

Organised crime threat assessments — from an academic's scientific but not wholly theoretical perspective

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I have changed my title from the programme slightly because I make no claim to speak for academia generally. As for theoretical perspective, I think I would argue that my perspective is not wholly theoretical because occasionally I have tried to jump down from my ivory tower and to speak to people in the real world. I have adapted it slightly in my favour.

The growth of the threat assessment

I think something is relevant for Austria. The philosopher and kindergarten teacher from Austria, Wittgenstein said '*das wovon man nicht sprechen kann, darüber muss man schweigen*' — which we may translate as 'that whereof we cannot speak thereof we must remain silent'. If we apply this to organised threat assessments the Europol, the NCA and every other threat assessment would be very short. Indeed if we had to apply to it the logical reasoning that Wittgenstein tried to impose, we would be in great difficulty. I have done a little summary. It is incomplete and I apologise to any of the Member States that I have missed out, but my command of languages is not that great. But apart from the OCTA there is the Bundeskriminalamt, the Dutch National Threat Assessment, and the UK Threat Assessment by the Serious Organised Crime Agency. There are also the Organised Crime Group Analysis for the UK as a whole, but there is also the US National Intelligence Council that produced a report which mentions the threat of governmental-level corruption of one Eastern European

country, there are the Royal Canadian Mounted Police, the CIA and other intelligence bodies.

In the private sector there is the federation against copyright theft; and others are thinking about producing threat assessments. On the horizon we have the financial action task force and other anti-money-laundering bodies, and there is OLAF. Clearly we are in a kind of popular swing towards threat assessments. This makes our and your tasks even more important in working out what the strengths and limitations of these exercises are. Is it a kind of glorified journalism? Is it a self-interest of bodies pursuing particular agendas? Is it science? Or is it a mixture?

If we do examine the scientific value in composition, which is one part; then what about the impact — what is the actual impact of publishing these reports? For most communication we aim at an audience, to persuade it towards a point of view. How successful is it? Or is it just policing for an accountability body? What are the aims of the threat assessment?

There is a tendency towards the risk management of everything. If you compare policing today — not just in UK or the Netherlands or other EU countries — it is quite different from when I started with research. People did not risk assess projects, they did not risk assess police operations, they did not fill out policy — they just went ahead. Nils Bohr, a great Danish scientist, once commented: prediction is a difficult

thing, especially about the future. If you look at all the economists who are employed at very great expense to work for financial services companies, you can see the value of this argument. Many economists are brilliant at predicting the past. But what we want is some assessment. What do we mean by prediction here? An assessment of what is likely to happen?

In the first place, this is a theory behind the transformation of the OCTA from the organised crime situation report. For some years I had the difficult job of compiling the Council of Europe Organised Crime Situation Report. I know how painful an experience that was. So it is partly to make it more future-orientated, we have to try to work out what we are trying to achieve with threat assessments, with risk assessments, with most of the things that we actually do. Sometimes we do things with multiple purposes; sometimes we do things because we are told to do.

Organised crime threat assessment: an academic's perspective

I also slightly reject the separation between academic and practitioners' perspectives. Many of us working in the academic business for a long time also do research for governmental bodies — as I do. Unless you understand something about the political environment in which you are operating then you do not know what is the value and its likely political impact. Does that matter? Well it does matter quite a lot, because why bother to do it well if there is no point? We usually do things because we want have some kind of effect. There may be an element of voyeurism as well, to work in normally inaccessible places. But we want to try and make a contribution.

Academic skills include detachment and rigour of definition and also observation. These are also qualities of good intelligence, collators and analysts. So CEPOL and Europol *should* be academic in that sense.

Being detached does not mean being unfriendly, just respecting evidence like the people doing the assessment of whether or not there were weapons of mass destruction in Iraq. It requires a judgement call and when you are put under a lot of pressure, it is hard to remain detached about that judgement call. This is

something that academics have an advantage over because in general we cannot be fired or moved to some unpleasant country or sent back from a mission or assigned to an unpleasant job if we hold a view that is inconvenient to senior people.

Respect for independent analysis, whether in academies or in departments, is on a decline in the world generally and in Europe as well. That is one thing that I see as a threat to the threat analysis, because it is quite hard sometimes to sustain an independent perspective.

Key difficulties in threat assessment

One of the difficulties is: what activities does the assessment cover? Is it based around what institutions we are? You know if you are doing something on crime, it is just what the police do or does it cover the environment agency. After all, one of our problems might be toxic waste dumping, which is a problem in many parts of Europe. Or is it MTIC fraud (Missing Trader Inter-community fraud) or VAT fraud — even Bulgarians for example have been hit very badly by this. If we look just at our own agencies then we should really look a little further on the map.

Should a threat assessment only cover crime threats? If we take seriously the announcements that many struggles are going to be over water or energy — not just for those who live in Georgia or Ukraine — a lot of the struggles in Western Europe also are going to be over clean water, access to energy supplies etc. Those conflicts over those things are going even though they might not *currently* be police issues, they are certainly part of the PEST analysis that we need to make because they may spill over into disorder; they may spill over into fraud or corruption. From that point of view current crime threats are too narrow a focus. The trouble is, if you go on endlessly, what is covered? You can lose yourself very easily.

What groups, networks and individuals does the assessment cover, especially since Europol changed its mandate to 'serious' crime and no longer just 'organised' criminality? Well, a serious crime does not need to be committed by three or more people involving a transnational dimension — perhaps the threat of

wireless. But it is the question again if you say well it applies to all individuals, then it is broader than most organised crime bodies are concerning themselves with.

There is a very uneven evidential basis for assessments: both geographically and types-of crime. We all know that different Member States and countries outside our Member States have very different resources. What geographically should we cover and what types of crime? Everything? Or should we exclude some? Market-based crimes like supply of illegal drugs are crucial, but there are also some pretty big predatory crimes — I mean the Colombian population has been rioting in relation to investment frauds just as the Albanians did some years ago and other Eastern European countries. That should make it quite a high priority for everybody.

And there is the politicisation and diplomacy of comments. It is easier to blame countries outside the EU than countries inside the EU. Let us be truthful about this, partly because you have to get it signed off by all the Member States. So in the real world we have to deal with that as a problem in how clear the meaning of our threat assessment is. Some countries would find difficulty in getting enough people capable of demonstrating security clearance to be entitled to share NATO secrets or work at Europol. These are quite big issues within the EU as well as outside of it. We cannot neglect these issues entirely.

There is also the slow adjustment to impact or follow-through: For example, if European Chief of Police Strategies neglect key features of OCTA and Justice and Home Affairs priorities, e.g. MTIC fraud and intellectual property crimes identified in the OCTA and in the threat assessments. How will anybody know what is the corrective action that we can take within the EU, if European Police Chiefs do not follow the OCTA? So it seems to me that there are not scientific issues so much, but they are certainly important issues.

One more scientific issue is: can we ensure the consistent application and observation of organised crime within and between EU countries? If not — and I suggest the answer is no and I think that everybody really pretends that it is yes — then we are not doing real science. Now I would argue that there is nothing

wrong with making judgements based on imperfect knowledge. After all, if we knew about all the crimes and the people that commit them the threat would be low, but our society would be totalitarian, or it would be extremely high, because it would mean that society was so corrupt that it would not do anything about it.

We cannot know everything. It is not possible to make this a 100 % scientific task. It requires judgement. But where are the attempts to improve trend data on existing and new criminal markets? And we have to think not just about data on the markets but data on the *intent* and *capability* as well as *vulnerability*: like military analysts do. The Belgians have done some very interesting vulnerability studies — e.g. Tom Vander Beken in collaboration with the Max-Planck-Institute — but we must also look at intent and capability.

How do we really prioritise threats? What is the reasoning that should lie behind this prioritisation? How would we defend it, if challenged? Or do we just smuggle it in implicitly into our answer? Those are difficult questions. I do not think that scientists or academics can do this by themselves. They can only argue about this which helps to clarify and makes for a more reasoned prioritisation exercise.

I went to an interesting session in Frankfurt recently with the director of Europol, the Director of OLAF, the head of the UN and the chairman of Interpol. They all were making speeches about the importance of economic crime. I wondered why they had not been so explicit a year ago, before the financial collapse. And what has happened to much of the money from that collapse?

When rich people and companies are in trouble they usually lie to keep themselves going. They make confident statements about current solvency, or their firms will go bust. And as we know from witness testimony research there is no correlation between confidence and accuracy. This also applies sometimes to statements that we might make in organised threat assessments and that is one cultural difference between practitioners and academics. We academics are more comfortable with uncertainty; we do not feel under pressure, we are not under such pressure to be confident. If we want to persuade people, usually you have to be confident, as Americans are

often compared with more sceptical Europeans. But statements like ‘money laundering or organised crime are becoming more sophisticated’ are a really weak evidential basis without systematic analysis of behaviour. It seems plausible or may even be true. But it is not science, because we do not have a before and after measurement of either organised crime in general or laundering in particular. We might be able to find more examples of more complicated arrangements, but court cases suggest that most of the identified money laundering is actually quite crude. People only need to be as sophisticated as we make them be and as controls increase, you will expect them to be more sophisticated, but we may not know.

The final point here is: threats to whom and what and from where? Is Europe itself or is the EU a coherent threatened target? It is a question that we also might pose about our national threat assessments. I live in Cardiff which is a civilised place in general. Why should a threat assessment of the UK based on ‘tough’ places like London, Manchester, Liverpool and Birmingham be relevant for us in Cardiff? The Europol problem is just a broader example of the national threat assessment problem. Is it the case — coming back to my impact question — that people in Cardiff will feel more insecure because of the national threat assessment, which does not say, ‘don’t worry people in Cardiff you are OK’.

These are quite big questions about fear of crime and insecurity which are quite difficult about what threat assessments actually cover, but obviously for Europe it presents questions of scope — fraud against the European Community is an example that is something specifically European.

What other aspects of contemporary life are attacking Europe as a whole? I think illegal immigration. That is something that affects the EU. So we have to think about this. We should always split the analysis up into what are the things that threaten the EU as a Union and what is it that threatens different parts or different bits of the Member States.

If there is some high-level corruption in Sofia, how might that affect the European Community budget? How does this affect other parts of the EU? These are tough questions for an organised crime threat assessment to address.

Measuring harm: key problems

It is especially difficult to agree the terms in which harm is expressed. Do we mean physical injuries or collateral damage? That is only one component. We can measure this just as civil lawyers do in medical negligence claims. Feelings, including lost hopes? For instance: I thought that my retirement pension would go up but it did not, therefore I am upset, because some crooks stole it. Measurable financial losses in absolute terms or as a proportion of profits or savings? A small loss to somebody living in a rural Bulgarian area may be far more significant in terms of its impact than the same-size loss to me or my pension fund. It also depends on how old you are. If you are near retirement age then a loss to you might be harder to recover, because you have less working life left, or it may be less painful because you are nearly dead anyway. So you have less time to be measurable. So should we just look at direct losses alone, or also response costs?

We might also try and measure the frequency of offences against organisations and against transient or socially excluded people in living in hard-to-reach areas — that’s an area where victimisation surveys are very poor — giving us some measure of impact.

It is also hard — to come back to the OCTA question — to agree the terms in which we are going to describe or define the organisations’ offending. We tend to use the terminology of networks rather than organised crime groups. In the old days we used to count organised crime groups, but this can be a very artificial exercise and does not mean very much.

I am more worried if there is only one group than when there are 150 groups. Do we call them gangs? Do we call them networks? How do you decide what the end of a network is? Theoretically that is a very difficult question. How do you work out where a network ends and begins. If you have very good social network analysts, who deal with this — but how often do we have good enough data to do a proper social network analyse?

One of the big improvements in OCTA and in the SOCA efforts and elsewhere is the focus upon enablers. Other questions include how we might try to operationalise some of these concepts — where we look for some

relevant data on them and what are the differences in approaches that we can take, using special survey data, using open source material, and using criminal intelligence, using interviews with offenders and the occasional ethnographies.

There are various ways to try to address this problem. The OCTA is doing some of them. But what we have to understand is that we are relatively speaking at the beginning of this journey, or as Churchill might have said, are we at the end of the beginning rather than

at the beginning of the end as far as this process is concerned? I think we should acknowledge that and realise that although we will be doing a much more interesting and better job than used to be the case, there is a long way to go. It can never be wholly science. It will always require judgement. But we should continue and there is in fact no conflict between doing this on a European level or doing it on a national or a local level. We have just to work out what the different cuts of evidence are and what is the utility of these different methodologies and perspectives.