

Societal Security in the Baltic Sea Region: Regional Efforts to Combat Organized Crime and Narcotics Smuggling

Emin Poljarevic

May 2006



*Central Asia- Caucasus Institute
Silk Road Studies Program*

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Preface

This Paper was written by Emin Poljarevic as a result of a research project devoted to issues of transnational organized crime, supported by the Swedish National Drug Policy Coordinator and the Swedish Emergency Management Agency. Within the project, two workshops were held in Riga with representatives from law enforcement agencies and researchers from Sweden, Finland, Estonia, Latvia and Lithuania. This report is the result of the meeting held in Riga on November 7-8, 2005, the main purpose of which was to identify the latest trends in the development of organized crime and problems encountered by law enforcement agencies as a result of this.

Among the array of challenges facing the Baltic Sea Region, organized crime has since the dissolution of the Soviet Union gained significantly in importance. Estonia, Latvia and Lithuania have since independence gone through challenging legal, political and economic transitions. In the post-Soviet context, the transitions in the Baltic States have been successful. Nevertheless, these states are still vulnerable in the sense that their legal and political institutions are constantly challenged by both political and economic actors. For example, Riga is an important money laundering hub in the region, and in Lithuania the political system, both at the national and regional level, is constantly being challenged by organized crime groups. The implications of this development are multi-faceted: societal and human security in the region is being challenged by the trafficking in drugs and humans, and corruption is still an issue to be dealt with.

Organized crime and drug trafficking is a transnational phenomenon and therefore any successful response to it, however well formulated and implemented, cannot be limited to national boundaries. Yet in spite of numerous declarations, memoranda, conferences and initiatives, regional and international cooperation in counter-narcotics in the region leaves much to be desired. One of the more significant problems is the lack of legal harmonization concerning investigation methods. This study specifically addresses the need for strengthening regional cooperation in counter-

narcotics. It makes a powerful argument for the need to coordinate investigative working methods in counter-narcotics across the region, and the need for a regional strategy to counter organized crime and drug trafficking in this strategic region of Northern Europe.

Anna Jonsson

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i. Introduction

This paper is based on the Central Asia and Caucasus Institute – Silk Road Studies Program joint center’s meeting held in Riga, 7-8 November 2005. The meeting was organized as a workshop that was attended by representatives of the law enforcement, political and academic communities within the Lithuania, Latvia, Estonia, Finland, and Sweden. Over the two day meeting, the participants addressed a series of topics presented to them by researchers from the joint center as well as the Swedish National Drug Policy Coordinator. The results of these talks, and additional research conducted at the joint center are presented here.

The report is divided into three main sections, reflecting the agenda of the meeting. The first section covers overall threats posed by transnational organized crime and its main activity: narcotics smuggling. This section will also explain the threat that organized crime poses threat to our societies. The second section discusses existing law enforcement and legal structures in place to counter narcotics smuggling, and also the current situation in the Baltic states. The final section proposes a strategy for decision-makers that may be used to count narcotics smuggling and organized crime networks.

Due to their small sizes and populations, crime patterns across the three Baltic states are generally alike. Willingness of the three states to coordinate their counter narcotics efforts has grown immensely over the past few years. This willingness has evolved into readiness to cooperate and meet the challenges posed by organized crime in the entire Baltic region. Now regional actors must create fruitful ground for joint efforts against the threat of organized crime. Cooperation on political, administrative and operative levels has improved, yet there are still many aspects of cooperation that need to be addressed. This report’s aim is to establish a theoretical framework for future cooperation in the region. This theoretical framework will define the tools of this cooperation and set a direction for a regional counter narcotics strategy. In other words, the framework is supposed to generate serious

attempt to institutionalize regional cooperation regarding the countermeasures against organized crime networks. The organized crime issues in Lithuania, Latvia, Estonia, and Finland are covered in separate parts of the text. The issues in Sweden are mainly intertwined with other parts of the text in order to set a perspective on this societal threat.

The pragmatic and transnational nature of organized crime groups underscores the necessity of a comprehensive regional cooperation strategy in Northern Europe. More than ever before, these countries need to look beyond their borders in order to address the problems of narcotics trafficking and organized crime.

Organized crime groups are skillful at the concealment and disguise needed to avoid contact with law enforcement and others who could threaten their business. It is therefore highly difficult to penetrate and precisely determine organized crime mechanisms and patterns. Difficulty in mapping transnational groupings makes it hard to limit their field of operation and also confines law enforcement's efforts in combating drugs smuggling and other illegal businesses. However, this is not a valid reason for us to abandon efforts in combating and preventing organized crime.

Analysts and law enforcement experts are regularly making qualified assumptions based on the constant discovery of criminal networks as well as criminal cases involving organized crime actors. The material used in this report is based on law enforcement data provided by agencies from Estonia, Latvia, Lithuania, Sweden, and Finland, and also on independent research conducted at the Central Asia Caucasus Institute & Silk Road Studies Program Joint Center.

2. Societal Security Threats

Since the collapse of the authoritarian Soviet regime the controlled environment to which organized crime groups were contained has become a lucrative arena for various new and old criminal groups. The regulatory vacuum was filled with organized crime and corruption. Newly independent states had tremendous task of creating new political environment and at the same time constructing a whole new economic order. On top of this, societal security threat¹ form of transnational crime and narcotics smuggling has caused significant societal problems in the region. How is the threat perceived? Threats do not exist objectively, especially societal threat; however, they are perceived by political actors. It is a socially constructed concept, which has the ability to legitimize certain security concept and thereafter a response. The political actors are therefore responsible to construct such security concept in order to generate suitable security response.

Societal security here means society's well being, ranging from individual's economic and social wellbeing to collective societal trust in political order and state's capacity to provide personal and financial security to its general public. The majority of security threats discussed here do not threaten the brake-down of the Baltic societies directly. However, the scope of organized crime, its cumulative activity, and their effects on society has potential to undermine citizen's trust in governments and its political system. Health threats are significant involving both drug addiction and HIV/AIDS issues, which are particularly serious in Estonia. Corruption is another threat disrupting the political system and citizen's trust in the system and law enforcement capabilities. According to the workshop participants, the extreme form of corruption, such as, state capture is not as overhanging

¹ For closer definition of the concept societal security see: Graeme F. Herd and Joan Löfgren, "Societal Security, the Baltic States and EU integration", *Cooperation and Conflict*, Vol. 36 No. 3. 2001, pp-274-277

threat today as before; however, there is significant risk for it on the municipal level especially in Latvia and Lithuania.

In order to effectively counter the societal threat posed by transnational organized crime Baltic states in general and Estonia in particular have securitized the issue. By securitization of the threat from organized crime the state formulates, legislates, and at the end institutionalizes “the response and sense of urgency”². As presented below, Estonia has institutionalized certain parts of their strategy against organized crime in order to improve law enforcement’s effectiveness. On the other hand, Sweden has only politicized the issue without institutionalizing it.

The growth of organized crime, as noted before, has been tremendous during the last decade, and consequently the vast amount of resources generated by illicit business cannot be matched by the law enforcement’s budgets. Governments should consider improving law enforcement capacity a goal in itself.

Phil Williams and Roy Gordon show in their article that organized crime functions according to two economic models: market dynamics model and enterprise model.³ Organized crime networks responds to market dynamics in order to become major participants on the criminal markets, and even to try (even though this is not possible in most cases) to create a monopoly on certain type of business. Furthermore, organized crime groups may act in similar way as licit enterprises. The diversification of investment is one aspect. Criminal groups are active in several different markets and investing in several different businesses, which in turn lessen the risk for major financial loss. For instance, smuggling routes for humans or narcotics could also be used to smuggle weapons, cigarettes, and other illicit goods.

The search for new business opportunities, creation of alliances with other criminal groups and individuals, and opening of the off shore accounts in

² Buzan, Barry, Ole Waever, and Wilde de, Jaap, *Security; a New Framework for Analysis*, London, 1998, Lynne Reinner Publishers.

³ Williams P. and Godson R. ”Anticipating organized and transnational crime”, *Crime Law and Social Change*, 2002, No. 37, pg 314

order to launder, secure, and maximize profits⁴ are some of the trade marks of organized crime groups. The pragmatic and innovative nature of transnational organized crime puts it ahead of law enforcement, which in turn lacks resources and sometimes even support from the government in fight against the organized crime networks.

2.1 Transnational Organized Crime

What is then organized crime? Despite great efforts by the EU members to define this phenomenon, each EU member state continues to have its own definition, approach and, formulation of, strategic policy.⁵ The United Nations *Convention Against Transnational Organised Crime* defines organized crime group as: "...a structured group of three or more persons existing for a period of time and acting in concert with the aim of committing one or more serious crimes or offences in accordance with this Convention in order to obtain, directly or indirectly, a financial or other material benefit."⁶ The organized crime groups used the chaotic transition period and extended their networks across political and nation borders. The criminal alliances with other domestic and foreign groups resulted in formation of criminal networks making them transnational. Traditionally crime was treated as an objective phenomenon rather than the result of the interaction between forms of harmful behavior and the way in which some become criminalized and others do not.⁷ Since the transition period and the EU membership for the great part of Eastern Europe the cross-border mobility has indirectly caused growth of organized crime activity in entire Europe. The organized

⁴ Ibid

⁵ Monica Den Boer, "The Fight against Organized Crime in Europe: A Comparative Perspective", *European Journal on Criminal Policy and Research*, Vol. 9, 2001, pg. 260

⁶ United Nations Convention Against Transnational Organised Crime, Article 2, Assembly, 55th session, A/Res/55/383, 2 November 2000, <http://untreaty.un.org/English/TreatyEvent2001/pdf/16e.pdf> , also General Assembly, 55th session, A/Res/55/383, November, 2000.

⁷ Adam Edwards and Pete Gill, 2002. "The politics of 'transnational organized crime': discourse, reflexivity and the narration of 'threat'", *British Journal of Politics and International Relations*, Vol. 4 No. 2, 2002, pp 253-254

crime transformation from national to transnational issue has been boosted both by globalization and communications technology.⁸

Today, the transnational organized criminal groups' field of operation is as wide as it is deep. Narcotics smuggling, money laundering, human trafficking, weapons smuggling, orchestrated and sensational robberies, car thefts, frauds, and high level corruption are all directly or indirectly related to transnational organized crime. National criminal groups are generally not independent formations functioning isolated from other criminal groups, but highly interconnected with other international networks making them more effective and highly difficult to contain, control, and counter. The transnational nature of organized criminal groupings and their effective adaptability to the legal, political and economic conditions of a state of operation is perhaps hardest to anticipate. In other words, national or transnational crime is regarded as a result of an intricate web of interdependent social relations.⁹ The key to understand this phenomenon is to research the relations in its real social context, and not as an abstract occurrence. Transnational organized criminal groups can influence and infiltrate and even change social structure in a state.¹⁰ The level of influence depends, of course, on the level of development and strength of thought state.

Over the last decade, the effects of globalization have changed the structure of organized crime from shadow actors, whose role is limited to crime in major cities of the U.S. and Europe, to a highly observable force, working both throughout the developed and major parts of the developing world.¹¹ In order to combat transnational organized crime, countries must develop anticipatory strategies. In order to develop these strategies,

⁸ Ibid.

⁹ Ibid. pp. 216-217

¹⁰ Central Asian states of Tajikistan and even Kyrgyzstan may serve as an examples in this case.

¹¹ Svante Cornell and Niklas Swanström, *Transnationell brottslighet: ett säkerhetshot?* Krisberedskapsmyndigheten, KBM (Swedish Emergency Management Agency) Forskningsserie Nr. 10, 2006. pg 20.

decision makers must consider organized crime as security threat. The political will is one of the key questions here.

Organized crime is a great threat to all societies, but in particular to the recently democratized societies in the states of Eastern and Central Europe.¹² The new EU members of the Baltic region are Europe's frontier to the East. Russia poses an immense challenge to the EU and its new Baltic members, due to its regulatory problems, and inability to address organized crime and an increase in drug trafficking primarily from Central Asia. Given the current stable political situation in the Baltic states and recent significant economic development in the region, does the existence of organized crime pose an overwhelming threat to the Baltic societies? The following attempt to answer this question is based on credible and multifaceted information.

Transnational criminal networks are operating within the shadows of societies, outside of the legal frameworks and societal norms. The consequence of the organized crime activity in certain society is particularly serious when certain groups exert control over a given territory¹³ or a specific market (i.e. real estate market in Latvia). Nevertheless, narcotics smuggling and distribution is one of the biggest income sources for illegal networks, and poses the greatest threat to society. Transnational organized crime's control over this illicit business allows it to generate vast amounts of money. Parts of this income are later invested in legal businesses.

2.2 Potential Reasons behind Organized Crime

What are the primary reasons for people to join organized crime groups? Economic disadvantage in countries east of the EU provide strong incentives for young people to become members of organized crime groups and networks. Young, unemployed men seek to attain material needs by any means necessary. In order to be initiated and accepted as a member of an organization, there are numerous (criminal) ways to rise in ranks. Many people are willing to move to wealthier countries in order to improve their quality of life. Since the EU member states have restrictive

¹² EU Drugs Strategy 2005-2012, EU document, (2004)

¹³ Silvio Goglio, "Crime, Collective Action and Development", *European Planning Studies*, Vol. 12, No. 6. 2004. pg. 4

laws concerning immigrants, this opens a market for human trafficking, which sometimes uses the same channels for smuggling of drugs and other illicit goods.

Drug production in the Baltic states has increased immensely during the past decade. Amphetamine, methamphetamine, and ecstasy are the main products produced in Lithuanian illegal narcotic laboratories. Drug production needs precursor chemicals, which are mainly illegally imported from neighboring Belarus and Russia from where many professional chemists are hired. Many of the Russian and Belarusian chemical industries have been closed and workers are often employed by criminal organizations.¹⁴ Statistics of seized drugs coming from Lithuania and/or involving Lithuanian citizens to Sweden and Norway show that production of synthetic drugs and smuggling has slightly increased. During the period between 2002 and 2004 law enforcement seized 296 kilograms of amphetamine/methamphetamine and 1,7 million tablets of rohypnol. During 2005 (January-October) law enforcement seized 63 kilograms of amphetamine/methamphetamine and almost 0.5 million tablets of rohypnol excluding the smaller seizures within each country.

All in all, the total financial quantity of illegal activity is estimated, by the International Monetary Fond (IMF) between “US\$500 billion and US\$1.5 trillion – equivalent to 1.5-4.5 percent of gross world product.”¹⁵ The majority of these finances are laundered through banking systems, real estate transactions, and other money laundering schemes. Considering the estimated volume of money generated by the illegal activity controlled mainly by transnational organized crime networks, one can imagine the consequences of its destructive impact of societies around the world. The collective EU 15 GDP 2002 was US\$ 9 960 billion¹⁶, placing the figures in perspective one can assume that this calls for improvement of collective law

¹⁴ *European Union Situation Report on Drug Production and Drug Trafficking 2003-2004*, pg 14

¹⁵ Kellett T, “Transnational Organised Crime: the Next Big Threat?” *DND Policy Group*, 2003. http://www.dnd.ca/admpol/eng/doc/strat_2001/sao1_26_e.htm

¹⁶ *Europe counts*, General Questions, The UK Office of the European Parliament, 2004, <http://www.europecounts.org.uk/faqs>.

enforcement resource spending, finding new methods in countering organized crime, and also investing in prevention of organized crime.

2.3 Drug Smuggling and Organized Crime

The drug smuggling and drug trade are some of the primary sources of revenue for criminal organizations and it should be a central target for law enforcement in the region.¹⁷ Europol reports that organized crime related activity in the EU is increasing and that drug smuggling and trade are its principal activities.¹⁸ According to EMCDDA there are approximately 2 million regular drug users in the EU, of which more than half are IDU. Furthermore, trends show that the incidences of IDUs are increasing in the Scandinavian countries.¹⁹ Transnational organized networks are primary suppliers of narcotics for the EU drug market. The Baltic region represents a lucrative entry point for drugs from the East. Areas outside government control in Central Asia and Caucasus (and some parts of Russia) are clearly linked to transnational organized crime activity, “[i]n particular, the drug trade, with the large amount of money at its disposal, [which] poses the greatest danger to state security in Central Asia and the Caucasus (CAC).”²⁰

The security threat to the societies in the Baltic region may not be as imminent as that within CAC, but the threat has increasingly negative effects on society, as we have seen above, in terms of public health, personal security, and citizens’ trust in law and order (citizens’ trust in the state as a security provider), and as such undermines the basic condition for democratic society.²¹ Narcotics productions and smuggling

¹⁷ Tamara Makarenko, “Transnational crime and its evolving links to terrorism and instability”, *Jane’s Intelligence Review*, November, 2001. pp. 3-4.

¹⁸ Europol, Annual report, 2002

¹⁹ *Drugnet Europe*, Newsletter of the European Monitoring Centre for Drugs and Drug Addiction, Bilbao, October-December, 2005, pg. 2

²⁰ Svante Cornell, “The Nexus of Narcotics, Conflict, and Radical Islamism in Central Asia”, *Caspian Brief No. 24*, June (2002) p. 13.

²¹ See also Emin Poljarevic, "Countering Narcotics and Organized Crime in the East Baltic Sea Region", *Conference Report*, Spring, 2005, pp 26-33

are complicated processes that require a great amount of financial and organizational effort, all of which are stimulated by demand for illicit drugs. Consequently, the societal threat of these organizations becomes even more complicated. Even if law enforcement succeeds in eliminating an entire criminal group, demand for illicit drugs will ultimately provide a market for “new” organized crime groups which will continue illicit activity. Focusing on the diminishing the drug demand is highly relevant in a long-term policy against organized crime. A broad plan of action and long-term strategy are necessary to diminish the threat and increase people’s quality of life.

The globalization process has increased the global trade making the world market more accessible. The pragmatic nature of the organized criminal’s mindset has used globalization processes in order to increase profits through contacts in countries around the globe. The primary characteristic of transnational criminal networks is their ability to exploit a variety of global, though predominantly Western markets²², mainly because of demand and strong purchasing power there. For instance, the Swedish drug market offers a variety of drugs: Central Asian opiates, Moroccan cannabis, and synthetic drugs produced in illegal laboratories in Poland, Netherlands, and Baltic region,²³ Furthermore, Turkish criminal group dominance of a southern route to the EU’s heroin market and Colombian criminal group’s ability to supply the EU cocaine market are all examples of a globalized society. Europol estimates that between 200 and 250 tonnes of cocaine are transported to the EU annually.²⁴ The amounts are higher if smuggling by air is included in the estimate. Furthermore, pragmatic criminal groups adapt to the changing conditions

²² *Organiserad brottslighet – lösa maskor eller fasta nätverk*, ed. Lars Emanuelsson Korsell and Helén Örnemark Hansen, Rapport 2002:7, National Council for Crime Prevention (BRÅ), Stockholm, 2002, pg. 8

²³ *Ibid.* pg 31

²⁴ European Union Situation Report on Drug Production and Drug Trafficking 2003-2004, pg 10, see also Report of the International Narcotics Control Board (INBC), 2004.

of a state and are able to move their base of activity from one country to another without great difficulty.²⁵

Figure 1



Types of seized drugs. Source: Michigan State Police

²⁵ Global Illicit Drug Trends 2003, United Nations Office of Drug and Crime (UNODC), Vienna, 2003, pg 94

2.4 Drug Addiction as a Threat to Societies

Drug addiction and drug related crimes dominate crime statistics collected by law enforcement agencies. The economic situation in Estonia, Latvia, and Lithuania is significantly better than in Central Asia and Russia, making it an attractive market for opiates and synthetic drugs from these regions.²⁶

Drug addiction is a threat to society in that it is undermining health, destroys individuals and even groups of individuals especially the youth. Drug addiction also increases risks to society by forcing the individual to turn to criminal behavior in order to support his/her craving. The link between drug addiction and diseases, such as HIV and AIDS is substantial.

Roughly 80 % of Russian HIV cases are found in injecting narcotics users (IDU); the total number of positive HIV cases in Russia is estimated to be 1,5 million.²⁷ This alarming number is the indirect result of organized crime activities, and the direct negative output of narcotics addiction. The Baltic

region experiences similar negative effects from drug addiction.

Figure 2



Intravenous Drug User
IDU

Synthetic drugs, such as, amphetamines, methamphetamines, LSD, and MDMA or ecstasy have become dominant in drug markets across the region, causing different types of addiction within the Baltic population. HIV/AIDS statistics in Estonia show that infection among adults has reached 1,1 % of the total population. Other higher

²⁶ Svante Cornell and Niklas Swanström, Transnationell brottslighet: ett säkerhetshot? Krisberedskapsmyndigheten, KBM (Swedish Emergency Management Agency) Forskningsserie Nr. 10, 2006. pp. 61-62

²⁷ Ibid. pg 4

estimates show that 2,1% of the adult population test positive for HIV, and approximately 90% are IDU. These estimates make Estonia the state with the highest HIV prevalence in the EU²⁸ and the world outside the sub-Saharan Africa. Other estimations are presenting even more austere picture of the current situation in Estonia: “[a]bout 80-90 per cent of new HIV cases in those countries are the result of injecting drug abuse, and the prevalence of injecting drug abuse among the adult population (persons 15-64 years old) is estimated to be as high as 2.5 per cent”.²⁹

Moreover, Estonian the domestic drug production has a deterioration effect on surrounding states, thus extending as a societal threat beyond its own borders. For instance, 80-90 % of seized amphetamines in Finland can be traced to three/four sources in Estonia.³⁰

Latvia’s adult HIV/AIDS rate is around 0,6% of the adult population, 72% of which are IDUs.³¹ Lithuania seems to suffer the least from the spread of HIV/AIDS; estimates show that around 0,2 % of adult population is infected. The highest concentration of HIV positive cases can be found in the capital, among IDU and individuals under 30 years of age.³² Meanwhile, the situation in Estonia and Latvia has reached proportions that are hard to control. “[I]t has been estimated that up to 1 % of the adult population [in Estonia and Latvia] injects drugs.”³³ Negative effects of narcotics use pose a clear societal threat. The situation in Latvia is similar to that in Estonia. An increased number of registered drug addicts, infected with HIV, are the

²⁸ UNAIDS/WHO Epidemiological Fact Sheet on HIV/AIDS and Sexually Transmitted Infections, Lithuania, (also Latvia and Estonia) 2004, pg 2.

²⁹ Report of the International Narcotics Control Board (INCB) for 2004, pg. 72

³⁰ European Union Situation Report on Drug Production and Drug Trafficking 2003-2004, pg. 14

³¹ UNAIDS/WHO Epidemiological Fact Sheet on HIV/AIDS and Sexually Transmitted Infections, Lithuania, (also Latvia and Estonia) 2004

³² Ibid.

³³ *Joint United Nations Programme on HIV/AIDS, (UNAIDS), 2004, “The Changing HIV/AIDS Epidemic in Europe and Central Asia”, UNAIDS/04.18E, pg 5. see also Svante Cornell and Niklas Swanström, Transnationell brottslighet: ett säkerhetshot? 2006 pp. 64-65*

most exposed group to the disease. The HIV cases in Latvia have grown fivefold since 1999. More positively, however, rates of newly reported HIV infections among IDUs in Estonia and Latvia have fallen considerably, suggesting that the epidemic has peaked.³⁴ Furthermore, Lithuania has thus far avoided massive spread of HIV/AIDS in their society; however, the increased number of new HIV cases does indicate a trend similar to that in the rest of the region.

Overall, drug smuggling, drug addiction, and spread of HIV/AIDS are greatest societal threats in the three Baltic states. These issues are pressing the governments to act, it is therefore important that these governments take decisions that will give positive long-term effects.

Narcotics addiction and drug related crimes dominate crime statistics collected by law enforcement agencies. The economic situation in Estonia, Latvia, and Lithuania is significantly better than in Central Asia and Russia, making it an attractive market for opiates and synthetic drugs from these regions. For instance, over the last five years, the use of methadone treatment has increased by over a third and there are around 400,000 people in the region receiving such treatment.

Drug related offences are another societal threat that has increased across the continent since the late 1990's. According to the European Monitoring Centre for Drugs and Drug Addiction (EMCDDA) annual report this increase is highest in Estonia, where drug related crimes have increased ten fold over the last seven years.³⁵ The last part of this work will attempt to analyze if transnational organized crime is directly or indirectly threatening long-term development within Baltic societies.

Furthermore, abovementioned societal threats may be viewed as national security threats which extend across national borders, becoming international concerns. The elimination of borders within the EU has made it easy for local criminal networks to develop greater links and expand into new markets due to their increased ability to smuggle narcotics and precursor chemicals much more effectively. The need for functioning

³⁴ *Drugnet Europe*, Newsletter of the European Monitoring Centre for Drugs and Drug Addiction, 2005, pg. 2

³⁵ *Ibid.* pg. 3

cooperation between regional governments is therefore fundamental in the struggle against organized crime and narcotics smuggling.

3. Countering Organized Crime

This section covers the international efforts to fight organized crime and narcotics smuggling. Moreover, when addressing the situation in each of the Baltic states, discussion will focus on the current counter narcotics structures and their problems, the status of international cooperation and recommendations for improvements on the local level.

3.1 United Nations' Recommendations

The United Nations Convention against Transnational Organized Crime is a general global strategy to combat transnational organized crime. Also called the "Palermo Convention," it was signed in Palermo, Italy during the UN conference, 12-15 December 2000. The strategy points out the importance of law enforcement instruments in their actions against organized crime, (general) legal recommendations for domestic measures and also legal adjustment of international standards, training and technical improvement, meaning an increase of resources, and lastly organized crime prevention in various forms.³⁶ Palermo Convention has set general standards for global action against transnational organized crime; however, states' willingness and capacity to realize these recommendations vary greatly.

3.2 EU's Drug Strategy

The EU's drug strategy is based on the UN's Palermo Convention and previous UN conventions against organized crime and narcotics. The EU's strategy further develops the convention and tries to apply it to the European context. The strategy is based on EU law and its values and considers the future EU Constitution and its definition of organized

³⁶ United Nations Convention Against Transnational Organised Crime, November 2000, pp 15-18

crime.³⁷ One of the main principles of the strategy is to establish and increase existing transnational dynamics in order to optimize the use of resources in the process of combating organized crime. Usage of the term Action Plan is frequent in the EU's drug strategy, clearly pointing to the dynamic nature of this document while also presenting clear goals and deadlines for their implementation. The EU's drug strategy plan also strongly emphasizes the need for closer cooperation between EU member states, especially between those which are experiencing similar problems.³⁸

The most important aspect of the EU strategy is its focus on both demand and supply reduction.³⁹ The all encompassing strategy has, in broad terms, been adopted by the Swedish National Drug Policy Coordinator with the name "National Action Plan for mobilization and coordination of the Swedish national drug policy". The Swedish action plan includes the identification of focal points, targeting the source of drug production (i.e. improving intelligence capabilities), increasing drug seizures (i.e. efficient customs and police coordination), going after the money (i.e. improving the control of banks and other financial transfer shop, as well as focus on prevention; that is decreasing the demand for drugs.⁴⁰ The major emphasis of the above mentioned international, regional, and national strategies is toward *prevention*. This idea will be discussed in the last section.

3.3 Estonia

Estonia has developed its counter-organized crime strategy far more effectively than Latvia and Lithuania. In 2002, Estonia launched its 'Strategy for Crime Prevention' that focuses on a variety of security aspects. The

³⁷ According to EU's council organized crime means: the illegal activities carried out by structured groups of three or more persons existing for a prolonged period of time and having the aim of committing serious crimes through concerted action by using intimidation, violence, corruption or other means in order to obtain, directly or indirectly, a financial or other material benefit.

³⁸ EU Drugs Strategy 2005-2012, (2004), pp 2-6

³⁹ Ibid pg. 6

⁴⁰ Emin Poljarevic, "Countering Narcotics and Organized Crime in the East Baltic Sea Region", *Conference Report*, Spring, 2005, pg 36

strategy has succeeded in decreasing criminal offences overall and also aided in the reduction of rates of repeated offenses.⁴¹ Estonia's ratification of the Palermo Convention, on 10 February 2003, has opened new possibilities for law enforcement in its action against organized crime opening for legislative changes and setting fighting of organized crime high on the political agenda. The Leading Inspector of the Drug Division in the Investigation Department of the Estonian Tax and Customs Board, Mr. Erik Uustal, states that Estonian law enforcement is now more effective than its counterparts in the other Baltic states. There are three existing structures in Estonia mainly responsible for fighting organized crime: the Central Criminal Police of Estonia, the Tax and Customs Office, and the Department of the Police Board. No single unifying structure exists to coordinate these law enforcement efforts. Cooperation, however, seems to function without serious bureaucratic interruption. There are some common traits that are important for both law enforcement and organized crime, and those are manpower, resources, and technical support.

Mr. Uustal's department of Tax and Customs focuses on the isolation and elimination of funding sources for illicit activities. Operations target criminals' financial assets, as well as the seizure of narcotics. Uustal states that while the volume of drug seizures can be an important indicator of success, the most important task for law enforcement is to limit and isolate criminal funds. Estonia's Bureau for Fighting Money Laundering and Criminal Police both work closely with the Tax and Customs Department in the exchange of information. The three also cooperate frequently on an operational basis in cases involving common interests.

The restraining the criminals' physical ability to commit crime is the one of the most important aspect of crime reduction. Following this idea, it is also natural to concentrate on crime reduction in regard to the court system, legislation and the seizure of criminal assets. Often, sentencing decisions made in Estonia's court system do not utilize the strict prescriptions that exist in the country's drug legislation. Mr. Uustal focuses the attention on the confiscations of criminal assets which are

⁴¹ Organised crime-Best Practice Survey, n°9, "Preventive Legal Measures Against Organised Crime", PC-S-CO 3 E (provisional), Council of Europe, Strasbourg, June 2003.

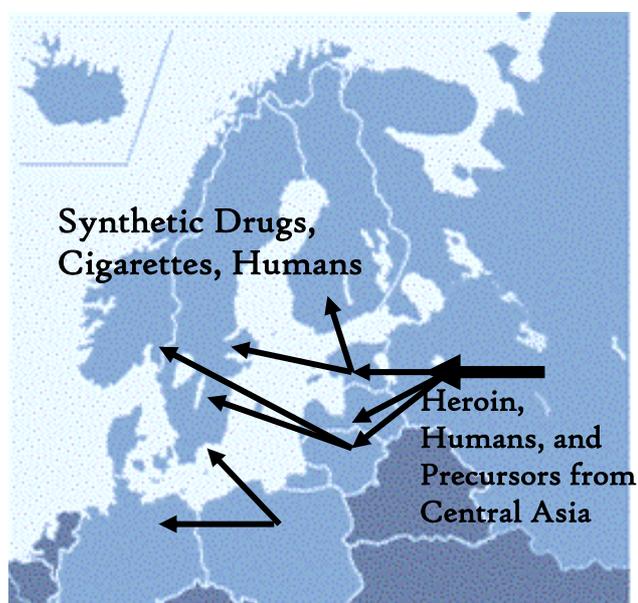
important aspects of crime reduction; however, sometimes criminal actors register property in the names of their family members and relatives in order to avoid the legislative obstacles. Here the legislative body should also be prepared to make necessary legislative adjustments based on recommendations and experiences from law enforcement institutions. Furthermore, it is necessary to develop strategies in combating transnational criminal organizations financially, since the current criminal trends show that these elements' ultimate goal is to transform their illegal funds into legitimate ones (through the process of money laundering).

The Estonian law enforcement cooperation with Finland has been helpful in developing legal and operational capacities in its counter-narcotics efforts. Cooperation in the same field with Estonia's other neighbors has improved over the past several years and is expected to improve even further. One of the major obstacles in cooperating with other states is the legislative differences and differing operational routines. Mr. Uustal mentions that these differences are the main cause of difficulty in Estonia's cooperation with Sweden. Bureaucratic processes are convoluted and even the existing portion of mistrust and lack of understanding may result in the failure of cooperation and a decrease in the efficiency of crime reduction. Mr. Uustal reveals that inefficient cooperation with Russia also has its roots in these causes. However, cooperation efforts are showing results and are proving fruitful; all of this is a result of persistence and willingness to work hard from all sides.

The importance of cooperating with Russia is strengthened by the fact that Estonia imports organized crime from Russia. Estonia is regarded as a window of opportunity for Russian organized crime groups. One of the major problems and factors to consider when describing efforts to fight organized crime in Russia is the lack of human and financial resources. The working conditions of the law enforcement agencies are also poor and insufficient in fighting well-funded and well-organized criminal networks. Russia's situation is unique in terms of consumption and manufacture of drugs. There are 2.5-5 million drug users in the country

and around 80 % of HIV positive is also regularly consuming drugs.⁴² Drug use and manufacturing as a societal threat in Russia is impeding and has an increasingly negative affect on its societal base. In other words, the health of next generation of Russians jeopardizes the country's future on a wide scale. Mr. Uustal argues that Russia's Federal Drug Enforcement Agency is ill-equipped, but nevertheless hard-working. Personal relations between the operations officers in Estonia and Russia are the most common type of cooperation today. Direct cooperation and communication in these relationships is efficient; however, if this type of cooperation is not institutionalized, it may easily fade away.

Figure 3



Smuggling Routes in
the Baltic Sea Region

In addition to institutionalized cooperation the development of operational procedures is necessary, and this should involve customs and other law enforcement units (i.e. Financial Investigation Units etc.) in the same case and/or investigation. Sometimes this creates a conflict of interest; however, increased communication results in more efficient cooperation between law enforcement units. Estonian coordination of law

⁴² Svante Cornell and Niklas Swanström, *Transnationell brottslighet: ett säkerhetshot?* 2006.

enforcement agencies using new methods of direct communication has proven to be more efficient than previously.

The former Estonian Minister of justice and current member of Riigikogu (Estonian parliament) and its legal committee, Ken-Marti Vaher, agreed that the coordination and institutionalization of cooperation between the criminal and central police departments has been productive. There is also an agency that coordinates the prosecutor's office, which was established in 2004. The prosecutors in Estonia are responsible for prosecution of individual criminal cases in the matters of organized crime. Mr. Vaher points out two important variables to consider in shaping strategies against organized crime and narcotics smuggling. Law enforcement strategies are dependent on the resources. Resources are defined here as available funds for law enforcement operations and qualified and well-educated operative personnel.

Further suggestions include the doubling of salaries for judges and prosecutors (to the same level as the salaries of the Estonian MPs) in order to diminish the risk of corruption, and also the improvement of working conditions for operational staff. Furthermore, specialized prosecutors should be trained and employed to handle organized crime cases, particularly those involved in drug trafficking and corruption charges. These special prosecutors would also coordinate and lead organized crime cases in order to increase the effectiveness of operational work. Specialized prosecutors would be involved from the beginning of the case, advising operatives on which evidence is relevant in order for the case to be valid in court.

Estonia has made significant changes in its legal system in order to meet the ever increasing societal threat posed by organized crime. Penalties for narcotics and organized crime-related offences have been reformed. The penal code for serious drug related crimes has been changed to life in prison following the example of several EU states.⁴³ Estonian prosecutors have also offered procedural agreements to some convicted members of organized crime in order to receive information on the members higher

⁴³ The states which practice life sentences for serious drug-crimes: Belgium, Ireland, Greece, Luxembourg, France, and Great Britain.

up in the organized crime hierarchy. There were several cases where high-level drug lords were convicted and imprisoned.

Estonian anti-narcotics and organized crime efforts have developed in a steady pace since independence, showing positive results. The government's cooperation initiatives with Finland have further increased its legislative efficiency, mainly through processes of institutional learning. However, great problems still remain. The HIV/AIDS epidemic and illegal production of narcotics are some of the issues that pose great threats to Estonian society.

3.4 Latvia

The situation in Latvia has improved over the last several years, especially in regard to countering human trafficking and corruption. The Director of the regional office of European Cities Against Drugs (ECAD) and the Acting Head of Criminological Research Centre in Riga, Dr. Andrejs Vilks argued that the Latvian government has already adopted a program against human trafficking and during this year, a new program concerning transnational organized crime is expected to be adopted. Legal changes are one of the primary tools used by governments to counter societal threats. However, a lack of finances can hinder positive judicial changes even though they may be easily applicable. The issue of prioritizing government spending is one major issue facing all governments. The question remains, whether there is any use of creating new programs without having adequate resources?

Dr. Vilks further argued that Latvia experiences a serious problem, and that is the criminalization of its economy. He further states that Latvia's "gray economy" is estimated at 2 billion Lats (3.5 billion Euros). The use of fictitious enterprises and the real estate market are the most common ways to launder money.⁴⁴ Dr. Vilks also mentions that Latvia holds fourth place on the global list of laundering money that derived from criminal operations in the U.S. The reason for this depends partly on the fact that criminal capital is hard to trace. This is especially true for

⁴⁴ See also Niklas Swanström, Emin, Poljarevic, and Elizabeth, Peterson, 2005.

"Organized Crime and Narcotics in the Baltic Sea Region: Issues of National and Regional Security", Conference Report.

criminal capital coming from Russia to Latvia and Scandinavia. The real estate market has been problematic. The market is infected with corruption and irregular privatization, thus infiltrating the legal parts of Latvian economy through the back door. However, there are signs that show that a new privatization wave of state-owned real estate is being regulated properly due to adjustments in Latvian legislation.

In Latvia there are two political structures highly susceptible to organized crime influence either through corruption or through direct involvement. The first structure consists of Latvia's political parties. The results of recent municipal elections in the city of Riga were recalled due to an alleged corruption scandal concerning deputies involved in the election. Dr. Vilks pointed out that there is a price to all political decisions and one has to be ready to pay the price to improve the situation. In other words, even if some political decisions are not popular, the politicians have a responsibility to make changes in order to establish a sense of responsibility among the political elite. Nevertheless, organized crime networks are and will try to infiltrate and influence political processes in order to create a favorable atmosphere for their illicit activity. According to Dr. Vilks, current municipal elections in Latvia are showing the same corrupted tendencies as before.

The second structure is the legal system where the legal deficit, in terms of solid laws and regulations against organized crime, causes the destabilization. Moreover, the issue concerning the complexity and obscurity concerning the criminal procedure code and its application are highly problematic. Positive examples from Estonia where the government reorganized the police structure in the 1990s and the reconstruction of the ministry of Interior where the channels of information and the role of prosecutor were clearly defined resulted in more efficient law enforcement.

Dr. Vilks further explained that a decrease in efficiency can be expected to follow immediately after the restructuring, but thereafter major improvements should be expected. Another important aspect to look at is the issue of resources. The increase of law enforcement officers' wages and improving their working conditions, would help the government to diminish the risk of low level corruption, and also increase the confidence with the first line of defense against the organized crime networks. Dr.

Vilks explained that today only 15 percent of law enforcement are experts in their field of enforcement. This share of experts should at least double in order to somewhat increase law enforcement efficiency. The existence of secret narcotic-labs in Latvia is denied by many politicians, according to Dr. Vilks. However, evidence shows that Latvia is in effect hosting numerous illegal laboratories producing synthetic drugs.⁴⁵

ECAD is one institution working towards improving the capacity of local counter-narcotics and organized crime bodies. Today there are very few and unimpressive facilities in Latvia specializing in training expert personnel in fighting organized crime and narcotics smuggling.

The situation is becoming increasingly difficult in Latvia since the drug culture has become more acceptable. Dr. Vilks further mentioned that on the streets in Riga, the youth can purchase drugs anywhere. Furthermore, the center for prevention of drug addiction made raids in Riga's clubs, discovering that in every club there were significant numbers of people under drug influence. But what is more troublesome is that no countermeasures, by the local government, were taken to improve this situation.

Latvia's biggest problem is the insecure financial sector infiltrated by semi-illicit financial assets. Dr. Vilks stated that the estimated "gray" part of Latvia's economy is staggering. Furthermore, the medium and low level political actors are also susceptible to corruption, which further creates insecurity in the society. The legislative deficit is another issue that needs great attention in order to improve the current situation. The narcotics situation in Latvia has not been as dramatic as in Estonia and Lithuania; however, organized crime groups are using the propitious situation in order to advance their positions in Latvian society.

3.5 Lithuania

Lithuania has developed a similar criminal code to fight organized crime as Estonia. The criminal procedure code, which deals with organized crime, has been adjusted to reflect the United Nations Convention

⁴⁵ The information came from the International counter organized crime conference in Vilnius in February 2005.

against Transnational Organized Crime. This has made it easier for law enforcement to investigate and solve cases related to organized crime; however, the legislation is rather new (introduced in 2003) and it is difficult to see results yet. In addition, rivalry between different legal structures existing for several years has created problems at the operational level, diminishing the structures' operational effectiveness. There is no educational institution in Lithuania where law enforcement members are trained in operational tactics and information sharing. The lack of this type of facility creates a quality deficiency in law enforcement which may result in stagnation of previous progress or even a further deterioration of the counter-narcotics strategy. The situation in Lithuania has not worsened since 2003, in statistical terms, indicating that the level of law enforcement efficiency has not changed since then.

As previously mentioned, legislative changes and new amendments are not keeping the same pace of development as organized crime activity. This could be partly explained by examining the issue of resources. Dr. Aurelijus Gutauskas of the Law University of Lithuania mentions that resource spending solely in law enforcement can be unproductive in the long run. The societal threat from organized crime and narcotic smuggling is versatile. A multilateral approach to the problem is greatly needed. For instance, there is no clear criteria defining organized crime, and this makes it hard for prosecutors to lead legal processes involving organized criminal network elements. The political and legal culture in Lithuania has been fairly slow to adapt to the criminal realities of their society. The versatility of organized crime requires the development of a comprehensive yet diversified strategy to fight it.

One of the initial steps toward a comprehensive plan against organized crime is the understanding of what organized crime is. The Palermo Convention is only effective if it is implemented and adopted into the legal frame of a specific state.

Lithuania experiences another type of problem in addition to the narcotics smuggling: organized crime elements have succeeded in infiltrating the political domain. Dr. Aurelijus Gutauskas and Dr. Saulius Juzukonis also of the Law University of Lithuania concurred that this is a significant problem in Lithuania. Many criminals are involved in legal businesses

today, and some have even succeeded in launching their political carriers with the help of illicit funds.

After the fall of the Soviet Union, the rearrangement and relocation of organized crime throughout former Soviet territories has brought significant problems. Initially, the Baltic states experienced social degradation. Entire societies experienced the shock of transition and negative effects pertaining to the distribution of wealth. Certain well-organized criminal groups acquired goods and property through illegal means. It is extremely difficult today to correct the legal lapses that took place more than a decade ago. Some of these lapses include the distribution of state property without legal control or supervision.

One of the results of the above-mentioned problem in Lithuania today is the lack of regulation of the funding of political parties. Dr. Gutauskas states that criminals can support political parties in order to obtain political allies and powerful partners. The impeachment of the president Paksas in 2004 is one high profile example. "The Lithuanian Parliament impeached President Ronaldas Paksas for taking funds from a Russian businessman with alleged ties to Russian organized crime."⁴⁶

One of the Chief Inspectors of the Drug Control Unit of Customs Criminal Service in Lithuania pointed out that criminal formations in Lithuania have changed their structures and tactics. Many criminal leaders have moved to Spain and are controlling criminal business from their villas without fear of being caught or prosecuted.⁴⁷ The cooperation between the Lithuanian criminal groups and Spanish domestic criminal groups mainly involves the smuggling of cannabis and other hard drugs to the Netherlands. Furthermore, Lithuanian criminal groups have been observed cooperating with Albanian groups located mainly in the UK. This type of behavior can partly be explained by the fact that the diversification of illegal business is highly important for transnational organized networks in order to spread the risks of being prosecuted and interrupted.

⁴⁶ Moises Naim, "Broken Borders", *Newsweek*, 24 October, 2005

⁴⁷ This is mainly a result of non existing coordination of laws in the European Union pertaining organized crime elements.

The Chief Inspector further mentions that Lithuania has several government bodies involved in fighting drug crimes. These law enforcement agencies are coordinated by Lithuanian Drug Control Department, which was created in August 2003. The Department's main functions are "to implement drug prevention and drug control policy and to coordinate other activities of state and municipal institutions and organizations in the sphere of drug prevention and drug control."⁴⁸ As a result of the new Lithuanian strategy against drugs four synthetic drug production facilities were dismantled during 2003. The introduction of a single database in the 1 January, 2006 will help to coordinate the work of all law enforcement agencies in Lithuania.

As concerns international cooperation, the Chief Inspector pointed out, differences in countries' legislations and legal systems create problems in combating the highly pragmatic organized crime groups. Nevertheless, difficulties can be bridged by exploring and utilizing commonalities. Lithuanian cooperation efforts with Swedish law enforcement have greatly improved during the past several years. Information concerning different cases involving Swedish and Lithuanian citizens caught or under suspicion in each others countries is flowing promptly and efficiently, according to the Chief Inspector. The same cannot be said about cooperation with the Russian counterparts, where a great deficiency in mutual assistance creates significant problems. Furthermore, Lithuanian cooperation with Germany, the UK, and Finland is also highly insufficient and many times absent. This is problematic, given that many Lithuanian criminal elements are active in those countries.

Furthermore, Lithuania is a small market for transnational organized networks. The Baltic region serves mainly as a port for illicit goods to EU. Baltic organized crime groups look towards larger countries to the west such as Germany and Spain, where Lithuanian criminal groups control some parts of drug trade.

Consequently, the destination of Lithuanian narcotics smuggling, is primarily Sweden and Norway, ecstasy being the primary product. Moreover, precursors needed for the ecstasy and amphetamine

⁴⁸ Drug Control Department - Lithuania, The Core Tasks and Functions of The Department, 2006, <http://www.nkd.lt/index.php?id=1-0-0>.

production, as already mentioned, are smuggled from Russia, but also from Central Asia and China. Over half of the precursors smuggled to Lithuania are smuggled onward to the Netherlands where the major part of European production of synthetic drugs is undertaken.⁴⁹

One of the most coveted precursors is benzyl methyl ketone or BMK which is used in the aluminum industry and pharmaceutical industries. However, narcotics producers are using this chemical to produce amphetamine. The other precursor that is highly popular is Methylendioxy-phenylpropan-2-one, or simply PMK⁵⁰, which is legally used in the perfume industry; however, narcotics producers are using PMK primarily for production of ecstasy. Vast quantities of BMK and PMK are smuggled to the EU from China through Russia and Central Asia, and the initial price (in China) of one liter is approximately 5 Euros.⁵¹

The Chief Inspector draws attention to the increased Lithuanian production of amphetamines and ecstasy, intended primarily for Scandinavian markets. The usual price of BMK and PMK is around 300 Euros per liter in Lithuania. In the Netherlands and Belgium the price for the same precursors is around 700 Euros per liter⁵², which makes it profitable merchandise to smuggle. Ever increasing production of amphetamines and ecstasy in Estonia, Lithuania and Poland could be attributed to lower precursor prices and higher profit margins. Europol's recent report on organized crime points out that the profit margin on one liter of PMK is approximately 10,000 Euros.⁵³

The organized crime networks are stretching their contacts and operations across the globe. For instance, a recent case involved Lithuanian citizen apprehended in the UK revealed that Central American drugs are smuggled to Netherlands and onward to Lithuania. This specific smuggler traveled to Trinidad and Tobago, where he

49 See also 2005 EU Organised Crime Report.

50 South African Police Service, (2005), see also French National Task Force for the Control of Precursor Chemicals (2003)

51 Europol's the public version of the 2005 Organised Crime Report (OCR), pg 12

52 Ibid

53 Ibid

arranged the contacts and closed the deal on a great quantity of cocaine. What is more intriguing in this case is that the British police did not contact the Lithuanian law enforcement in order to inform them about this case in order to deepen the investigation. According to the Chief Inspector, there are many missed opportunities like this one due mainly to a lack of communication and efficient cooperation.

The region of Kaunas in Lithuania's northwest is notorious for its crime levels⁵⁴, especially the production of ecstasy and amphetamines. New trends have shown that the narcotics production laboratories are more mobile and technically advanced than before (i.e. recreational vehicles, large trailers etc. are used as mini narcotic-factories in disguise) in order to come faster and closer to the consumers. Tendencies to use postal service has increased dramatically and this can be explained by the increased usage of internet and the possibilities to order illicit drugs easily and without substantial risk of being caught. The criminal groups in Netherlands and Belgium are well-known producers of party drugs, which are later exported to other parts of the EU and the world. Besides increased usage of postal services, organized crime groups have learned that the long-distance truck drivers are convenient means of delivering drugs and other illicit goods (i.e. weapons, cigarettes, alcohol, humans etc.) for a reasonable price.

The illicit drugs produced in the Baltic states are also distributed and consumed on the domestic market. This market has expanded rapidly, the following increased purchasing power of Lithuanian citizens'. The INCB (International Narcotics Control Board) report from 2004 shows that increased production of synthetic drugs in the Baltic region has resulted in increased abuse and addiction. Increased seizures of narcotics and laboratories all point to this direction.⁵⁵ Furthermore, the increased activity of organized crime groups throughout the northern EU can be explained by the opening of the borders between Eastern Europe and the EU. For instance, Lithuanian, Estonian, and Russian criminal organized

54 See also, Emin Poljarevic, "Countering Narcotics and Organized Crime in the East Baltic Sea Region", 2005, pg 15

55 INBC report for 2004, pg 72, see also European Union Situation Report on Drug Production and Drug Trafficking 2003-2004

crime groups are prominent in the northern Europe; while Albanian groups operate in southeastern Europe, primarily in Greece and Italy, but also in the north European states.⁵⁶

Lithuanian efforts to reform its legal system have been insufficient in countering narcotics production and smuggling, as well as organized crime networks. Criminal elements infiltrated Lithuanian politics soon after independence and are causing problems today. The financial sector is also infected by illegal money, which hurts economic development in the long-run. The amphetamine production in Lithuania is great issue not only affecting the country, but neighboring states as well. Lithuanian organized crime networks have also created bases outside Lithuania where they can operate freely, coordinating illicit business in their home country without fear of being apprehended or prosecuted.

3.6 Finland

One of the Detective Chief Inspectors of the Criminal Intelligence Division in the National Bureau of Investigation in Finland stated that Finland is not a transnational market for narcotics due to its geographical position and relatively small immigration rates. It is estimated that 80 % of narcotics smugglers are Finnish citizens and the rest are Estonian and Russian citizens. However, the amphetamines are smuggled primarily from Estonia and also that the current trend show a marginal increase of the drug on the Finnish streets. The overall narcotics situation during the last five years has been stable. Amphetamine and hashish are the most popular drugs; heroin and cocaine are not as prominent.

There are three main institutions that address narcotics and organized crime in Finland: the local police, the central criminal police, and the customs department. The local police are by far dominant in the number of prosecuted cases. The police, in general, address both the market and the structure of organized crime groups and their activities through out the country. The Ministry of the Interior is responsible for the distribution of the annual budget for crime prevention; however, regional police districts are distributing finances according to current needs. The finances are

⁵⁶ European Union Situation Report on Drug Production and Drug Trafficking 2003-2004, pg. 14

dispersed to the most prioritized cases or areas of operation. Organized crime and their narcotics business pose a threat to society on numerous levels. The Detective Chief Inspector stated that the law enforcement leadership is forced to prioritize its activities simply because of limited resources. The development of a *target-oriented approach* in counter-narcotics tactics⁵⁷ becomes a priority in itself mainly because it is necessary for efficient use of limited resources.

Since the mid-1990s, Finland has developed close cooperation with Estonian police authorities in their common struggle against this common societal threat. The Detective Chief Inspector mentions that a multinational operation against drug smugglers named “Rudol” exposed cannabis smuggling routes from Spain to Finland and other EU countries. Law enforcement surveillance in Estonia, Spain, Germany as well as Finland provided results; an entire organized drug smuggling league was disabled. Multinational operations like Rudol are highly important in learning cooperation techniques and getting to know different states’ law enforcement procedures. For example, in Finland, the police lead the criminal investigation whereas in most other countries the prosecutor is the one leading this type of procedure. Knowing this crucial difference is highly important to cooperative actions.

The issues that Finland is facing are mainly related to criminal finances. Revenues from drug sales are not confiscated efficiently. Drugs are smuggled to Finland and most of the money disappears out the same way. Investigations have shown that numerous drug lords are living in Estonia from where they send couriers to Finland. These drug couriers are prosecuted when caught; however, the bosses are significantly harder to apprehend.

Finland experiences problems with the confiscation of criminal assets. Nevertheless, it can be noted from examining the Finnish Drug Strategy for 2003-2006 that the combating drug abuse and narcotics smuggling have become a law enforcement priority. Criminal assets have been set as one target, and regional police districts are in charge of the drug strategy. Implementation goals are set by each police district and the current annual goal is €10,000 per district. Furthermore, all relevant cases are

⁵⁷ Ibid.

registered and put in a continuously updated catalog, which is shared by all police districts and relevant agencies. The Detective Chief Inspector explained that this information goes to the highest levels to be analyzed where the higher law enforcement body and decision makers can observe the progress of the work. Moreover, all the larger police departments cooperate with tax police; financial police etc. A coordination of efforts thus increases law enforcement effectiveness.

Financial crimes are easier to track than drug deals because of the paper trail created. However, without a proper exchange of information between countries, transnational financial crimes are rarely solved in the Baltic Sea Region. As mentioned above, a target oriented approach and multinational coordination of law enforcement would diminish the negative effects of financial crime. Furthermore, it is necessary to develop new tactics and strategies in law enforcement in order to increase the capture of organized crime network members.

Traditional stake-out techniques wherein law enforcement use wiretapping, physical surveillance, and other tactical tools are all valuable; however, these methods are time-consuming, expensive, and ultimately uncertain because legal technicalities often render the achievements of this work useless. Therefore, a law enforcement joint unit of operations is necessary where the involvement of a financial crime unit, a tax unit, a counter-narcotics unit, the prosecutor's office and other relevant entities would provide effective tools for counter-narcotics and organized crime operations. This type of coordination may seem difficult to realize, nevertheless, its benefits far exceed its costs. New opportunities are created. In order for field work to pay off, law enforcement agencies must analyze all possibilities in capturing the driving elements behind the organized crime networks. In other words, by changing its focus, law enforcement diversifies the possibilities by using the entire arsenal of counter-measures in its efforts against organized crime networks.

Law enforcement cooperation between the states in the region is crucial to success in the struggle against organized crime. The above-mentioned target-oriented approach across the state borders has proven to be successful. Political will, resources, intelligence exchange, and legislative coordination are basic elements for a cooperation structure in the Baltic

Sea Region. Common issues are to be combated with common tools and positive attitudes.

3.7 Current Situation in Scandinavia

The Swedish 'Nordic Customs and Police Cooperation' Liaison Officer in Latvia reiterated previous statements on the necessity of accurate information exchange. Liaison officers are used to enhance the strategic work and to establish cooperation through out the Baltic Sea Area. The liaison officers facilitate inter alia hearings in neighboring countries and in urgent cases they are allowed to approach a foreign colleague directly. This is because seizures and disruption of organized crime depend on accurate intelligence work. Moreover, lack of (or insufficient) intelligence flow between law enforcement agencies in the Baltic Region increases the societal threat posed by narcotics in societies across the region.

The Swedish liaison officer stated that amphetamine and methamphetamine are regularly smuggled to Sweden from the Baltic states. Rohypnol or flunitrazepam is regularly smuggled from Lithuania to Scandinavian markets. Regarding cocaine smuggling, there are several organized criminal networks operating routes from South America to the Baltic Sea Region, and other places in the EU. South Americans, Russians, and Lithuanians are involved in cocaine smuggling to the EU. Moreover, transnational organized crime networks are increasingly working together with small local criminal groups, and as such, increasing the volume of smuggled drugs while spreading the risks of merchandise flow disruption.

Recent trends show that cocaine smuggling to Sweden is increasingly handled by Lithuanian and Estonian citizens. Although there are still no known Latvian smugglers to Sweden and Norway, field research has shown that between 2002 and 2005 there were 150 seizures in Sweden and Norway of narcotics originating in Latvia. Furthermore, according to the Swedish liaison officer, the information may be flawed, considering that law enforcement only seized an estimated 5 percent of the total volume of smuggled narcotics. Between January and October 2005, Swedish law enforcement seized 63 kg. of amphetamine and methamphetamine together with 485 rohypnol pills coming from Lithuania intended for the Scandinavian market (primarily Sweden and Norway). Calculations

show that approximately 1.3 tons of amphetamine and almost 10,000 rohypnol pills is smuggled to Scandinavia during the same period. The abovementioned (seizure) figures reflect seizures at the border and not street level seizures.

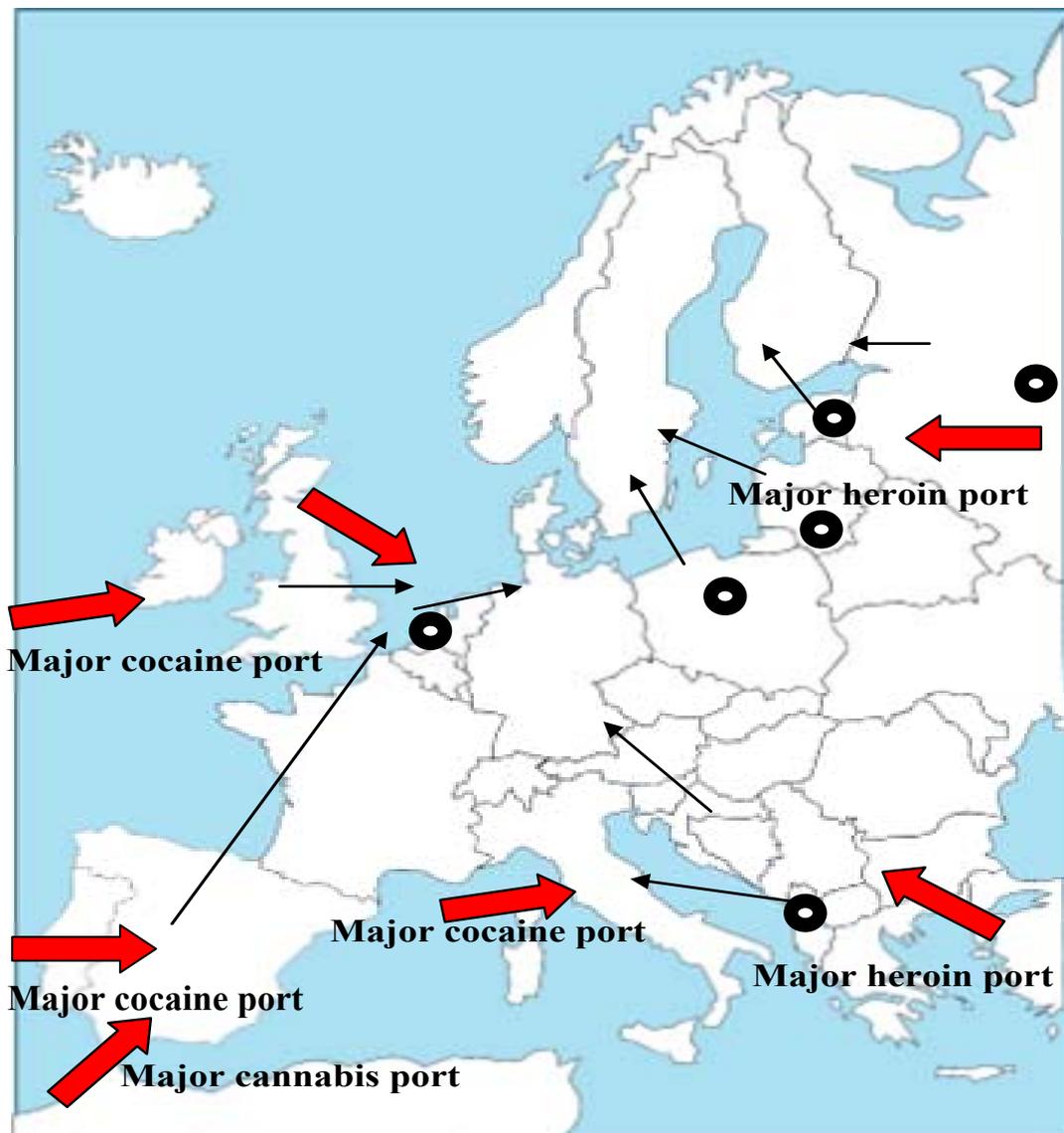
Organized crime groups are increasingly professional and sophisticated in their activities. According to the Swedish liaison officer, some groups engage in counter-surveillance of Swedish customs officials. The port of Karlskrona was intensely observed by one of the Lithuanian organized crime group for 14 days where the customs operators and their routines were recorded and analyzed in order for the criminal group to smuggle cigarettes and drugs. In order to deceive customs officials, criminal groups from Baltic states mix together legal and smuggled goods, making it extremely hard to detect illicit trade. A considerable portion of drug trafficking is routed through Latvia, and Lithuanian citizens are the primary smugglers (it is also they who do the counter-surveillance), but it is not known who the organizers are. However, it is known that Lithuanian smugglers are very active in smuggling and accumulating assets in Scandinavia. It is also known that a traditional method of smuggling is to have 2-4 persons crossing the border in different places whereupon the smugglers are contacted by the distribution part of the criminal network.

The Swedish liaison officer explains that new smuggling routes are discovered. Amphetamine and rohypnol are increasingly smuggled from Norway to Sweden, and this may depend on the tightening of drug control on the border between Sweden and Denmark wherein smugglers shifted to less supervised border-crossings between Norway and Sweden, again showing the pragmatic nature of criminals and their ability to easily adapt to changed circumstances.

Another troublesome issue in Sweden is that of crime prevention efforts. Plea-bargains and other forms of crime prevention are underdeveloped. Furthermore, Swedish law enforcement is not allowed to use decoys in their stakeout operations, which is a legislation issue that would need to be changed. For instance, coordination of counter-narcotics operations with Baltic states by luring the couriers and organized crime bosses from Baltic states in order to catch them would increase efficiency and chances of disrupting organized crime activities. Today, monitoring telephone

conversations causes the criminal to communicate less over the phone, which makes surveillance harder. Infiltration of organized criminal groups is necessary in order to counter organized crime more efficiently. Also in the future, the prosecutor's office needs to be involved much earlier in the process than today. On a positive note, cooperation between Estonian, Latvian, Lithuanian, and Swedish customs is getting better every month, and corruption is not a big problem among operative law enforcement staff.

Figure 4
Major Smuggling Routes and Amphetamine Production Regions in Europe



Major amphetamine and ecstasy production center ●

4. Strategy for Countering Organized Crime and Narcotics Smuggling in the Baltic Region

4.1 Strategic development in countering organized crime

After considering the societal threat and existing institutions in place to counter these threats, it can be concluded that there are several stages involved in strategy development. First, state legislations must define organized crime and felonies related to organized crime in a clear and applicable way. It can be noticed that Estonia and Finland have come far in this process. Dynamic changes in Estonian legislation are usually attributed to the young, pragmatic political elite.

Second, increased political awareness will ultimately amplify the political will to act. Without significant political will neither legal (i.e. prosecutor's role and criminal law changes) nor operative changes will come about. Third, increased law enforcement funding and improved working conditions will in due course improve law enforcement efficiency. Lastly, anticipation of organized crime activity and awareness of its threat to society must increase and become more competent. To anticipate organized crime means to exploit new opportunities in fighting it.⁵⁸ Organized crime's goal is to generate money, and this is mostly done by concealing the illicit part of activities with licit ones, which makes it difficult for law enforcement to revealing the patterns and illicit finances.

4.2 Structural Dynamics of Transnational Organized Crime

Governments in states surrounding the Baltic Sea Region have the responsibility to coordinate their efforts. Coordinating resources and priorities is fundamentally important in building a strategic approach to the biggest societal threat: organized crime and narcotics smuggling. The Estonian government may be cited as an example where legislative (see

⁵⁸ Williams P. and Godson R. "Anticipating organized and transnational crime", *Crime Law and Social Change*, No. 37 2002.

pg. 16) and operative adjustments have been made to indicate Estonia's priorities. Combating drug trafficking was and still is one of the major priorities when it comes to combating organized crime, hence the increased spending in this area of law enforcement. Furthermore, Estonia has developed a close relationship with Finland, which has resulted in

Figure 5



Cigarette Smuggling

close cooperation between the law enforcement agencies, including prosecutors. Even though drug production trends are on the rise, the readiness of Estonian law enforcement is considerably better than its Baltic neighbors. What is then the decisive factor in differences between Estonia and the other Baltic states?

Several reasons explain these differences. During the post-Soviet transition period, Estonia chose to install a new political elite consisting of young, educated, and dynamic politicians detached from the old system. This strategy gave positive results. Legislative and institutional changes were made in record time, significantly increasing their readiness to address societal threats posed by organized crime. This is especially true with regard to countering corruption in the political system. Furthermore, Estonia's close cooperation with Finland and its openness to new ideas has improved its strategy in combating organized crime. This part is dependent on political will in the country. Without political consciousness and the will to prioritize, changes would not be realized. Consequently, the existence of political will and an increased priority of these issues resulted in increased resources, which enabled an improvement in fighting organized crime and corruption.

On the other hand, Latvia and Lithuania did not have the same strategy. The old political leadership remained in place after independence, simply replacing the old political agenda with a new one where national independence was a solution to all problems without presenting a clear political strategy. Even the priorities were significantly different from those in Estonia in regard to issues of organized crime and corruption. The political will to tackle these issues may have existed but only as a populist cover.

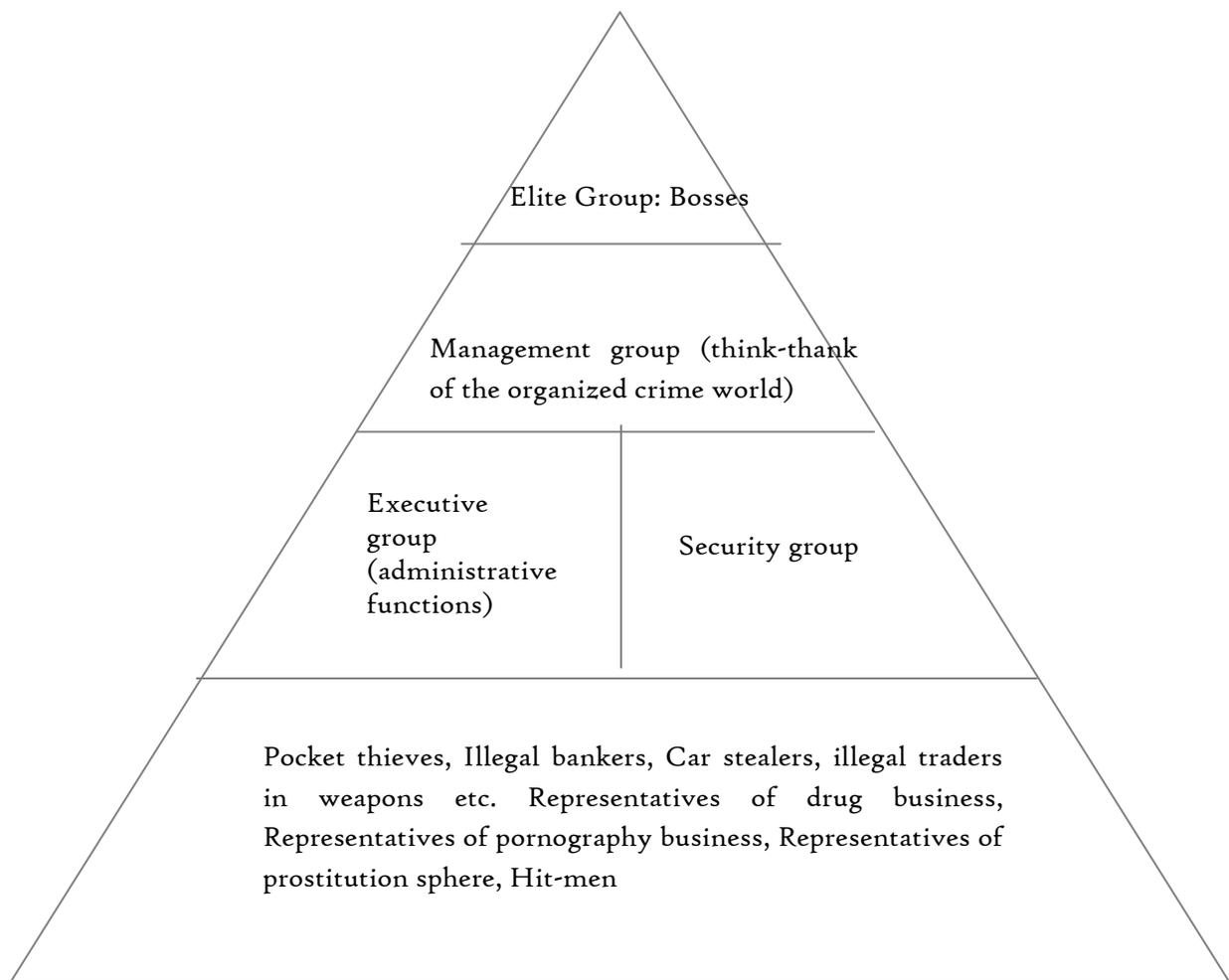
The Estonian decision to create a coordinating agency that has institutionalized cooperation between the criminal and central police has led to new ideas. From 2004, there is an agency coordinating the prosecutor's office and the police investigations. Prosecutors became the holders of individual criminal cases in matters of organized crime. Furthermore, prosecutors become coordinators and advisors of ongoing organized crime cases. The special role of prosecutors as supervisors of organized crime cases will improve the fight against this societal threat in the long run. The prosecutors' role would be to recommend the type of evidence to be gathered in order to improve the soundness of a case in the court. In this way full usage of legal and strategic competence is expected to increase the effectiveness of law enforcement efforts.

4.3 Regional Cooperation in Focus

Transnational cooperation between states in the Baltic Region should have become significantly easier with the advent of EU membership; however, initial distrust and suspicion have slowed down this process. During the first year of the region's EU membership the states have started to seriously understand the importance of law enforcement cooperation in order to diminish the threat of transnational organized crime. One of the crucial elements of success in the fight against organized crime and its harmful effects on the societies is regional law enforcement cooperation.

Regional cooperation based on the exchange of intelligence is fundamental to a successful counter-narcotics strategy. Regionally coordinated operations and intelligence gathering are necessary in combating complex organized crime structures. In other words, by avoiding complex bureaucratic structures, the governments would open new possibilities for law enforcement agencies. The construction of a regional coordinating body would speed up and organize law enforcement efforts which would increase their productivity and effectiveness.

Figure 6



Hierarchical Structure of Organized Crime, Provided by Mr. Adrejs Vilks

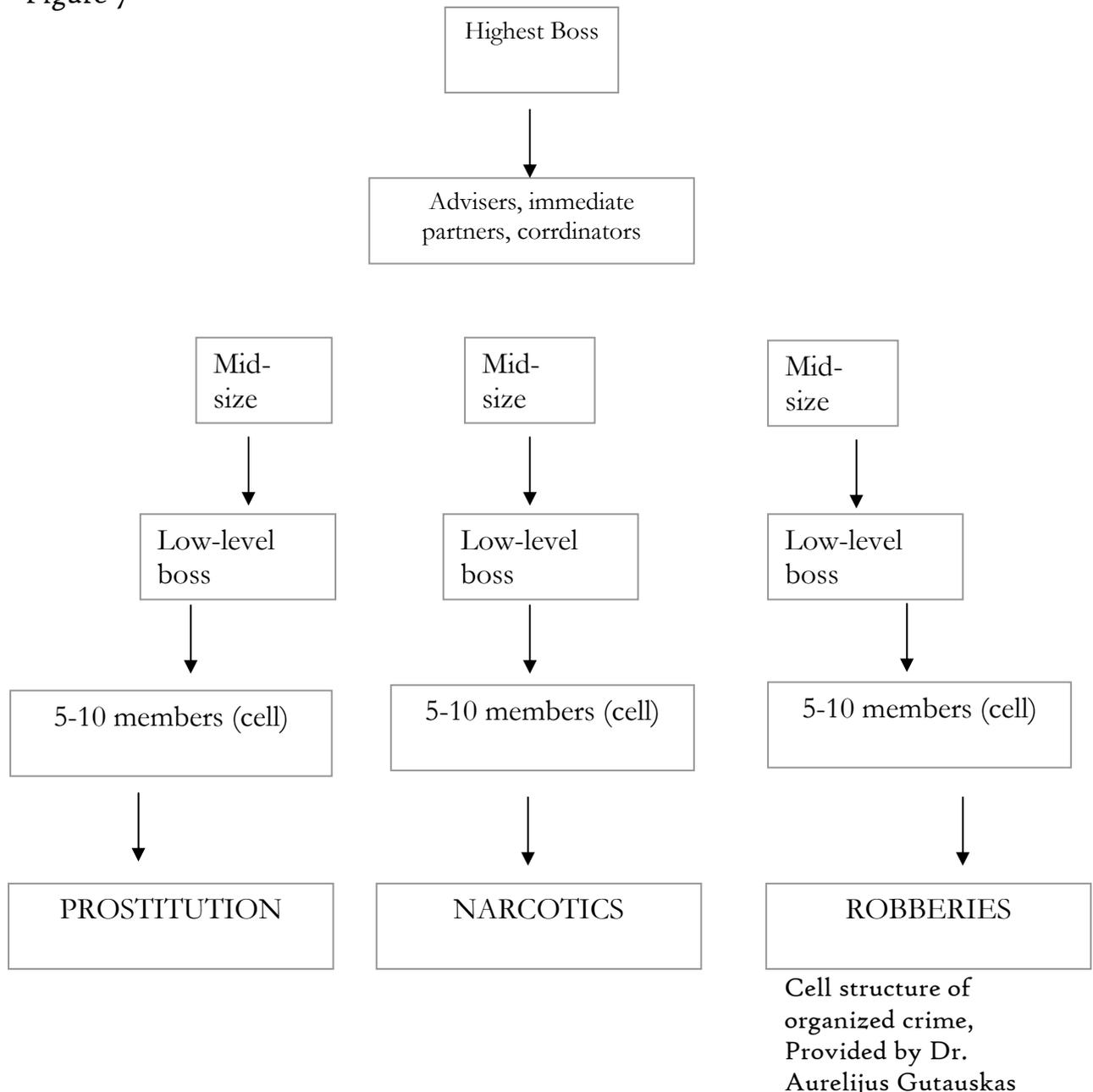
4.4 Organized Crime Group Structure

The hierarchical structure of organized crime groups in the Baltic Sea region is transforming from a vertical line of command to one that is horizontal. The traditional hierarchical organizational structure still dominates the organized crime groups of Eastern and Central Europe; however, trends have shown that organized crime groups have developed network structures divided in operative cells.⁵⁹ This means if one cell is

⁵⁹ Svante Cornell and Niklas Swanström, Transnationell brottslighet: ett säkerhetsshot?, 2006. pg 2

caught another or several others are replacing it. The operative bosses are the only individuals in the group that are in contact with the bosses higher up in the hierarchy. This form of structure secures the higher bosses and preserves order and continuous productivity with greatly reduced risk of failure.

Figure 7



Governments and law enforcement agencies can meet this threat and suppress it only if they are familiar with the criminal networks structures in the entire region, not only in their own country. The decision-makers

in the region have the responsibility to recognize and respond to one of the most imminent societal threats. In order to face the threat, law enforcement needs more resources in financing and manpower.

4.5 Targeting the Money

In order for strategy to work, certain focal points have to be chosen. The decision makers' responsibility is to focus law enforcement efforts to crucial parts of counter-narcotics and organized crime strategy.

The ultimate goal of organized crime activity is to generate financial assets. Therefore, targeting this dimension of illegal activity should be a priority for law enforcement agencies. Financial Intelligence Units (FIU's) have to be further developed in all the states surrounding the Baltic Sea. For instance, the Swedish FIU is a non-priority institution without authority to freeze and block assets, and as such is unable to deliver results.⁶⁰ Banks and other financial institutions in Sweden are responsible and expected to report any suspicious transaction to the police and/or FIU. This, in turn, designates bank officials as those solely responsible for the detection of money laundering and other illicit transactions. Thus, FIUs cannot perform their responsibilities of investigating and analyzing the movement of criminal assets. Furthermore governments are responsible to fulfill the forty recommendations of Financial Action Task Force's (FATF)⁶¹ in order to meet the fundamental requirements for financial safety.

The situation throughout the entire Baltic region is problematic and threatened by money laundering.⁶² This, in turn, affects the investment climate in the region and decreases the trust of the investors and the general public. The result of focusing efforts on the financial aspects of organized crime activity would serve to increase the criminals' transaction costs, inflicting significant harm to their networks.

⁶⁰ Niklas Swanström, Emin, Poljarevic, and Elizabeth, Peterson, "Organized Crime and Narcotics in the Baltic Sea Region: Issues of National and Regional Security", 2005, pp. 64-65

⁶¹ Financial Action Task Force, "The Forty Recommendations", *FATF on money laundering*, <http://www.fatf-gafi.org/dataoecd/7/40/34849567.PDF>, 2003

⁶² Ibid pg. 67

A partial solution to the problem of financial crime and money laundering can be found in the creation of a regional group responsible for the continuous assessment of financial security in the region. This can be done by a comparison of the legislative and operative improvements of financial security. Investigating and assessing criminal trends on a regular basis would improve the likelihood of successful preventive law enforcement operations. Furthermore, law enforcement activities that include involvement of the prosecutor's office should be coordinated. Sweden has taken the first step towards improvement of prosecutor's role in combating organized crime and narcotics smuggling. Starting from January 1, 2005, Sweden formed a single authority responsible for all prosecution-related activities, (excluding prosecutors affiliated with the Swedish National Economics Crime Bureau). The name of this state authority is *Åklagarmyndigheten* and it has four method development centers. Furthermore, the Swedish Customs Service has a new organization based on the two core tasks of the Swedish Customs Service: Law Enforcement and Managing the Trade, which is divided into six centers of expertise. Each centre is responsible for its field of expertise throughout the country. The center's headquarters are located in Gothenburg, Stockholm and Malmö.⁶³ This multi-agency approach is one of the steps towards the long-term solution of law enforcement functional issues in Sweden. Nevertheless, many regional issues remain, and each country has responsibility in adapting their legal systems to EU standards.

4.6 Coordination of States' Legal Systems

Considering that the EU has 25 often uncoordinated legal systems, the organized crime networks feel safe working across borders making use of legal differences between states and avoiding being caught and disrupted. The EU attempt to improve its readiness is embodied in the European Union Judicial Cooperation Unit – Eurojust which is “a new European Union body established in 2002 to enhance the effectiveness of the competent authorities within Member States when they are dealing with

⁶³ Notes from seminar on “Enhancing the Combat of Drug Related Organized Crime in the Baltic Sea Region”, 2005

the investigation and prosecution of serious cross-border and organised crime”.⁶⁴ Eurojust is a substantial project that will take many years to fully develop. Regional divisions held together by a flexible coordinating body are more suited for the societal threat discussed here.

Similarly, Europol is criticized for being a giant without real strength and without real authority and flexibility to act swiftly. In order to avoid Europol’s bureaucratic structures, states in the Northern Baltic region (Sweden and Finland etc.) have sent their own liaison officers to work in the Baltic Region directly cooperating and working with law enforcement in the assigned country. This style of cooperation has boosted seizures of illicit goods and made operational work more dynamic and flexible. The cooperation between prosecutors is, on the other hand, harder to coordinate since legislative differences are still too large to bridge. The EU’s attempt to create a Joint Investigation Team (JIT)⁶⁵ in 2002 reflects the understanding of the necessity to coordinate prosecutors’ work. However, many issues remain unresolved. For instance, often national prosecutors refuse to prosecute criminals that have committed crimes in more than one state. Nevertheless, it is suggested that a quantitative criterion will be decided in what member state prosecution will take place⁶⁶, meaning that the state where the largest amount of crimes were committed will prosecute.

Concerning the Baltic states, there are several issues that are mentioned above; however, the cooperation between the states is still unsatisfactory. Latvia’s biggest problem is money laundering, illicit narcotics laboratories and insufficient border control. Lithuania’s illicit laboratories and narcotics/cigarettes smuggling are top concerns. Despite dynamic changes in Estonia’s legal system and the creation of a special prosecutor’s

⁶⁴ Eurojust official web site, <http://www.eurojust.eu.int/index.htm>, 2005

⁶⁵ EU document, *Police and Customs Operations*, Framework Decision 2002/465/JHA, 2002.

⁶⁶ Notes from seminar on “Enhancing the Combat of Drug Related Organized Crime in the Baltic Sea Region”, 2005

office for organized crime cases, Estonia's biggest problem is still structural. Only the prosecutor can decide on sharing information with a foreign state in a specific case. Furthermore, incoming requests for cooperation with other states on the law enforcement level have to be directed to the Ministry of Justice. Furthermore, the office of the prosecutor general deals with legal assistance issues. The highly centralized system prolongs the execution time and also complicates the process of cooperation between Estonia and other states.

4.7 Regional Coordination

Development of a regionally cohesive strategy should avoid the creation of international ostentatious projects. Ongoing cooperation between the states surrounding the Baltic Sea has great potential to develop a stable and successful security area serving as an example for rest of the EU. Direct institutional links are necessary to deal with a variety of security threats⁶⁷, especially the threat of transnational organized crime. First step in this direction is the creation of a regional expert group. The group would in turn work towards better understanding of societal threats giving direct recommendations to decision makers and law enforcement agencies and later even evaluating the results and the progress of group's own recommendations and law enforcement implementation.

The expert group would consist of law enforcement operatives, academic experts, as well as decision makers. This group would work together towards the development of new working methods. It is necessary to substantiate new strategies with academic evaluation involving a new way of thinking and thus bridging a gap between operational staff and decision makers.

Taking into account the cause and effect of organized crime activity across the region and the patterns of criminal networks, regional cooperation would then be based on solid ground making the region's efforts to counter organized crime more effective. As such, decision-makers in the region could appropriately adapt legislation to the situation

⁶⁷ Press-Barnathan, Galia, "The Changing Incentives for Security Regionalization From 11/9 to 9/11", *Cooperation and Conflict: Journal of the Nordic International Studies Association*, Vol. 40(3), 2005, pg. 28

on the ground. The states could further coordinate their law enforcement efforts to focus on crime prevention. Inclusion of academics may provide new approaches to fighting organized crime, broadening the spectrum of possibilities for law enforcement and new ways of thinking for decision makers.

One of the initial suggestions is the change and coordination of EU member states' legislative systems. This fundamental change would open up for the law enforcement agencies and their routines, which would in turn advance their operative and administrative capabilities. Since the physical control of the inter-EU member border crossings is no longer possible, human resources are to be diverted to intelligence and information gathering. Operations personnel have to be reinforced with greater resource capabilities, which could be partially funded by the financial seizures of criminal assets. The increase of operational personnel in the field should be an immediate short term priority. Today, a large part of law enforcement personnel is administrative staff, making human resources in the field decidedly limited. The coordination of law enforcement operations does not include enough flexibility. Often, operations staff avoids formal procedures and use personal contacts between officers to rapidly react to criminal activity, for instance in cases of smuggling of illicit goods. Direct cooperation on a professional, and not on personal basis, is needed. A permanent coordinating body for each region should therefore be formed, where information exchange is institutionalized, and as such, frequent, swift, and efficient.

5. Conclusions

Organized crime and narcotics abuse are an immediate societal threat in the Baltic region. Transnational organized crime networks are both resourceful and innovative. They can easily adapt to any environment, much like a virus in the societal body. The main transnational organized crime networks are ahead of any law enforcement agencies in the EU and the world. The European drug market alone generates between 30-40 billion USD annually⁶⁸, which puts this issue in perspective. Making further analysis and estimating how much of the illegal finances generated by the drug market are reinvested in legal EU markets (which in turn grants criminal access to legal economies and increasing their interference) would further increase our understanding of organized crime and its threat to societies.

The development of law enforcement capacity to tackle organized crime must be achieved at several levels. Each state has to define organized crime by defining criminal acts committed by organized crime groups and revise its legislation concerning this issue.⁶⁹ Furthermore, it is necessary for each state in the region to develop a counter-narcotics strategy presenting future law enforcement policy concerning this issue. Demand reduction in the first hand and then supply prevention should be the main components of the states' strategies. Moreover, strategies ought to be comprehensive, diversified, and internationalized, since transnational organized crime and narcotics smuggling are versatile and adaptable to changing circumstances. Moreover, effective anticipation of organized crime development is

⁶⁸ Swanström Niklas L.P., Emin, Poljarevic, and Elizabeth, Peterson, 2005. "Organized Crime and Narcotics in the Baltic Sea Region: Issues of National and Regional Security", Conference Report, pg. 76

⁶⁹ Criminal codes, financial crimes, corruption, narcotic related felonies etc.

fundamental to its prevention. In addition, a stable knowledge base is necessary to develop a strategy of effective anticipation.⁷⁰

Decision-makers in the Baltic region must be prepared to increase budget spending on demand reduction measures and law enforcement (especially intelligence gathering). Investment in high-tech equipment⁷¹ is highly recommended since this avoids human risks and secures evidence, which in turn increases the chances of conviction of criminals. States have to coordinate their legislations in order to prevent legislative loopholes used by transnational crime groups. Regional cooperation should extend from legislative coordination to operative cooperation and institutionalization of cooperation. The role of prosecutors should be coordinated and clearly defined.

The states in the Baltic region need immediate improvement of financial security. Banks and other financial institutions need to implement the FATF's 40 recommendations, but to do so the decision makers need to legislate on each of these areas. Financial Intelligence Units are necessary components of law enforcement and a crucial tool to be used in revealing money laundering and the flow of illegal assets. It is therefore imperative to prioritize the funding and the development of these units, thus strengthening their role in the efforts against organized crime.

Increased research regarding efforts to fight organized crime and narcotics is another highly relevant aspect of the entire strategy for the Baltic region. The abovementioned expert group would strengthen the region's strategy offering new ways of thinking and alternative solutions. The expert group would make up-to-date recommendations to decision makers and law enforcement after regular evaluations of progress. By combining academic research methods with field experience, new ways of thinking could be developed which would advance counter-narcotics and organized crime strategies. Expert academic competence would help with systematic and methodological review of previous government and law enforcement efforts, which would in turn set the solid ground work for a

⁷⁰ Williams P. and Godson R. "Anticipating organized and transnational crime", *Crime Law and Social Change*, No. 37 2002, pp 311-355

⁷¹ i.e. surveillance equipment

feasible regional strategy. Furthermore, anticipation of organized crime and its activities would become far better if expert academics were involved in strategy development and its evaluation.

Conclusively, changes in working methods are greatly needed, as well as new ways of thinking in order to efficiently combat organized crime. The operational capacity should be expanded, including the strategy development and creation of an expert group; moreover, coordination of resources should be one of the main priorities of legislative bodies of the Baltic states.