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Course on

ILLICIT MARKETS AND ORGANIZED CRIME IN THE AMERICAS

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Class

Organized Crime and Narcotics Trafficking

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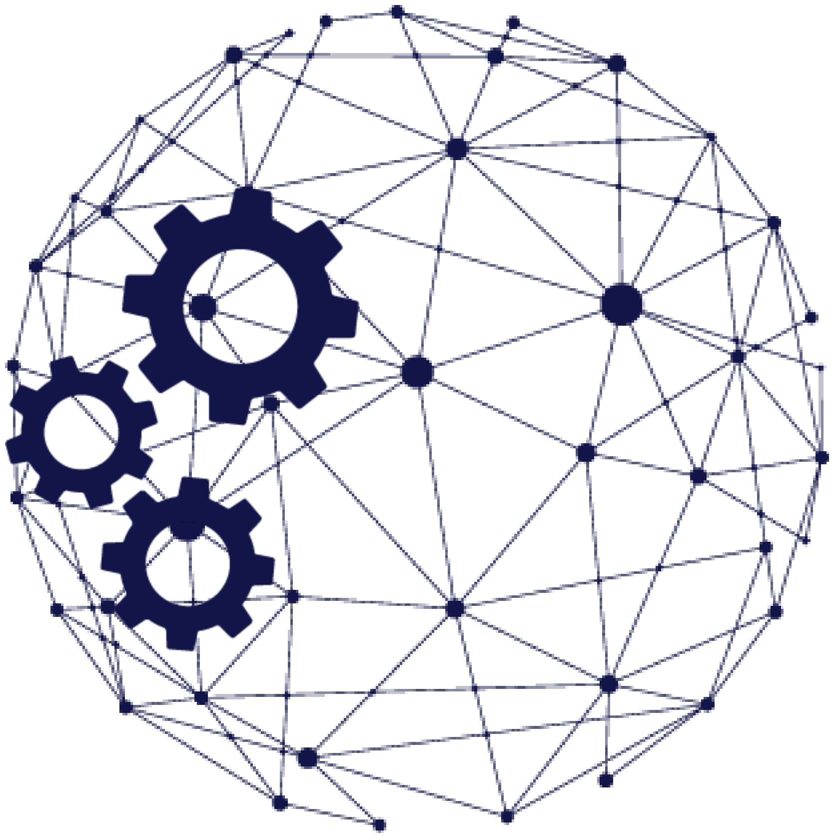
Introduction

In this class we will discuss the relationship between organized crime and drug trafficking.

The invitation is to discover or deepen your knowledge in this area, especially recognizing the profitability of this illicit business, in view of our region of Latin America and the Caribbean.



Concepts

Transnational organized crime: organizations that have (1) a structured group of three or more people with some degree of organization, (2) long-term permanence of activities, and (3) concerted action to commit one or more serious crimes with the aim of obtain financial or material benefit;

Criminal enterprise: refers to the logic behind organized crime operations, minimizing their associated costs and risks and maximizing their profits, responding to the problem of managing surplus profits with money laundering techniques and methodologies;

Law Enforcement Agencies (LEA): the police or other institutions dedicated to the fight against transnational organized crime.

Institutions

CICAD: The Inter-American Drug Abuse Control Commission is the advisory and consultative body of OAS on issues of controlling the consumption and trade of illicit drugs;

OAS: the Organization of American States is the oldest regional cooperation institution in the world, founded in 1948 to promote common policies in the American continent;

UN: The United Nations is an intergovernmental organization created in 1945 to promote cooperation internationally;

UNODC: The United Nations Office on Drugs and Crime is a specialized agency of the United Nations (UN) that promotes cooperation and research initiatives on the topic of transnational drug trafficking.

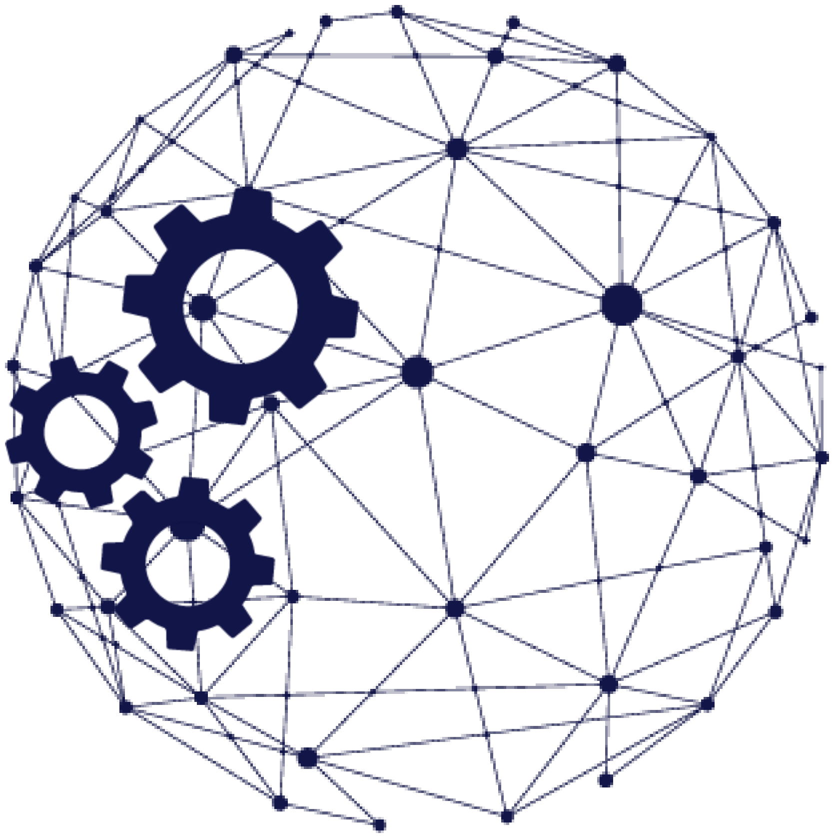
Class Content

The genesis of the current definition of transnational organized crime is the **United Nations Convention against Transnational Organized Crime**, better known as the Palermo Convention.
Its elements are the following:

(1) Existence of a structured group of three or more people, which means that they have some degree of organization and functions;

(2) Permanence over time, that is, they did not fortuitously meet to commit a crime;

(3) Concerted action with the purpose of committing one or more serious crimes, with a view to obtaining, directly or indirectly, a financial or other material benefit.



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In addition**, transnationality** will be determined when the offenses of these groups meet one or more of the following requirements:

(1) Crime is committed in more than one State;

(2) It Is committed in a single State but a substantial part of its preparation, planning, direction or control is carried out in another State;

(3) It Is committed in a single State but involves an organized criminal group that carries out criminal activities in more than one State; or

(4) It is committed in one State but has substantial effects in another State.

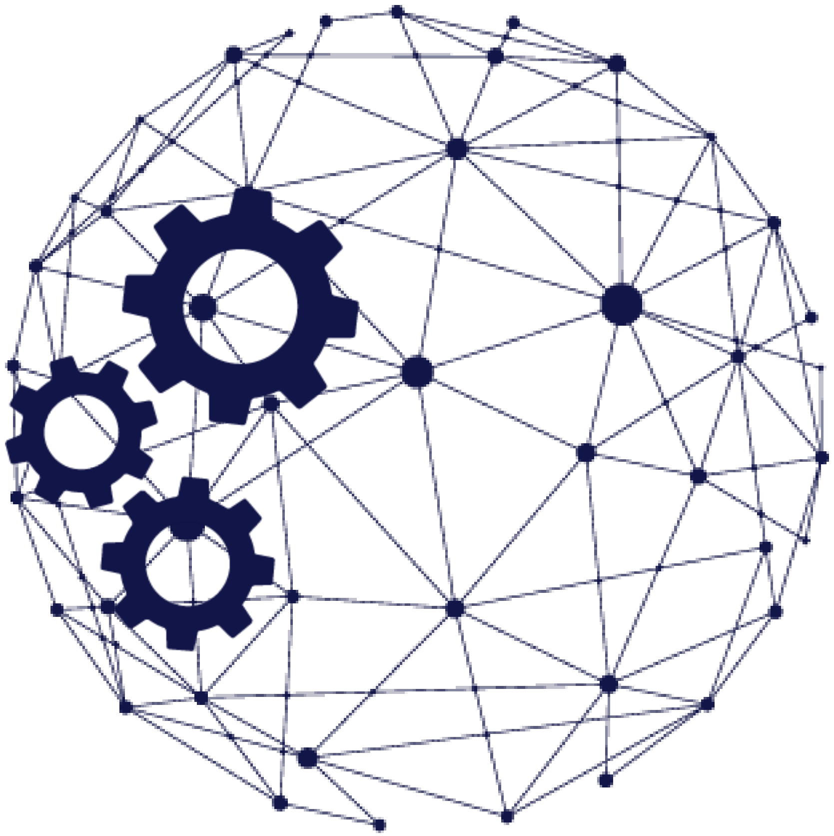
For the **drug trafficking market**, the watchword will be to maximize profits and reduce costs associated with operations, considering its "value chain", especially logistics, mechanisms that trigger the need for international cooperation.

Class Content

According to the **World Drug Report 2022**, published by UNODC, cannabis remains the most used drug in the world, whose demand has increased by 23% in the last decade.

Cocaine production is also at record levels, with North America and Europe remaining its main markets, with production reaching a record of 1,982 tons in pure concentrated form in South America.

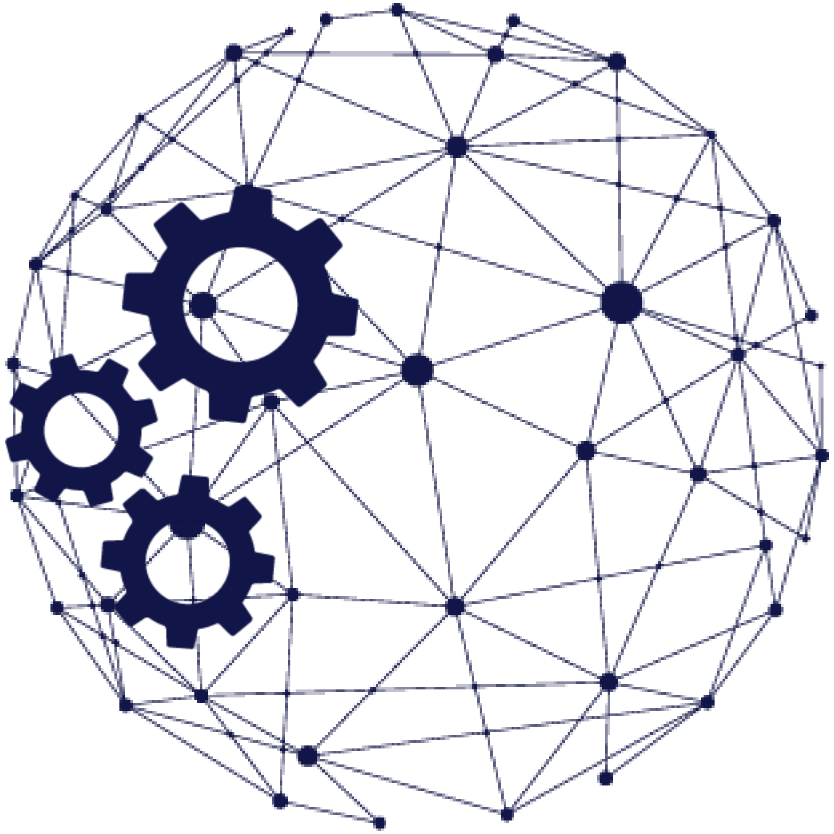
Ecuador's border with Colombia is one of the areas with the highest cocaine trafficking in the region, increasing violence between criminal groups. This situation is also observed at the border between Chile and Bolivia, where transnational groups such as Tren de Aragua, from Venezuela, have been detected.



Class Concept

From an economic point of view, **the impact of operating these criminal enterprises is especially reflected in money laundering**. On the one hand, the illicit wealth they generate creates a kind of "financial cushion" with which is possible to shoulder the expenses of the criminal enterprise. On the other hand, the organization may choose to invest part of the profits, thus trying to maximize the company's productivity.

Both alternatives have a negative impact on the State's control sector, as it will reach a saturation level due to the volume of resources moved by the criminal through legal means.



Class Content

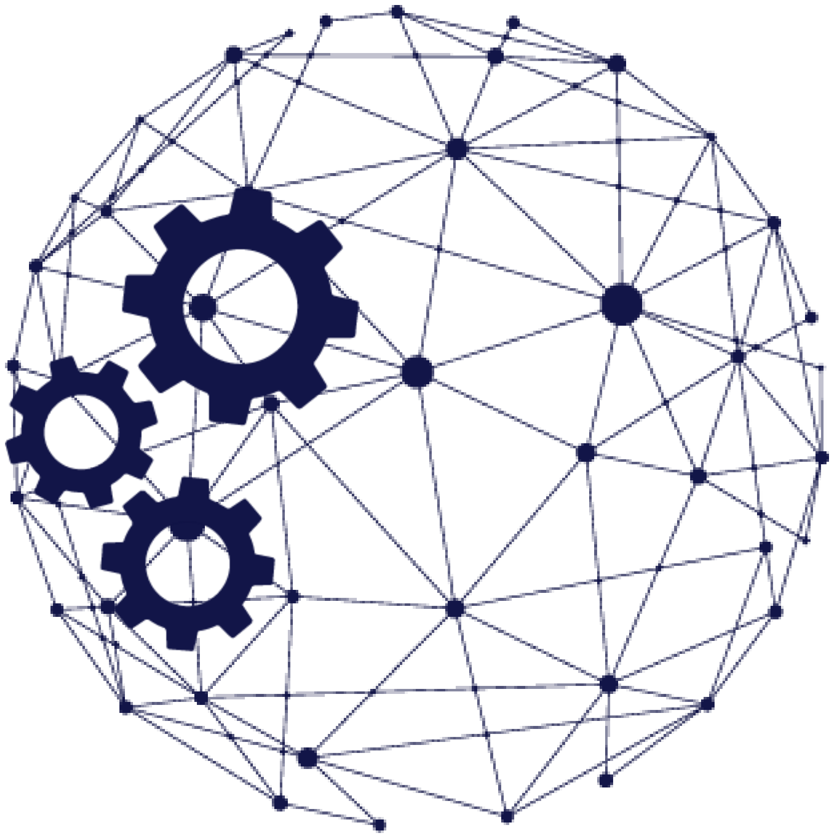
Criminal groups have an advantage over LEAs as they do not have legal structures or established procedures to follow. **States and their institutions must act in a coordinated way**, optimizing the use of resources, establishing agile communication channels, signing agreements of understanding and sharing good practices, such as the use of special investigation techniques such as controlled deliveries, undercover agents or electronic surveillance. .

At the regional level, the **OAS**, through the Secretariat for Multidimensional Security, of the Department against Transnational Organized Crime and **CICAD**, performs coordination and training activities in meetings of specialized working groups to share best practices.

A new challenge for the fight against organized crime is the use of so-called **virtual dating sites**, where the modus operandi of criminals is the deep and dark web, in addition to other social networks, offering their products and carrying out a new type of money laundering through means of cryptocurrencies and digital transactions.

Class Summary

- The definition of transnational organized crime and its *modus operandi*;
- Statistics that portray the current scenario in Latin America regarding international drug trafficking;
- The impacts of organized crime on national states and;
- The main international cooperation initiatives and sharing of good practices.



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