

DIRECTORATE-GENERAL FOR INTERNAL POLICIES

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Asian organized crime in the European Union

NOTE



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CONSTITUTIONAL AFFAIRES

CIVIL LIBERTIES, JUSTICE AND HOME AFFAIRS

Asian organized crime in the European Union

NOTE

Abstract

The note shows that Asian organized crime, which is a relatively new phenomenon, has entered the criminal area in a number of EU countries. It analyses how the activities of Asian criminal groups are linked to migrant communities and which fields are concerned. They include extortion, human smuggling/trafficking and money laundering. In collaboration with other non-Asian criminal groups, Asian organized crime is also active in the production and trade of illegal drugs, match-fixing and counterfeiting of consumer goods. This note proposes appropriate solutions on how to fight this particular form of organized crime.

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AUTHOR

Ms Dina Siegel-Rozenblit, Professor at Utrecht University (the Netherlands).

RESPONSIBLE ADMINISTRATOR

Andreas Hartmann

Policy Department C: Citizens' Rights and Constitutional Affairs

European Parliament

B-1047 Bruxelles

E-mail: andreas.hartmann@europarl.europa.eu

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ABOUT THE EDITOR

To contact the Policy Department or to subscribe to its newsletter please write to:

poldep-citizens@europarl.europa.eu

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EXECUTIVE SUMMARY

Background

In the past decade, the European Union has seen the arrival of Asian transnational organized crime groups on the criminal scene. Until the 2000s, most of the reports on Asian criminal groups operating outside their own countries came from the USA, Canada and Australia, but in recent years there has been a steady increase in the number of police reports on the activities of Asian organized crime in Western and Eastern Europe: from match fixing in European football leagues to participation in the cultivation of cannabis, human smuggling, and drug trafficking.

The general research question addressed in this note is: What is the extent and character of Asian organized crime in the European Union and what kind of threat do these groups pose to the European economy and European democracy?

Additional questions are: Which European countries are vulnerable to the activities of Asian organized crime groups? How are these groups embedded in local migrant communities and the local economy of the host countries? What is their modus operandi and how and where do they launder their criminal profits?

Aim

The aim of the present note is twofold: firstly, to provide background information on the various fields of activities of Asian organized crime in the European Union and secondly, to put forward recommendations and policy-relevant advice for decision-makers on how to combat these criminal groups and what preventive measures should be developed. The following contains **general overview** of Asian criminal groups operating on the territory of the European Union, their size, structure, activities, fields of interest and collaboration with other criminal organizations.

Methodology:

- This overview is based on **content analysis of secondary data** available from the extensive literature on Asian organized crime and from media reports.
- Part of the data is based on **interviews** with experts from law enforcement and criminologists engaged in research on specific aspects of Asian organized crime.

KEY FINDINGS

- New forms of organized crime from Asia are emerging in the EU
- In-depth analysis and empirical data are needed to gain more insight into the problem, prevention and combat
- European cooperation based on exchange of expertise and knowledge is necessary

Asian organized crime is mainly associated with the historically romanticized Chinese *triads* and Japanese *yakuza*. Other Asian crime groups are less well known in Europe. However, rapid economic growth in many Asian countries, increasing numbers of migrants and advanced technological opportunities have resulted in new forms of organized crime, bringing these 'unknown' crime groups closer to Europe. Asian organized crime manifests itself today in almost all European countries and demands the attention of law enforcement agencies, policymakers and academic researchers.

The problem of reliability of official statistics and categorizations on the one hand and the lack of in-depth ethnographic research on the other, limit our knowledge about the nature, size and threat of Asian organized crime in Europe (Ganapathy and Broadhurst, 2008). More **criminological study** is needed to gain a better understanding of this relatively new phenomenon in the EU.

Joint action between the EU and Member States' governments could strengthen an integrated and effective strategy to **prevent and combat Asian Organized Crime**.

The key to a successful fight against Asian Organized Crime in Europe lies in the **exchange of knowledge and expertise** on these criminal groups at the EU level and with the relevant countries (China, Turkey, Vietnam, Pakistan, and Afghanistan).

Although no specific policies are in place to combat Asian Organized Crime at the European level, **European cooperation** between law enforcement and researchers could be vital to the effort to prevent and combat this new form of organized crime.

In this context, **Europol**, which became fully operational in 1999 and since 2010 is an EU agency in charge of supporting and strengthening action by the competent authorities of the Member States and their mutual cooperation in preventing and combating organized crime, should play a crucial role.

Particularly important in the fight against Asian Organized Crime are the cooperation agreements Europol can conclude with third countries concerning the exchange of operational information including personal data and classified information. Currently, Europol has no operational agreement with the above mentioned relevant states.

Equally important in this context is the improvement of the coherence and complementarities between the EU's internal security policy and its foreign policy by engaging third countries and in particular Asian countries also in the JHA domain and in particular in the fight against organized crime.

Table 1: Immigrants in EU countries (selection)

	Immigrants				
	Turkish	Chinese	Vietnamese	Pakistani	Afghan
EU countries					
Austria	35,000 (2008)				
Belgium	200,000 (2008)			15, 000 (2010)	
Czech Republic	1,700 (2008)		60, 000 (2009)		
France	550,000 (2009)	700,000 (2010)	250,000 (2006)	60, 000 (2010)	
Germany	3.600.000 (2009)	72, 500 (2005)	125,000 (2009)	50, 000 (2010)	100, 000 (2010)
Hungary	1,700 (2008)				
Italy		201, 000 (2011)		100, 000 (2010)	
Netherlands	400,000 (2008)	76, 960 (2011)	19,000 (2010)	40, 000 (2010)	38,000 (2009)
Poland	2,500 (2008)		40, 000 (2010)	6, 000 (2010)	
Portugal		10,000 (2008)			
Spain		68,000 (2009)		47, 000 (2010)	38,000 (2009)
United Kingdom	500,000 (2009)	500,000 (2008)	50,000 (2011)	1.200,000 (2010)	70,000 (2010)

Source: author (2011), based on: CBS, Statline 2009; International Migration Outlook 2010; Eurostat 2010; Office for National Statistics 2009; CBS 2010; Abbasi 2010; other local bureaus of statistics; the Turkish embassy, etc.

1. ASIAN CRIMINAL GROUPS: STRUCTURE, SIZE AND LINKS TO IMMIGRANT COMMUNITIES

KEY FINDINGS

- In Western Europe trafficking in illegal migrants and their exploitation in the legal and illegal economy by Chinese organized crime groups is facilitated by the presence of large Chinese migrant communities
- Chinese, Vietnamese, Pakistani and Turkish criminal organizations are among the most capable in managing illicit commodities and illegal migration to the EU
- Proceeds of crime are mainly invested in the countries of origin

Asian organized crime has been present in West and Central Europe since the 1980s, but growing immigration facilitates its activities in the 2000s. Chinese and Vietnamese groups are the most active Asian criminal organizations.

In the criminological literature on organized crime, immigrant communities have a double function: on the one hand, immigrants are easy prey for crime groups in their extortion activities, on the other hand they provide support and shelter for criminals and facilitate (sometimes unknowingly) their activities (Bovenkerk, 2001). When immigrant groups are poorly integrated into the host societies they also do not share the prevailing norms and values about criminal activities such as drug use and corruption.

According to Europol (2011), **Chinese, Vietnamese, Pakistani and Turkish** groups are among the most capable in managing routes for illicit commodities and illegal immigration into Europe. **Afghan** criminal groups have been added to this list based on a recent analysis of the threat of organized crime in the EU.

1.1. Chinese criminal organizations

Most **Chinese** immigrants in Europe originate from the provinces of Fujian, Zhejiang and Guangdong (Yun, 2004: 7). Small groups settled in Europe as early as the 17th century, but the rapid growth of Chinese communities took place between the mid-1980s and the end of the 1990s. In this period, the favourite destination country was Italy, which also attracted Chinese migrants from other European countries, particularly the Netherlands and France (ibid). Chinese immigration is chain immigration, based on the snowball effect. Most Chinese immigrants are engaged in 'Chinese' businesses: restaurants and catering, the 'beauty sector' (massage parlours), Chinese supermarkets, the textile industry, etc. Given the enormous variety in languages, migration histories and socio-economic backgrounds, there is no single, homogeneous 'Chinese community' in Europe (Benton and Pieke, 1998).

Two aspects of Chinese culture are particularly important in understanding their (criminal) activities: *mianzi* and *quanxi*, meaning respectively 'face' or image within one's own social circles, and *contacts* based on trust. The Chinese community is closed and internal relationships, connections and reputation play a crucial role. The interrelationships and trust networks facilitate the international activities of Chinese criminal groups (Huisman, 2008; Zhang, 2008).

The traditional form of Chinese organized crime is the **triad**, a hierarchical organization with a clear division of tasks, leadership and membership rituals. In diaspora countries, there are also **other types of criminal organizations**, some of which consist of immigrants and their descendants, some are **youth gangs**. Six major Chinese organized crime groups have been identified in EU countries (see table 2).

Table 2. Main Chinese organized crime groups in the EU

		General	Members	Headquarter	Main activities	Active in
Traditional triads	14K triad	Cantonese origin	More than 20,000 members in 30 sub-organisations	Hong Kong	Drugs trafficking and extortion	Italy, Benelux, Czech Republic, Scandinavian countries, France, Germany, Britain and Spain
	Wo-group	Cantonese origin	About 20,000 members (12 branches)		Extortion	Wo Shing Wo in Benelux, France, Germany and Portugal; Wo On Lok in Benelux
	Sun Yee On	Largest triad	About 56.000 members	Hong Kong	Drugs trafficking, counterfeiting and smuggling of migrants	Austria, Germany, Britain, Benelux, and Spain
Other forms of organized crime groups	Red Sun				Extortion and human smuggling (Italy) and drugs trafficking and money laundering (France)	Austria, Benelux, Czech Republic, France Germany, Britain, Italy, Slovakia and Spain
	United Bamboo	Originally youth gang	About 20,000 members	Taiwan	Gambling and extortion	Benelux, Austria, Britain and Ireland
	Big circle	Non-traditional triad, some secret rites adopted	About 5,000 members	Hong Kong	Human smuggling, credit card fraud, counterfeiting and illegal trade in drugs	Benelux, Czech Republic, Slovakia, France, Britain and Ireland

Source: author, 2011.

Chinese criminal organizations in Europe are tightly connected to and embedded in the immigrant communities in these countries. Here are some examples of Chinese organized crime in specific EU countries in the context of Chinese immigration.

In the **Netherlands**, the presence of Chinese organized crime has been reported as early as the 1970s, a time when members of the 14k triad controlled Chinese restaurants in many Dutch cities. In 2011, criminal activities within the Chinese community include forced labour and the exploitation of immigrants, human smuggling, extortion and identity fraud. In addition to the 14k, criminal groups such as the Ah Kong and the Ah Ping are also active in the Netherlands (Knotter et al., 2009).

The 14K triad is believed to be in control of heroin smuggling into the **Benelux** countries. In **Belgium**, the 14K also controls gambling casinos and money laundering schemes. Other major triads active in Belgium are the Wo Shing Wo (in Antwerp) and the Ah Kong (in Brussels) (Berry et al., 2003).

In **France**, the centre of activities of the Chinese triads is Paris, but these groups are also active in other French cities. The leading triads in France are the 14k and the Red Sun. They cooperate with Turkish, Albanian and Nigerian crime groups in the trafficking in heroin. Other immigrants are often subjected to blackmail, extortion and violence (Andrees, 2009: 101)

German reports indicate that the Kuok-koi, with its headquarters in Macau, has a branch in the country, as does the 14K triad. In Berlin, Chinese human traffickers collaborate with other Asian (Vietnamese) criminal groups (Berry et al., 2003: 14).

In **Great Britain**, Chinese triads operate in most major cities – London’s Chinatown being a centre for their activities – where they extort protection fees from their compatriots. There is a growing struggle for control and influence between triads in Belfast, Birmingham, Cardiff and Glasgow. The triads involved are the 14K, Wo On Lok, Sun Yee On and Wo Shing Wo (Berry et al., 2003).

In 2003, the **Italian** Anti-Mafia Investigative Directorate (DIA) stated that Camorra criminal organizations have joined forces with Chinese triads in the area of counterfeit goods. Among the Chinese groups in Italy are the Yu Hu and Da Huang in Milan, triads from Qingtian in Rome, and groups from Wenzhou in other Italian cities (Berry et al., 2003).

Most of the Chinese immigrants in **Spain** originate from Zhejiang province. The criminal groups Gang of Seven and Gang of Thirteen are branches of the Zhejiang-based Red Sun triad. Another active crime group is the 14K, which is operating from Madrid.

In Central and Eastern Europe, the presence of Chinese criminal groups is especially prominent in the **Czech Republic** and **Hungary**. The trade activities of Chinese migrants focus on open markets (so-called Chinese markets), where protection money is paid to Chinese criminal groups (Nozina, 2004).

1.2. Vietnamese organized crime

Vietnamese refugees began to arrive in Western Europe after the fall of Saigon in 1975. Until 2008, the presence of Vietnamese organized crime groups was only recorded in the United Kingdom and Eastern Europe, but since then their activities have also been noted in France, Germany and, more recently, in Belgium and the Netherlands (see table 1).

After the fall of the Berlin wall in 1989, many Vietnamese who had been living in the Soviet Bloc as guest workers moved to Western Europe, mainly to **Germany** (Kuyper, 2008: 6). In the mid 1980s, when still in East Germany, they discovered the lucrative business of selling contraband cigarettes (Von Lampe, 2005:220). In more recent times, they have become instrumental in the creation of a large-scale black market by cooperating with other (mainly Polish) East European suppliers (ibid:226).

Vietnamese criminal groups are also involved in the large-scale cultivation of cannabis, people smuggling and money laundering. There are differences between the groups involved in human smuggling and those active in cannabis cultivation as far as size and modus operandi are concerned. The members of these different organizations have no contact with each other and, generally speaking, they have almost no contacts with non-Vietnamese, except in the framework of the wholesale cannabis trade. The groups are small and mobile and their profits are mainly invested in Vietnam.

In **Britain**, the first wave of Vietnamese immigrants prospered in the textile business, the catering business and nail bars (Silverstone, 2010:43). Since the beginning of the 21st century, a new wave of legal and illegal immigrants has joined the Vietnamese community, including migrants from Eastern Europe. The scale of illegal activities and frictions between newcomers and old-timers has led to feelings of insecurity inside the community (Sims, 2007; Silverstone and Savage, 2010). The cultivation of cannabis has become an important

source of income for many Vietnamese in Britain. The same is true of **the Netherlands**, where Vietnamese immigrants are also heavily involved in the large-scale cultivation of cannabis.

In the **Czech Republic**, Vietnamese criminal groups are especially active in the organization of human smuggling and drug smuggling (heroin, marihuana and pervitin) (Nozina, 2004: 451). There are about a dozen violent gangs involved in extortion, contract killings and blackmail. In terms of structure and organization, the Vietnamese gangs first developed from street gangs to sub-divisions of Chinese criminal organizations and later into independent criminal organisations (ibid). These new crime groups are also collaborating with Russian organized crime.

1.3. Pakistani and Afghan organized crime

Pakistani and Afghan immigrants living in Western Europe emigrated for different reasons, but some common features among the two communities can be observed. Both communities maintain close contacts with their native countries.

The large Pakistani community in Great Britain came about as a result of the colonial past. The starting capital of the migrants is mainly derived from personal savings (60%), family capital and other informal financial sources (Basu, 1998: 319-320). Family members help each other and often work together in family businesses. A commonly observed characteristic of Pakistani immigrants is that they do not invest in Europe but save money to support their families in Pakistan (Ballard, 2003: 14). Informal money transfer systems are therefore popular. Hawala banks are run from small businesses such as telecom shops, video shops or textile shops. Criminal groups use these underground banks to launder criminal profits (especially from the heroin trade).

Most Afghan immigrants in **Britain, the Netherlands and Germany** earn their living in telecom shops, the textile business, cosmetic shops, and the trade in used vehicles for export. In the Netherlands, the businesses are mainly situated on markets, where there is less control from the authorities and more possibilities to connect with entrepreneurs from other ethnic groups (Pakistani and Chinese) (Nabi, 2009: 93). Hawala banking is an everyday phenomenon for Afghan immigrants but it can also facilitate the transfer of criminal money.

The activities of Pakistani criminal groups in the **Netherlands and Germany** include the trade in heroin and money laundering through hawala banking. These activities are carried out inside the immigrant communities by small groups or individuals with a wide range of contacts in other countries (Russia, Dubai, Eastern Europe, etc.).

Pakistan and Afghanistan play a leading role in the trafficking of heroin to Western Europe, where immigrants facilitate their activities (Paoli et al., 2009: 275, 286).

1.4. Turkish organized crime

The Turkish mafia is an umbrella concept for a number of clans, led by *babas* (leaders) such as the brothers Abdullah and Huseyin Baybasin who, for many years, stood at the head of the most powerful Turkish criminal network in the EU. Their organization was involved in heroin trafficking, extortion and money laundering (Bovenkerk and Yesilgoz, 2007). A priority for the Baybasin clan was to raise young gangs among Turkish immigrants to serve either as drug couriers or as enforcers. In London, a youth gang called *Bombacilar*

(Bombers) operated first together and then separately from another youth gang, the 'Kurdish Bulldogs' (Carlson, 2005).

There is a clear link between high unemployment among young Turkish immigrants and drug trafficking (Bovenkerk and Yesilgoz, 2007: 265). The *babas* tend to recruit unemployed young men with little chance of climbing the social ladder who are willing to take risks in order to make some quick money. The *babas* are often approached by young men offering their services. In recent years, a new wave of second-generation Turkish and Kurdish young men born in the Netherlands have appeared on the heroin scene (Bovenkerk and Yesilgöz, 2007).

The main criminal activity of the Turkish criminal clans in the EU is drug trafficking. Europol has reported an increase in heroin trafficking from Pakistan, Iran, India and other countries, facilitated by or in cooperation with Turkish criminals (Europol, 2011:8).

Although still heavily involved in the heroin trade, Turkish and Kurdish criminal groups have lately turned to XTC trafficking and other criminal activities. Dutch criminals have joined forces with Turkish criminals (Siegel, 2011).

One of these activities is human smuggling, which, according to Europol, has increased by over 500% between 2009 and 2010 (Europol, 2011:17). The clients of the Turkish smugglers are Chinese, Vietnamese, Indian, Iraqi and Pakistani nationals (ibid).

Turkish criminal groups are also involved in the production and distribution of counterfeit currency and the distribution of Chinese counterfeit goods. To this end, they have formed alliances with Chinese organizations.

2. ASIAN ORGANIZED CRIME: SPECIFIC ACTIVITIES

KEY FINDINGS

- Asian criminal groups specialize in specific criminal activities.
- Vietnamese criminal groups are prominent in the cultivation of cannabis.
- Asian organized crime is increasingly involved in match fixing in Europe.
- Pakistani and Afghan hawala bankers are facilitating heroin smuggling and money laundering in the EU.

2.1. Match fixing

In 2008, Interpol identified illegal football gambling as a major Asian organized crime activity (Noble, 2008). Over the last years, more and more information has become available about the activities of Asian criminal networks in match fixing in the EU. In 2007, UEFA asked for an investigation into the results of 26 matches believed to have been manipulated by Asian organized crime. According to UEFA, these crime groups made 5 million US dollars on one championship match alone in July 2007 (ibid). There is also evidence that 2006 World Cup matches were manipulated by Asian criminals (*The New York Times*, November 27, 2009).

In Belgium, the case of Zheyun Ye in 2005 highlighted the manipulation of games and the bribery of trainers and players of at least 14 Belgian football clubs. Evidence of match fixing

in Finland, Italy, Slovakia, Poland and the Czech Republic has come to light in 2010 and 2011 (*The Telegraph*, 18 October, 2008; *The Telegraph*, 6 May, 2011)

According to Hill, there are two forms of match fixing: the first is when the clubs fix matches (for instance, by using 'sexual bribes') and the second is gambling fixing (Hill, 2008). The researcher argues that Asian criminal groups are also involved in fixing results in other sports, such as tennis and hockey.

2.2. Extortion

Extortion is one of the oldest practices of organized crime, especially in the context of immigration (cf. Italian immigrants in the USA). It usually takes place inside immigrant communities, where perpetrators and victims are ex-compatriots.

In France, the Wenzhou gangs extort money from Chinese merchants for protection. These gangs are also involved in smuggling migrants, kidnapping for ransom, illegal gambling and human trafficking for sexual exploitation. In London's Chinatown, Chinese entrepreneurs are forced to pay 'protection fees' (about 200-300\$) to local crime groups. In the Netherlands, Chinese restaurant owners are often victims of extortion by Chinese criminal groups (Knotter et al., 2008: 161, 162)

2.3. Human smuggling

Since the Dover tragedy in 2000, when 58 Chinese illegal migrants were found suffocated in a truck in the Netherlands on their way to the United Kingdom, no incidents with such large numbers of victims have been recorded. The smugglers in the Dover case belonged to the Fujian Snakeheads, who operate in East and Central Europe, Germany and France (Nozina, 2004:451).

There is no consensus on the nature of Chinese human smuggling: some authors take the view that it is an informal business agreement between smugglers, migrants and their families (Pieke et al., 2004; Zhang, 2008), while others refer to violence and manipulation during and after the journey to another country (Kwong, 1997). There is, however, no denying that the discrepancy between the debts incurred by the migrants and their actual earnings in the host country puts them in a vulnerable position (Andrees and Pelsler, 2009).

Vietnamese criminal groups are also involved in human smuggling. They offer end-to-end services, including the promise of employment in the host country, for instance in cannabis plantations (Silverstone and Savage, 2010:24). Working in cannabis cultivation can be part of the arrangement to pay off the debt to the agents (ibid). There is no evidence of the use of violence and the smuggling arrangement is usually based on verbal 'contracts' and mutual trust.

On November 19, 2009, an Iraqi criminal network was dismantled in operation *Sebeke*. The group specialized in smuggling Iraqi and Afghan nationals via Turkey to Europe (Europol, 2010:26). Operation *Garnet*, launched in November 2008, resulted in the dismantling of an international human smuggling network engaged in transporting Chinese nationals without travel documents via Italy to Britain (ibid:27).

Turkish organized crime occupies a dominant position in human smuggling into the EU (Europol, 2011:18). Due to its proximity to the EU, Turkey serves as a transit country for migrants from other Asian countries and Turkish organized crime is now acting as a

facilitator of the entire smuggling process. Alliances with other Asian and European organizations have strengthened the position of Turkish criminal groups.

2.4. Human trafficking

Human trafficking, or the illegal trade in human beings (THB), is based on exploitation and violence. The literature and the public debate on the size and nature of the phenomenon in the EU is not specifically focused on the involvement of Asian organized crime but various sources have pointed to its growing role in EU member states.

In Britain, Thai women working in brothels are 'bought' by their exploiters for 6.000 pounds while the debts the women are made to repay can amount to 22.000 pounds (Monzini, 2005:113).

The trafficking of Chinese women for sexual exploitation is considered not significant and almost invisible (Yun, 2004:15). Chinese sex workers offer their services in 'hidden prostitution' (in massage and beauty parlours or at home). However, Europol recently reported on the emergence of widespread exploitation of Chinese victims in forced prostitution both within and outside the Chinese community. 'A lack of awareness of exploitation on the part of the victims, and high levels of seclusion, typical of Chinese communities in some Member States, mean that THB often goes unreported' (Europol, 2011:20).

Organized crime groups from Pakistan and Thailand are key producers and suppliers of counterfeit identity documents for victims of human trafficking (Europol, 2011:28).

In addition to exploitation in the sex industry, other sectors are also affected by human trafficking, such as the textile branch, the agricultural sector, the construction industry, tourism, catering, nursing and domestic services (Europol, 2011 :21). Traditional settings for labour exploitation are Asian restaurants, textile ateliers and tanneries. Victims of trafficking for labour exploitation are made to live and work in miserable condition for many years in order to pay off their debts to the smugglers. ILO research among Chinese immigrants in France found that debt is an important factor in rendering them servile, vulnerable and exploitable (Yun and Poisson, 2005).

2.5. Drugs

Drug trafficking has historically been the domain of ethnic minorities and immigrants in Western Europe. Until the 1970s, Chinese triads dominated the illegal trade in opium, as they now control the smuggling of precursors for synthetic drugs. Since the 1980s, the Turkish Mafia has been in charge of the smuggling of heroin to the Netherlands, Belgium, France and Germany (Bovenkerk and Yesilgöz, 2007). Other Asian groups (Vietnamese, Pakistani and Afghan) also play a major role in the illegal drug trade.

2.5.1. Cannabis

There is a consensus among researchers that Vietnamese criminal groups are over-represented in the cultivation of cannabis in Western Europe and the involvement of Vietnamese immigrants in this activity has increased over the last years (Silverstone, 2010; Silverstone and Savage, 2010). In 2007, more than 2,000 cannabis 'farms' were found in England and Wales, two thirds of which were controlled by Vietnamese criminal groups (Silverstone and Savage, 2010). These groups are usually small in size and based on family

connections. Illegal immigrants can relatively easily find employment in the informal economy without any governmental control.

The Dutch Taskforce on Organized Cannabis Cultivation reported on Vietnamese residents in the Netherlands involved in the cultivation of cannabis. The Vietnamese mainly act as 'gardeners' taking care of the plantations, but there have also been cases of Vietnamese setting up their own plantations. A number of police investigations have been launched into Vietnamese organized cannabis cultivation in the Netherlands (Siegel, 2011).

Vietnamese criminal groups are also prominent in cultivation of cannabis in Ireland, the Czech Republic, the Slovak Republic and Poland. The gardeners are often illegal migrants working to pay off their transportation fees, while other group members act as electricians and plumbers (Europol, 2011:13).

2.5.2. Synthetic drugs

In the Netherlands, Chinese criminal groups collaborate with Dutch groups in supplying the precursors PMK and BMK for the production of XTC and amphetamines. The trade in precursors is controlled by Hong Kong and Guangdong Chinese living in the Netherlands. Since 2001, these groups have been responsible for more than 90% of all confiscated PMK and BMK in the Netherlands (Huisman, 2008:37).

The role of Chinese organizations in the XTC-industry can be explained by the fact that China is one of the few countries in the world where trees grow that produce the raw material needed to make XTC. This PMK material is transported to the Netherlands to be processed into 'fung' (XTC) in clandestine laboratories. The same goes for BMK from China, which is processed in the Netherlands into amphetamines, but the monopoly on this material is less strict (Knotter et al., 2009:167).

Police investigations in the Netherlands indicate that the entire smuggling process is in Chinese hands. PMK and BMK hidden in containers with legal goods from China (clothes, toys, food) are received and stashed by Chinese migrants and sold on by Chinese organizations to Dutch underground laboratories engaged in the production of XTC pills (ibid:168).

2.5.3. Heroin

The majority of heroin consumed in the EU is produced in Afghanistan. Some Afghan heroin reaches Europe via Pakistan, facilitated by Pakistani immigrants in Britain. Central Asian countries (Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan) also serve the European market (Paoli, et al., 2009 :275).

Heroin production in Southwest Asia has expanded in the last years, with Afghanistan now producing 90 percent of the world's opium. The Afghan province of Helmand produces the largest amount of opium (Interpol, 2011).

Heroin is smuggled from Afghanistan and Pakistan to Iran and then to Turkey. The two main routes are the Balkan Route through southeast Europe and the Silk Route through Central Asia (Turkmenistan, Azerbaijan, Georgia, Russia and Ukraine) (Interpol, 2011). The main actors in the smuggling of heroin to the EU are Turkish and Kurdish criminal organizations.

2.6. Counterfeiting and cigarette smuggling

The trade in fake 'trademark' goods is a specialty of Chinese and Vietnamese criminal groups. China is considered the main source country for counterfeit goods destined for the EU (Interpol, 2011) Chinese organized crime groups are also known to be proficient in falsifying documents and travel papers (Europol, 2011:19).

Chinese groups are involved in the smuggling of cigarettes, mostly to the Scandinavian countries, Germany, Spain, the UK and Ireland. Interpol distinguishes between three types of cigarette smuggling: the smuggling of genuine cigarettes, the smuggling of 'cheap whites' and the manufacture and smuggling of counterfeit cigarettes originally made in China (Interpol, 2011:24).

In January 2010, French police seized 8.5 million Marlboro cigarettes from a Chinese container in the Le Havre seaport during operation Beehive (Europol, 2010:32). In a joint operation, Europol and Italy's Guardia di Finanza dismantled a criminal network involved in the large-scale production and distribution of counterfeit goods linked to Chinese, Italian and Turkish syndicates (ibid:37).

The organized sale of untaxed cigarettes in Germany is dominated by Vietnamese criminal gangs. In the mid 1990s they were known as the 'Vietnamese Cigarette Mafia'. A characteristic feature of these groups was their use of extreme violence and intense competition between different gangs vying for control of the market. Most counterfeit cigarettes are produced in clandestine factories and these products are markedly different from their legal counterparts (Von Lampe, 2011).

2.7. Money laundering and underground banking

Vietnamese (illegal) migrants use three different methods to send money back to Vietnam: through formal Vietnamese and Malaysian banks where no questions are asked about the origin of the money; through legal enterprises (shops, jewellers); and through physical remittances by using couriers carrying suitcases full of money.

The Informal Money Transfer System – also known as hawala banking – is widely used by immigrants from Asian countries. In the Afghan community in the Netherlands, Germany and Britain, hawala is embedded in regular businesses and trade systems. It can be used to facilitate money laundering (Nabi, 2009).

Between 2006 and 2009, Dutch police investigated several money laundering cases in which criminal proceeds were transferred by Pakistani hawala bankers. These bankers operate in an international context where they function as brokers in matching the financial demands of different actors in flexible and interdependent hawala networks (Van de Bunt and Huisman, 2009). Iraqi and Syrian hawala bankers are also involved in informal transactions to transfer profits of human smuggling and drug trafficking from Western Europe to the home countries (Boersma, 2009).

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