



# Transnational Organized Crime (TOC)

## A Growing Threat . . .

Transnational organized crime has expanded dramatically in size, scope, and influence. Transnational organized criminals are threatening US interests by:

- Co-opting some governments and weakening governance in others.
- Forging alliances with government elements including security services and big business figures.
- Undermining competition in strategic markets.
- Providing funding and logistical support for terrorist/insurgent activities.
- Stealing intellectual property.
- Expanding narco trafficking and engaging in arms smuggling and human trafficking.
- Using cyber technologies to perpetrate sophisticated frauds.
- Using facilitators who operate in the licit and illicit worlds and provide services to criminals and terrorists alike.

## Nature of Transnational Organized Crime

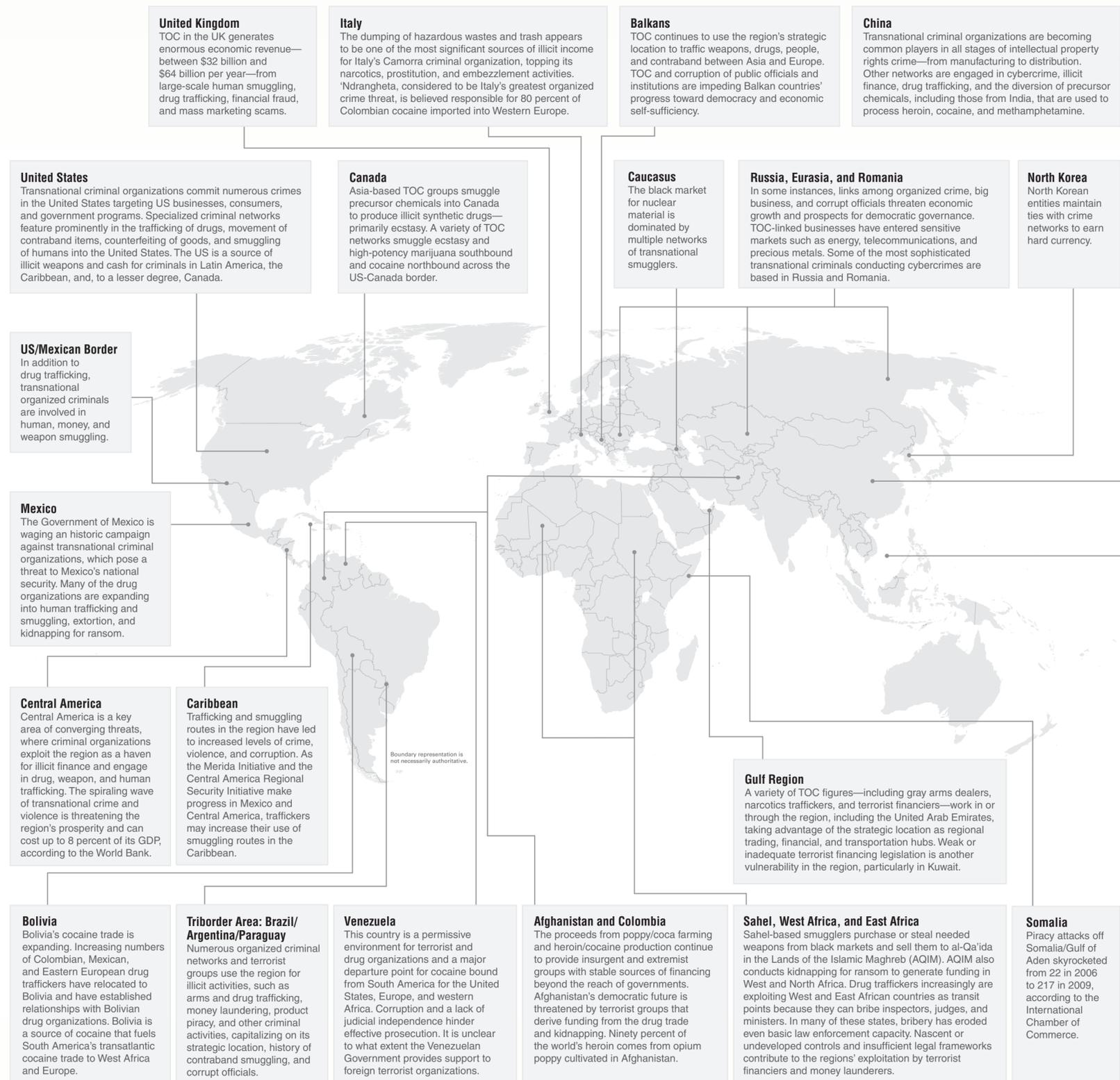
1990s and Earlier	Current Patterns
Centralized hierarchical structures	Loose, amorphous, highly adaptable networks
Limited use of information technology	Increasing role of cyber capabilities in illicit activities
Illicit activities dominant	Legitimate business mixed with illicit activity
Clear separation of drug trafficking and other organized criminal activities	Non-drug-producing groups now trafficking
Cash-based local enterprises	Global investments and use of financial infrastructures

## National Security Implications

1990s and Earlier	Current Patterns
Domestic and regional scope	Transnational and global scope
Influenced some states' behavior	Co-opting, undermining some states or instruments of state power
Isolated links to terrorists	Offering services to foreign terrorist organizations
Targeting and enforcement easier than today	Adaptability outpacing targeting and enforcement

“ Criminal networks are not only expanding their operations, but they are also diversifying their activities. The result is a convergence of threats that have evolved to become more complex, volatile, and destabilizing. ”

## Transnational Organized Crime—a Threat to US and International Security—Manifests Itself in Various Regions in Different Ways



## Estimated Annual Costs and Revenues Generated by TOC

Crimes	Estimated Annual Dollar Value
Money Laundering	\$1.3 to \$3.3 trillion (between 2 and 5 percent of world GDP)
Bribery	Significant portion of \$1 trillion
Narcotics Trafficking	\$750 billion to \$1 trillion
Counterfeited and Pirated Products	\$500 billion
Environmental Crime (illegal wildlife trade, logging, trade in CFCs, and toxic waste dumping)	\$20 to \$40 billion
Human Trafficking (2.4 million victims)	\$21 billion
Credit Card Fraud	\$10 to 12 billion
Fire Arms	\$170 to \$320 million

## Asia/Pacific

The economic importance of the region heightens the threat that TOC poses to intellectual property rights. Human smuggling and money laundering are also rampant in parts of Asia.

## . . . and a Strategy To Combat It:

Our strategy has five key objectives:

- 1 Protect Americans and our partners from the harm, violence, and exploitation of transnational criminal networks.
- 2 Help partner countries strengthen governance and transparency, break the corruptive power of transnational criminal networks, and sever state-crime alliances.
- 3 Break the economic power of transnational criminal networks and protect strategic markets and the US financial system from TOC penetration and abuse.
- 4 Defeat transnational criminal networks that pose the greatest threat to national security by targeting their infrastructures, depriving them of their enabling means, and preventing the criminal facilitation of terrorist activities.
- 5 Build international consensus, multilateral cooperation, and public-private partnerships to defeat transnational organized crime.

## Priority Actions

- Start at Home: Taking Shared Responsibility for Transnational Organized Crime.
- Enhance Intelligence and Information Sharing.
- Protect the Financial System and Strategic Markets Against Transnational Organized Crime.
- Strengthen Interdiction, Investigations, and Prosecutions.
- Disrupt Drug Trafficking and Its Facilitation of Other Transnational Threats.
- Build International Capacity, Cooperation, and Partnerships.

“ This strategy is organized around a single, unifying principle: to build, balance, and integrate the tools of American power to combat transnational organized crime and related threats to our national security—and to urge our partners to do the same. ”