

Executive Summary

The Globalization of Crime

by Stephen Aguilar-Millan, Joan Foltz, John Jackson, and Amy Oberg

Like it or not, we are all now familiar with the impacts of globalization. The falling costs of transportation, coupled with the impact of the revolution in information and communications technology over the past couple of decades, have revolutionized the business environment. The span of control of business activities has grown significantly, with the results being a world of global networks in business. Globalization has eased the trade in goods and services across the planet.

Unfortunately, not all of these goods and services come within the law. Just as globalization has spurred the trade in licit goods, it has also facilitated the trade in illicit goods, ranging from narcotics to body parts, from endangered species to pirated software, and from the modern slave trade to stolen art works. Parallel to the flows of illicit goods is the counterflow of the proceeds of crime. Global money laundering, of various forms, is the accompanying service that is needed to facilitate the flow of illegal goods.

This paper examines the ways in which crime has become globalized and how the world of illicit finance intertwines with the world of licit finance, then looks at two case studies, one geographically specific (the U.S. – Mexico border) and one trade specific (the modern slave trade).

About the Authors

Stephen Aguilar-Millan is the director of research at the European Futures Observatory, an independent not-for-profit organiza-

tion based in the United Kingdom, and a director of The Greenways Partnership, a firm of consulting futurists based in the UK. He consults widely for a range of clients based across the globe. He is a member of the Royal Economics Society, a fellow of the RSA, and a member of a number of other professional bodies in the UK. He is currently directing an international team of futurists engaged on a variety of issues ranging from “The Globalization of Crime” to “The Future of Male Lifestyles to 2020.”

Joan E. Foltz is a principal of Alsek Research, a socio-economic analyst of global economic development and publisher of *Alsek’s Not-So-Daily Update*, unbiased mapping of market behavior.

John Jackson is a sergeant with the Houston Police Department.

Amy Oberg is a futurist and strategist who specializes in helping organizations better understand the emerging competitive environment and respond with effective, proactive strategies. With more than twenty-five years of cumulative experience in competitive, management, and market analyses, her insights regarding emerging trends, threats and opportunities, market conditions, and technology disruptions have been sought out by organizations in a wide variety of industries, including aerospace, energy, telecommunications, transportation, consumer goods, bio/pharma, real estate, and finance. She now serves as corporate futurist for Kimberly-Clark Corporation. She has been the invited keynote speaker at professional conferences, a guest lecturer at universities, and a quoted source for national and international media. She has provided input for international television programming and served as the creator and writer of the Boston radio program *Speaking of the Future*. She currently serves as a technology forecasting expert for TechCast and an advisor to Lifeboat Foundation. She is a member of the Associa-

tion of Professional Futurists, World Future Society, and World Affairs Council. She holds a master's degree in studies of the future, a bachelor's degree in communications, and has completed the Program for Managers at Rice University's Jones Graduate School of Management.

The Globalization of Crime

*Stephen Aguilar-Millan, Joan E. Foltz, John Jackson,
and Amy Oberg*

The nature of crime has changed significantly in a single generation. Just twenty years ago, crime was organized in a hierarchy of operations. It was “industrial” in that it contained the division of labor and the specialization of operations. This structure extended internationally, as organized crime mirrored the business world that it aped.

And then something changed. The vertical and horizontal hierarchies dissolved into a large number of loosely connected networks. Each node within a network would be involved in any number of licit and illicit operations. The span of the networked system became global. An event in one place might have a significant impact on the other side of the world. In a word, one thing happened to crime—globalization.

Organized crime is about the illicit flow of goods and services in one direction and the flow of the proceeds of crime in the other. Just as the business world has benefited from globalization, so has

Stephen Aguilar-Millan is the director of research for The European Futures Observatory. E-mail stephena@eufo.org.

Joan E. Foltz is a socio-economic researcher with Alsek Research. E-mail jfoltz@cox.net.

John Jackson is a sergeant with the Houston Police Department. E-mail johna.jackson@cityofhouston.net.

Amy Oberg is a corporate futurist with the Kimberly-Clark Corporation. E-mail amy.j.oberg@kcc.com.

organized crime. The purpose of this paper is to examine some of the aspects of the globalization of crime. We shall start with an overview of the globalization of crime, followed by a consideration of white-collar crime—the point at which the criminal world meets the mainstream world. We shall then examine two case studies—the U.S.–Mexico border and then the modern slave trade—before coming to some tentative conclusions.

THE GLOBALIZATION OF CRIME: AN OVERVIEW

A consideration of the globalization of crime has to start with the fall of the Berlin Wall and the *Washington Consensus* that followed from it. For most of the twentieth century, the two dominant and competing ideologies were those of Soviet communism and Western capitalism. By the 1990s, the internal tensions within Soviet communism were such that, as an ideology for government, it had collapsed. There then followed an international consensus—the *Washington Consensus*—that the way in which international affairs should be organized ought to be along the lines of Western capitalism.

In practice, Western capitalism consisted of a belief in free markets for the allocation of resources, free flows of goods and services across international borders, and the free movement of labor and capital to harness the demand created by the free market. This laid the basis for globalization, which was taken up in the development of international institutions, such as the World Trade Organization, to facilitate free trade across the globe. The *Washington Consensus*, however, was a necessary but not sufficient condition for the process of globalization to take hold.

For globalization to take hold across the world, two further revolutions were needed—the growth of low-cost mass transit facilities and the growth of international telecommunications, which we shall stylize as the development of the Internet. The transportation revolution facilitated the mass movement of goods and people across

the globe. Falling freight rates, underpinned by cheap energy sources, led to a significant increase in the volume of world trade and facilitated the development of passenger routes as part of an integrated global network. The Internet revolution has allowed the development of global service infrastructures, such as banking and financial services, and has expanded the managerial span of control such that global operations can now be monitored and controlled remotely from anywhere in the world that has Internet access—which, using satellite communications, is pretty much anywhere in the world.

As these revolutions—the freeing of markets, the transportation revolution, and the Internet revolution—were taking place, the way in which the world works was also changing. An important, but subtle, shift in the *modus operandi* of global business was taking place. As the process of globalization started to take hold, the world shifted from being one of hierarchies to being one of networks. Within each network lay a number of autonomous and semiautonomous nodes, who connect with each other—through the market—when they wish to interact, and who have no connection with each other when the need does not arise. The rise of the networked organization laid the foundation for two features of modern life—outsourcing (where key roles are undertaken outside of the formal organizational structure) and offshoring (where, using the benefits of the transportation revolution and the Internet revolution, the key roles can be undertaken anywhere in the world). Needless to say, such encouragements of licit trade proved to be a boon for illicit trade as well.

In many ways, it is helpful to consider criminal activities as a form of business activity. Admittedly, it is a special form of business activity, but it can be instructive to start from this point. If we think of the flow of illicit goods—be they narcotics, people, counterfeits, human transplant organs—from the commercial perspective, the key to the operation is that of logistics—moving the goods from the

point of origin to the point of consumption. The revolution in transportation has aided this considerably by lowering the cost of freight and increasing the number of routes available. The securing of these routes for illicit flows of goods has also led to the growth in the arms trade—especially of personal weapons of a relatively small caliber.

From the perspective of the law enforcement agencies, the problem with policing such activities is one of jurisdiction, which has led to the increase in the amount of cross-border police cooperation. In the interdiction of the flow of illicit goods, the key to success is to have good intelligence, which has led to the greater cooperation between the law enforcement agencies (usually the police and customs agencies) and the military services (particularly military intelligence and the naval arm). In this respect, the law enforcement agencies have globalized in order to respond to global criminal gangs.

This, however, is in the corporeal world. Some illicit activities have moved from the corporeal world to the virtual world. For example, the development of the Internet has allowed much pornographic activity to migrate to the virtual world. Initially, this was restricted to the transmission of images, but the development has taken on new forms with the rise of online worlds such as Second Life.

This has given rise to the problems associated with the confusion of legal jurisdictions. For example, in the case of online gambling, UK firms were engaged in the provision of gambling activities that were legal under EU law, but contrary to U.S. law. Alternatively, Second Life is alleged to host pedophile rings whose activities take protection from the First Amendment in the United States, but whose activities are contrary to EU law. There is a degree of harmonization in legal codes, but this process is far from complete. What is needed is the globalization of legal codes to complete the process.

The flow of illicit goods in both the corporeal and the virtual worlds are crucially underpinned by the provision of illicit ser-

vices—particularly illicit banking and financial services. The development of the Internet has assisted greatly the use of money laundering by the global criminal networks. This is likely to become even harder to police as new forms of money and financial instruments emerge—can we imagine a Rotterdam cocaine futures market?—and as the existing payment networks extend their coverage across the globe. The nature of banking is also changing. As we see with the development of payments through cell-phone transfers, it will become harder for the monetary authorities to police the monetary system.

This may or may not bode well for the future. From a futures perspective, we can reasonably expect the flow of illicit goods to increase if the process of globalization continues to develop. Some of the flows will be diverted from the corporeal world to the virtual world. New crimes will develop within the virtual world as people exercise their inventiveness. All of this will be underpinned by the further development of illicit services to channel the proceeds of crime to licit investment assets. The response of the law enforcement agencies is likely to be toward greater cooperation among the national agencies and a greater involvement of military assets for law enforcement purposes. However, this is unlikely to be entirely successful unless there is a greater willingness at the political level toward the harmonization of legal codes and the deployment of international resources to where they have the greatest impact. This point is most ably demonstrated in the area of white-collar crime.

THE HIGH STAKES OF WHITE-COLLAR CRIME

The profile of white-collar criminals is changing as the high stakes of the game increases with the possibility of enormous pay outs. Not only organized groups, but individuals lured by the opportunities accessible through technologies that manage the globally integrated financial systems have fueled the \$1-trillion illicit

trade market. With the rapid advancement of wireless technology that enables financial transactions in every region in the world, those opportunities for white-collar crimes are proliferating as fast as the criminal landscape is changing.

Organized crime has long been involved in money laundering, fraud, and currency counterfeiting for self-benefit. More recent concerns for governmental agencies are how those activities and other white-collar crimes using financial networks are now of a magnitude that threatens national security and global financial markets. White-collar crime also includes intellectual property crime, payment card fraud, computer virus attacks, and cyberterrorism. But corporate fraud has become a priority of the FBI, which pursued cases that involved more than \$1 billion in losses to individuals, as well as securities and commodities fraud that amounts to approximately \$40 billion worth of corporate losses per year.

The sophistication of the schemes is growing, and the frequency of events is accelerating as the technology eases the transferring of money across international borders and provides access to identity. The amount of corporate and financial records that can be used for manipulation increases the size of the potential opportunity, which also and expands the threat to global proportions. The availability of these systems enabled some of the most significant cases to be carried out by individuals and not criminal organizations. The most recent case of securities fraud caused a loss of \$7.21 billion for the French bank Société Générale and is suspected of precipitating a major drop in the global stock markets. The rogue trader, Jérôme Kerviel, allegedly misappropriated computer access codes and falsified documents to accumulate stock positions worth \$73.5 billion.

Technology enables these growing trends. But the spread of capitalism that promotes open markets and has a goal to maximize opportunity blurs the line of what is considered criminal behavior or

creative money management. Not only the presence of opportunity, but the amount of potential payoff is enticing to individuals who do not fit the typical criminal profile. In addition, creation of regulatory policies to control new open markets adopting capitalism challenges not only foreign economic and political policies, but also social attitudes toward money and finances worldwide.

Establishing a global definition of white-collar crime, particularly with activities involving corruption, corporate malfeasance, and stock manipulation, can be difficult due to cultural differences that may not consider certain sociological behaviors as criminal activity. White-collar crime is not always a clear-cut act of deviance and is often intermingled with legitimate behavior that is spread out over a number of incidents. Also, the attitudes and social environment supported by the goals of capitalism further blurs the categorization of behavior that should be rewarded or penalized, hence fueling its growth with limited barriers.

The interconnectivity of electronic funds transfer systems, which handle more than \$6 trillion in wire transfers daily, coupled with the speed of those transactions, adds to the difficulty of tracing money transfers, particularly when funds cross borders into regions where regulations are not enforced. However, the threat from money laundering that funds terrorist activities poses to national securities and balancing of international trade systems is galvanizing more countries' participation in international organizations that are trying to regulate and control fraudulent financial activity. International agencies, such as Interpol, also work closely with technology providers to develop security controls for tracking and preventing financial and high-tech crimes. But even the most advanced security systems and coordinated enforcement cannot alleviate the risks of targeted international financial systems.

Daily international transfers of \$2 trillion via computer communications pass through conventional banks, Internet banking,

mobile banking, and e-commerce transactions. Many transactions cross borders without going through financial institutions, but through professional services, such as real estate agents and accountants facilitating transactions that exchange cash for purchases to mask ownership of originating funds. Offshore corporations and relatives also offer assistance transferring funds via mobile phones and Internet payment services such as PayPal.

The advanced security technology and anti-money-laundering measures in banks and other financial institutions are triggering cash movements across country borders. This is due to the changes in free movement among countries and trading blocs. Efforts to regulate financial transactions, investments, and reporting requirements for issues of transparency may be thwarted by threats to move commerce to another country that welcomes economic opportunities with fewer restrictions. This stance would be plausible in a competitive environment, supported by capitalistic goals, that prioritizes maximizing profitability. This fosters an environment that begets corruption. The forces that dominate capitalistic environments will also be those that contrarily self-regulate the manifestation.

The control mechanisms of the interconnected systems will be developed as the spread of threat propels cooperation among countries wanting to participate in the global economic markets. The expansion of globally integrated electronic fund transfer platforms that process financial transactions over the Internet and mobile handhelds, which provide the accessibility of criminal activities, also increases the transparency of cross-border e-commerce and investment transactions, thereby improving tracking and security. Rogue traders and terrorist groups may continue to manipulate currencies and stocks and threaten to infiltrate financial systems. But countries, companies, and individuals will have to increasingly weigh the opportunities for fast and easy money versus regulation and security.

As competition and opportunities are sought after by more players in a larger global market, more creative financial instruments and structured deals set up an environment where payoffs and fewest controls impel fraud and corruption. Without guidelines and a definitive identification of what constitutes punishable criminal activity, new business models will be created that stretch the systems and threaten economic stability, such as the subprime lending debacle.

As super-capitalism drives the engine of global economic growth, the push for new financial instruments and schemes will spread into other areas of corporate fraud. Creative methods for utilizing available financial and personal information are changing the landscape of the white-collar crimes, increasingly targeting banking and investment accounts through “computer intrusion” and manipulation of investments, such as stocks and commodities. “Pumping and dumping” stocks that set deceptive market prices, inflating commodities and foreign currencies, and Ponzi schemes that siphon money from investors in one venture to pay another venture are jeopardizing not only personal portfolios, but also the stability of the global investment community. In 2006, the FBI investigated 1,165 cases of securities and commodities fraud that amounted to \$1.9 billion in restitutions and \$62.7 million in seizures. But even with recognition and crackdown, the cases of fraud and corruption are expanding in scope and amount.

This shift in focus from traceable transactions and communications to unethical business practices that impact the free markets will dominate international regulatory bodies that acknowledge the need to define white-collar crime and establish globally supported tracking systems, and venues for prosecution. The challenge is to regulate criminal activities operating in a virtual space of global industries that are becoming more disconnected from country jurisdictions. This will require not only international cooperation, but

also the sharing of information among law enforcement agencies and the ability to seize assets.

Implementing measures that prevent access to financial and communication systems, coupled with strengthened enforcement, will deter money laundering and terrorist activities that are constantly gaining international cooperation. However, corporate and securities fraud will require recognition and consistent definition to combat threats to global financial systems, which will likely not evolve until a significant disruption impacts all members of the global free market. Competition will be a continuing force that determines the direction of corporate crime, such as corruption, and the development of economic and trade regulations. Markets, systems, and money flow will go where the infrastructure provides the best opportunities for profit and market participation. Hence, there is a high probability that the number of elusive white-collar criminals and the frequency of fraud cases that threaten the economic balance will expand along with the breadth and depth of the global expansion of capitalism until all governments understand that weak systems and corruption are not conducive to economic regional development. One case in point is the U.S.–Mexico border.

CASE STUDY: THE U.S.–MEXICO BORDER

The border between the United States and Mexico is 1,954 miles long and the most heavily transited international border in the world. In 2004, there were 242 million crossings from Mexico into the United States. Mexico is the United States' second-largest trading partner and a party to the North American Free Trade Agreement. Yet, mixed among the legal trade and visitations are smuggled goods and the infiltration of illegal migrants. The problem is so substantial that it has inflamed passions and become a focal issue in the American presidential campaign. Crime, lawlessness, and death have come to describe public perceptions of the border. High-profile

incidents involving the deaths of persons being smuggled into the United States, the deaths of Americans at the hands of illegal immigrants, infiltrations of armed paramilitary groups, attacks on border patrol agents, and concerns that terrorists could enter the United States have fed this perception. Amidst the turmoil, organized criminal enterprises operate from bases in Mexico and through networks in the United States.

Criminal enterprises are in business to make money. Most often, they do so through the smuggling of contraband. As a consequence, money and contraband are coupled in exchange loops. Along the U.S.–Mexico border, the contraband consists primarily of drugs and people. Criminal organizations are players in a coevolutionary system with government. The organizations present today are the products of a multi-decade evolutionary path that began with the Medellín and Cali cartels of Colombia. In a continuing engagement of action and reaction, governments have pursued strategies that have shaped the contemporary organizations. Because both criminal enterprises and governments have a need for secrecy, details about criminal activity are sketchy, at best. They are episodic, sporadic, and replete with hyperbole and rumor. Nevertheless, an experienced observer can make informed observations about the nature of criminal enterprises on the border.

During the *Miami Vice* days, drug contraband was shipped from Colombia to the United States through the Caribbean islands. As a result of successful enforcement actions by the United States, the drug cartels moved their transshipment avenues west. Successful aerial interdiction by the U.S. Customs Service made direct smuggling flights into the United States untenable. Consequently, Colombian traffickers began to contract with emerging organizations in northern Mexico. Initially, these organizations specialized in border transshipment, taking custody of the client's narcotics in Mexico and delivering them to the client's agents in the United States. In the

process, the locus of power shifted from the Colombian cartels to the Mexican cartels. The Mexican cartels also developed sophisticated money-laundering operations to realize their profits. The demise of the Colombian cartels precipitated a transition in the shape of organizations to less vertically integrated models; the new system offered a network of criminal organizations with various specialties.

Today, there are five Mexican cartels: the Gulf, the Sinaloa, the Juarez, the Tijuana, and the Valencia. Three of the five—the Sinaloa, Juarez, and Valencia—cooperate in an alliance called the Federation. The Gulf and Tijuana cartels have also partnered against the Juarez cartel. In the midst, affiliated *coyote* organizations have arisen to smuggle human beings into the United States. They provide services to an international clientele.

Due to its recent violence, special attention should be paid to the Gulf Cartel. In March 2003, the head of the Gulf Cartel, Osiel Cardenas, was arrested by Mexican authorities. As so often happens when a cartel leader is removed from power, lieutenants within the organization violently clashed over succession. Further, the Sinaloa Cartel sought to exploit the opportunity to expand its area of control. During the resulting war between 2003 and 2006, politicians and police officials across the eastern border were targeted in intimidation killings. Reprisals and tactical attacks against rival groups also drove body counts upward. The bloodiest battlefield was in Nuevo Laredo. In 2005 alone, 105 executions occurred in that city. Between 2004 and 2005, 170 people disappeared, including forty-three Americans from Laredo, Texas. Alejandro Dominguez survived just six hours as police chief.

Most of the violence committed by the Gulf Cartel is attributed to the cartel's enforcers, *Los Zetas*. While all cartels employ enforcers, none can match the effectiveness of the Zetas. In 1998, Cardenas recruited the original thirty members of the Zetas, lieutenants and sub-lieutenants of the GAFES (Grupo Aeromovil de

Fuerzas Especiales), a special operations unit of the Mexican army. The deserters subsequently equipped and trained new recruits into a highly capable force estimated at upwards of 2,000 people. The group is alleged to have contracted with street gangs in the United States, particularly Texas. The Zetas have been linked to various killings in the United States, including a Dallas police officer. Reports of incursions by units of the Mexican army into the United States escorting drug shipments likely refer to the activities of the Zetas. Recent reports suggest the Zetas have split with Jorge Eduardo Costilla-Sanchez, Osiel Cardenas's reported successor. Some believe the Zetas are attempting to consolidate control of trafficking activities along the entire border and throughout Mexico.

What can we expect in the future? Much depends on how powerful the Zetas grow, whether the Mexican government can eradicate corruption and reestablish control over the largely lawless regions dominated by the cartels, and U.S. policy along the border. Policy regimes that simply maintain enough pressure to force the cartels to evolve will likely result in more efficient and sophisticated criminal enterprises. Policy regimes that eliminate or substantially constrain the cartels may force human and narcotic trafficking across other borders. So long as demand for illegal drugs and illegal labor remain high, traffickers will adjust and find new ways to move contraband. These flows, however, are occurring on a global scale, as the modern slave trade demonstrates.

CASE STUDY: THE MODERN SLAVE TRADE

If you were to ask someone today to talk about human slavery, they would think that you wanted to talk about history; in fact, you would be talking about current events. Human slavery is alive and prospering hundreds of years after wars were fought to abolish it. It is a growing part of the larger global problem of human trafficking.

Human trafficking involves the involuntary movement of peo-

ple across and within borders and typically involves coercion, deception, and violence. Behind drugs and guns, human trafficking is the third largest illicit global trade and reportedly the fastest growing. While exact numbers associated with human trafficking are hard to generate, the United Nations estimates that global trafficking involves at least four million people each year and generates estimated annual revenues of \$7 billion–\$10 billion. By some accounts, however, the UN estimate is quite low. China reportedly generates \$1 billion–\$3 billion annually via trafficking while Mexico reportedly generates \$6 billion–\$9 billion each year from human trafficking activities.

Many trafficked victims fall into some form of human slavery—serving as sex, farm, factory, or domestic slaves. In many cases, the victims are young children who have been sold into slavery by family members desperately in need of money. As workers they are levied with a “debt” for the amount paid as well as costs for food, housing, and whatever else the enslaver may wish to include. The result is a debt they can never pay off and a life of bondage, often controlled by violence. Globally, it is estimated that some 27 million people worldwide are being held as slaves. According to the FBI, the global human slave trade generates about \$9.5 billion per year. Compared with the International Labour Organization (ILO), the FBI estimate is quite conservative. The ILO estimates revenues to be around \$32 billion annually.

The sex trade is one segment of human trafficking—and a segment in which at least 95 percent of the victims are female. Girls are easily deceived into the sex trade, believing they are going to jobs that will lead to a better life for themselves and their families. “Recruiters” who begin the initial deception can earn up to \$500 for each girl, quite a significant amount of money in many areas of the world. They target young girls, preferably ages twelve to seventeen; traffickers pay higher prices for virgins and young girls because they

have longer “shelf lives.” Virgins can bring traffickers up to \$500–\$1,000, compared with other young girls who are trafficked and sold for as little as \$50 each. For pimps, a virgin can bring in up to \$750 for her “deflowering.” Once “soiled” however, her value plummets; she’ll bring in only \$2.50 per “John.”

Sex slavery, trafficking, and trade can be found all around the world: in China, Cambodia, Thailand, Russia, the Philippines, Colombia, Japan, Italy, the European Union and the United States, to name just a few. Southeast Asia is one of the world’s largest exporters of sex slaves and a sex hot spot. Thanks to devastating and widespread poverty, there is an abundant supply of recruits available to meet the demands of wealthy customers in Japan, China, Australia, Europe, and the United States. In 2006, Cambodia was one of the busiest spots in the world for human trafficking, with a majority of victims from Cambodia being delivered into the sex trade in Southeast Asia. An estimated 30,000 of those Cambodians exploited in the sex trade were children.

The former Soviet Union states are hot spots for recruitment and trafficking, thanks to their poverty and social and political disarray. Girls desperate for something better are easy targets, and high corruption facilitates trafficking with little risk. These girls are often routed through Romania, Serbia, Montenegro, or Croatia to San Foca, Italy (one of the most trafficked sex slave routes), and onto final destinations in the European Union, United States, Middle East, or Asia Pacific.

Employing their financial resources to bribe officials, international networks to arrange swift transport, and new technologies to generate false documents, traffickers can complete the process of abduction in one hot spot to delivery in another within a forty-eight-hour to two-week time frame. Globalization has made human trafficking easier. Deregulation, open borders, entwined economies, and the ease of international banking have all facilitated the ability to market and traffic human beings. The complexity of networks,

e-cash, and cross-border enforcement issues have also significantly decreased risk associated with this illicit trade.

There is direct correlation between economics, social conditions, and political stability and human trafficking and slavery. In essence, the higher the degree of poverty and the higher the social and political unrest, the higher the incidence of outward human trafficking. These conditions offer little hope for the future and consequently provide a lucrative pool from which to recruit victims who are desperate to improve their state. New wealth around the world is creating increasing demand, particularly for sex slaves. The combination of simultaneous high demand and high supply will keep the sex slave industry growing, at least over the short-term future.

Governments had been trying to curb human trafficking, but much of the policing focus and funding has shifted from trafficking and other such crimes to terrorism, so action has become limited. Human trafficking is also an international issue, complicated by politics, morality, and gender biases that collectively have also limited government activities.

Nongovernmental organizations (NGOs) are not so burdened. They can more easily work across borders and across organizations than can official government agencies. While they have been making progress against human trafficking and slavery, they, too, have been limited. NGOs suffer from lack of funding, and efforts to raise funds have been difficult. The phenomenon of human trafficking and slavery is evidently so abhorrent that it is hard to find those who will acknowledge its existence and fund efforts against it. How to rid the world of human trafficking and slavery is a question that, even after hundreds of years, continues to plague humanity.

CONCLUSION

It is easy to find the conclusions of this paper depressing. One of the flaws in market-based capitalism is that it is open to corrupt

influences and encourages undesirable behavior in providing a profit from supplying a demand. As we have seen, as long as there is a demand for narcotics, as long as there is a demand for human servitude, there will be a market in human misery.

Interestingly enough, those who earn their livings in this way also desire to make their money respectable. They, in turn, are victims of the system that they exploit and are exploited by those operating in the financial world, for whom they provide commissions, fees, and retainers. The point at which dirty money is laundered clean is the point at which those who operate in the world of organized crime wish to enter the mainstream world. This is the Achilles' heel of global organized crime.

Given the global nature of the monetary system that is being used, one would expect an international effort to harmonize the regulation of the global monetary system. By and large, this is happening. We have not reached a harmonious point just yet, because a wide agreement will entail the sacrifice of some national interests; these are not readily conceded in international negotiations. However, progress is being made in this area.

When we look to the future, we can see a greater degree of international cooperation in dealing with globalized crime. We can also see the greater use of military assets in assisting the policing efforts, particularly in the roles of interdiction and intelligence gathering. Modern terrorism has blurred the boundary between war and peace, and modern organized crime has blurred the distinction between law enforcement activities and military operations. This is likely to continue into the future.

The process of globalization is not yet complete. As an integrated system of trade and finance, it has become very developed. The problems that we currently face with globalization as a process are because the system of trade and finance has developed faster than the regulatory framework in which that trade occurs. As we

move into the future, we can expect to see the regulatory framework catch up with the new reality of trade and finance. We would hope that this is bad news for organized crime.

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