to take on the form of a new military competitor, it would represent a security threat alien to Australia's current perception of war and the strategic context in which it is waged.¹⁰⁹

Australia's Navy, Army and Air Force have the capability to play a vital role in countering organised crime. On balance however, it would be better to make use of the established systems of civil-military cooperation than to accept the war on crime too readily. Some aspects of organised crime, however, take on military characteristics, and it follows therefore that the ADF could be required to respond to this threat. Even then, where a clear military role can be identified, it would be better to meet organised crime firepower not in kind, but by exploiting Australia's information technology and intelligence/counter-intelligence advantages.

The future utility of the ADF to assist in counteracting this problem can only be determined through the analysis of the emerging organised crime threat, and the development of policy and plans to combat it.¹¹⁰ A risk assessment strategy, establishing a hierarchy of security threats, is suggested as a necessary component in establishing a new security agenda. In this regard, closer liaison is recommended between the law enforcement and ADF security and policing agencies to adequately assess current and future criminal capabilities and trends that may infringe on national security issues.

¹⁰⁹ Bunker, 'Five-Dimensional (Cyber) Warfighting: Can the Army After Next be Defeated Through Complex Concepts and Technologies', p 31.

¹¹⁰ Ablong, M.A., 'Enunciating a Security Policy for Australia: A Holistic Approach to Defence Planning', *Australian Defence Force Journal*, Number 127, November/December 1997, p 34.