

# Intelligence Analysis of Transnational Crime: Assessing Canadian Preparedness

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## Intelligence Analysis of Transnational Crime: Assessing Canadian Preparedness

by *James G. Stewart*

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### INTRODUCTION

Over the past twenty five-years, much has been written in Canada on the subject of security intelligence, but unfortunately, much less on the subject of criminal intelligence. Security intelligence has undoubtedly been subject to greater scrutiny and interest by virtue of certain espionage and even criminal events that have given rise to royal commissions and parliamentary hearings.<sup>1</sup> Writings and studies by journalists, academics and other researchers have examined in considerable detail the mandate, role, responsibilities, duties, effectiveness and accountability of security intelligence agencies.<sup>2</sup> Although all might not agree, the standard of efficiency and effectiveness of those security intelligence agencies has probably increased significantly as a result of the scrutiny and various recommendations flowing from the commissions and hearings. Criminal intelligence, however, has not been subjected to such scrutiny and it might be argued that it is all the worse for that.

It has been suggested that there are fundamental differences between a system established for the enforcement of the law and one for the protection of national security. The federal government presented that view in a submission before the Special Committee of the Senate on the Canadian Security Intelligence Service on 7 July 1983.<sup>3</sup> A contrary submission, made on 3 October 1983 by the Minister of Justice for Saskatchewan stated:

We do not necessarily agree with . . . [the] submission concerning the primary objective of a law enforcement agency. We suggest that a primary purpose of any law enforcement agency is to prevent offences from happening and thereby maintain law and order throughout the country. A security agency has a similar role in having as its primary objective, a responsibility to ensure that the security of the country is maintained and not subverted by others.<sup>4</sup>

But the accentuation of the "fundamental" differences between the two "systems" prevailed from that point on. It is suggested that the early proponents of the "fundamental" differences view may have been some senior RCMP Security Service officers whose frustration with internal RCMP policy with respect to communication with the Solicitor General on matters of security and intelligence, emphasized certain differences, rather than accentuating similarities, as a means of seeking a new identity for the Security Service, entirely separate from the RCMP.

The distinction between the two "systems" was emphasized by the findings of the McDonald Commission, as well as the Report of the Special Committee of the Senate on the Canadian Security Intelligence Service. Not surprisingly, the subsequent *Canadian Security Intelligence Service Act* (1984), at least in the public view, confirmed those apparent differences. Otherwise why would security and intelligence work not continue to be conducted within the framework of the RCMP?

Although the Security Intelligence Review Committee (SIRC) has commented on the relationship between CSIS and the RCMP, particularly in the area of terrorism and their cooperation and sharing of information,<sup>5</sup> it is unfortunate that SIRC has not sought to increase its knowledge and understanding of the more intricate aspects of law enforcement and particularly the field of criminal intelligence. However, this topic probably lies outside its mandate. Following SIRC's Third *Annual Report* which, inter alia, raised concerns about the effect CSIS' counter-subversion operations were having on civil liberties, the federal Solicitor General responded by establishing an Independent Advisory Team (IAT) in July 1987. In its report the IAT was yet another official body to declare that certain "fundamental differences" existed between police work and security intelligence work.<sup>6</sup> Given all these authoritative pronouncements it is little wonder that the differences were almost "cast in stone." Stuart Farson put it well when he stated:

[I]n fact, it has now become almost second nature to conclude that there is a marked difference between the security intelligence role provided by CSIS and that provided by the police.<sup>7</sup>

Law enforcement traditionally has been considered by many to be essentially reactive. Although there has been an element of information and prevention in law enforcement, on the whole it takes place after the commission of a distinct criminal offence and might be deemed "result oriented," emphasizing apprehension and adjudication. Only recently have police executives looked to strategies such as "Problem Oriented Policing," which focus on eliminating causative elements of crime and are preventive in nature.

On the other hand security intelligence seeks advance warning and the forecasting of possible security threats not necessarily concerned with breaches of the law and might be considered more "information oriented." But, in fact, since at least 1956 law enforcement has been involved in the collection, filing and sometimes analysis of criminal intelligence at the local, national and international levels, in order to identify major criminals and criminal groupings. Nevertheless, owing to a lack of interest on the part of journalists, academics and other researchers, and a corresponding lack of openness on the part of police forces and departments, the field of criminal intelligence studies has not progressed as far as it might have.

In fact, there may be far more similarities than differences between the fundamental processes involved in the production of both criminal intelligence and security intelligence. Professor J.L.I.J. Edwards, in a study paper prepared for the 1981 McDonald Commission report stated:

it is difficult to see where any theoretical or jurisdictional line can properly be drawn, on the one hand, between the criminal intelligence activities of the ordinary police, as part of the national intelligence police system and on the other, the domestic intelligence gathering activities of the Security Service Branch of the federal police.<sup>8</sup>

Although there may not be a theoretical line between the two activities, the general perception of the police role in society is probably mainly a reactive one of law enforcement which is reinforced by daily media coverage of arrests and court proceedings in their communities. Yet, through community based programs such as the Block Watch and Neighbourhood Watch programs the public is involved, along with the police, in a participatory role in preventing criminal activities. The *prevention* of criminal acts, be it terrorism or any one of the myriad of others in the *Criminal Code*, is still the main *raison d'être* of a modern day police force. Preventive measures must be undertaken to preserve the peace, which should include substantial proactive intelligence operations against sophisticated organized criminals.

## **THE NEED FOR CRIMINAL INTELLIGENCE AND ANALYSIS**

One of the essential tools in that prevention process is an effective criminal intelligence organization. Like its security intelligence counterparts, a criminal intelligence organization must also have a process of systematic collection, collation, evaluation, analysis and dissemination of information from a wide variety of sources in order to identify criminal endeavors and prepare threat assessments before events occur.<sup>9</sup>

Although the end users or customers of the criminal and security intelligence may be different in each organization, the basic information processing concepts are very similar. There are differences in certain policy and procedural matters between security and criminal investigations, such as the method for the acquisition of warrants for telecommunication intercepts. The security organization, being federally controlled, must first receive approval from the Solicitor General of Canada and then make application to the Federal Court of Canada in Ottawa. Under the *Constitution Act* (1982), although the federal government of Canada is responsible for enacting criminal law, it is the provinces that are responsible for its administration and enforcement. Thus, in making application for a telecommunication warrant in a criminal investigation the police are required to seek authority through provincial judicial bodies. Yet, the grounds for seeking the authority for a communication intercept are quite similar in both fields of investigation, i.e., that other investigative procedures have been tried and have failed, or that it appears that they are unlikely to succeed, and that the urgency of the matter is such that it would be impractical to carry out the investigation using only other investigative procedures.

Many of the interviewing concepts, investigative methods and techniques in both security and criminal investigations have parallels. Each may have very complex investigational processes, requiring considerable tact, investigative skill, sensitivity and acumen. The McDonald Commission report itself makes it evident that practically all basic investigative practices were common to both the regular and security duties of the force.<sup>10</sup> The degree of judgement required of employees in security and criminal investigative

bodies depends a great deal on the type of work being performed and the level of seniority and experience of the employees.<sup>11</sup> Unfortunately, the field of criminal intelligence has not been entirely understood even within domestic and foreign police agencies.<sup>12</sup> Heretofore, it has not received the attention and resources by police managers and leaders that it probably should have had because, in times of tight budgets and limited human resources, it was seen as an expensive luxury, the benefits of which were not clearly understood.

Essentially, the intelligence process is no different from basic research. First, the problem is defined, then the data is collected, assessed and organized. It is analyzed and then disseminated to the appropriate departments or agencies. Yet, despite the simple logic of applying this model as the main ingredient in action plans against organized crime, its application still remains somewhat ambiguous, sporadic and inconsistent.

There is a view prevalent in some police and enforcement circles that the role of criminal intelligence, if used at all, lies solely in a tactical operational sense, as a method to expedite bringing criminals to justice as swiftly as possible using intelligence to provide leads for the investigation and subsequent evidence gathering and prosecution of the criminal.

But, once the criminal has been removed from the scene, little time is spent continuing with the intelligence process, particularly the essential activity of analysis to produce more tactical and even strategic intelligence about that criminal and his/her group and to identify links to other known or suspected criminals and groups still functioning. Police agencies are often more reactively driven and simply move on to the next operational event.

Law enforcement bodies traditionally have gathered and stored data, often ad hoc, from a variety of sources, but have not expended resources toward the most critical area of intelligence work, that of analysis. This deficiency frequently has been identified by those who have examined the intelligence process over the years. In the McDonald Commission inquiry report, the Commissioners stated:

the Security Service is weakest when it come to analysis . . . We have met a number of Security Service staff with well developed analytical talents. The problem is that there is not enough of them, and in addition, those in middle management often lack the skills and experience to supervise them properly.<sup>13</sup>

The lack of analytical capability was not confined to the security intelligence field, but was also found wanting within the criminal intelligence community as well. A US government financed study found that police intelligence activities tended to continue as collection efforts, with little effective analytical work achieved.<sup>14</sup>

The lack of solid analysis apparently has continued into the 1990s because in 1991, Bob Morehouse, Supervisor of the Organized Crime Unit for the State of California's Department of Justice stated:

many law enforcement agencies in California have failed to progress much past the data collection and dissemination stages, having devoted little or no time to the analysis process even though most intelligence units have sent one or more of their staff through the California Department of Justice's intelligence analysis training program.<sup>15</sup>

Morehouse went on to state:

most intelligence in California is tactical in nature and consists of creating link analysis charts and other visual investigative aids that are developed from intelligence data collected from specific cases. *Unfortunately, few reports contain any hypothesis or an interpretation of events or forecasts.* (emphasis added)<sup>16</sup>

If tactical or operational intelligence is dealt with by a police agency in a systematic fashion through the ongoing processes of collection, assessment, recording, analysis and dissemination, the groundwork has been laid for the implementation of strategic intelligence. This will not only enhance and formulate a broader view of organized criminal events and trends, but can be an excellent management tool to examine other issues and events which may impact on planning and budgetary concerns, particularly making better use of scarce resources.<sup>17</sup>

As an example, intelligence obtained from immigration and law enforcement personnel has identified many groups involved in large-scale smuggling of people into North America, with Indian, Pakistani and Latin American cases being well documented.<sup>18</sup> But illegal Chinese immigration shows the greatest growth, and with clear connections to Chinese criminal groups in China, Hong Kong and North America. The number of Chinese smuggling cartels has not only grown rapidly, fuelled by the financial rewards, but they are highly complicated and ingenious operations with circuitous transnational routes.<sup>19</sup> Such large flows of illegal immigration coupled with legal migration can often have an unsettling effect on the receiving country's domestic politics. A substantial strategic intelligence picture of the threat from illegal immigration could be developed from a combination of sources: intelligence obtained from various tactical enforcement operations; and an analysis of historical and current political and economic events in China, gleaned from open sources. Together, these might help to identify the forces that are driving Chinese migration within China and externally throughout the world. Police and law enforcement officials are making some progress toward these types of assessments. Once so equipped they are then more adequately prepared to make sound and reasoned decisions.

Organized crime has a long and varied history in many parts of the world, but traditionally it was seen as a domestic law and order problem. Over twenty-five years ago the *Organized Crime Task Force of the President's Crime Commission* (1967) noted the need for intelligence in the "war against organized crime." It declared that police departments in every major city should have a special intelligence unit solely to ferret out organized criminal activity.<sup>20</sup>

## THE CURRENT STATE OF CRIMINAL INTELLIGENCE IN THE PROVINCE OF BRITISH COLUMBIA

In Canada, there are two national bodies responsible for the collection and analysis of criminal intelligence: the RCMP's Criminal Intelligence Directorate (CID), and the Criminal Intelligence Service Canada (CISC). Both organizations have their head offices within RCMP Headquarters in Ottawa and representatives in field offices throughout the country, staffed by police and civilian personnel. CISC is an organization of combined Canadian law enforcement agencies, whose primary role is to provide facilities for the sharing of intelligence among all Canadian police forces. It is through this "network" that the criminal intelligence units of most major police agencies come together for the common purpose of fighting the spread of organized crime in Canada.<sup>21</sup>

In British Columbia, policing services are provided by a federal force (the RCMP) and a number of independent municipal forces, the largest of which is Vancouver. The RCMP is divided into three jurisdictions, federal, provincial and municipal. The federal element is responsible for enforcing federal statutes such as *Customs, Excise, Income Tax, Narcotic Control* and *Food and Drug Acts*. The provincial element is under contract to the province to provide policing in the rural areas and in those municipalities not having their own police forces. The provincial and municipal police enforce the *Criminal Code*, which encompasses most of the offences which are considered organized crimes, with the exception of drug offences, which come under the *Narcotic Control* and *Food and Drug Acts*.

Prior to the 1970s, there was little evidence and much less discussion on the existence of organized crime in Canada. It was believed that whatever existed was probably a "geographic spillover" from the United States.<sup>22</sup> But in 1973, Dr. Malcolm A. Matheson prepared a report for the British Columbia Department of the Attorney General, which expressed great concern over the growing incidence of crime in British Columbia.<sup>23</sup> The report showed that crime had more than doubled in the period from 1962 to 1971, and in the case of crimes of violence, doubled again between 1971 and 1972.<sup>24</sup> That activity was traced directly or indirectly to the influence of criminal activity in narcotics, loansharking, gambling, prostitution, extortion, theft rings, holdup gangs and commercial fraud. Given that recognition and documentation it was decided that a new approach be taken.

In the Spring of 1974, the Coordinated Law Enforcement Unit (CLEU) was formally established in British Columbia to coordinate the efforts of police and other law enforcement agencies to research, investigate and prosecute organized criminals operating throughout the jurisdiction. CLEU is managed by a Policy Board, chaired by the Deputy Attorney General, which sets the priorities for the organized crime targets, establishes policy and direction and provides financial resources. CLEU has offices and personnel in Vancouver and Victoria and each is supervised by a Joint Management Team. There are two investigative arms composed of RCMP and municipal police members who mount joint force operations against specific targets. A rather unique feature of CLEU is its Policy Analysis Division, staffed by research officers and analysts,



whose mandate it is to strengthen the legislative, regulatory and criminal law enforcement through the acquisition, dissemination and use of knowledge about organized crime. It also provides analysis of intelligence reports in support of operations and financial, analytical, technical, clerical, administrative and information system support.<sup>25</sup>

## **THE GROWTH OF TRANSNATIONAL ORGANIZED CRIME**

Unfortunately, organized crime has spread far beyond the usual national and sub-national jurisdictional borders, and has become transnational in character, with international networks which recognize no boundaries. The threat from international organized crime is now declared by many authorities to be of such magnitude that it is essential that more emphasis and resources be placed in the criminal intelligence process. A 1993 study by the National Strategy Information Center, a Washington-based "think tank," concluded that international organized crime poses a threat to American interests that cannot be met by law enforcement alone. The study suggests that a new breed of international organized criminal is challenging governments throughout much of the world and is increasingly cooperating in large-scale criminal enterprise. The study stated that in the United States international organized criminals are a major influence behind drug-related violence and help to finance and promote financial fraud, alien smuggling, corruption and prostitution.<sup>26</sup>

The authors of the report, Roy Godson, a Georgetown University professor and William Olson, former Deputy Assistant Secretary of State for International Narcotics matters, stated that, although US law enforcement agencies have had notable success combatting organized crime, the problems appear to be growing and the American response is fractured among a variety of agencies. The authors stated that "our government no government understands the magnitude of the threat posed by international organized crime."<sup>27</sup> This concern about the threat posed by the rise in transnational criminal activity was echoed by then Central Intelligence Agency (CIA) Director R. James Woolsey on 20 April 1994, when he and other government witnesses were testifying at a US Senate hearing. He said that drug trafficking, money laundering, alien smuggling and other criminal activity was spurring political corruption, terrorist violence and serious economic problems around the globe.<sup>28</sup> Woolsey even stated that the issues are far from being exclusively in the realm of law enforcement; they also become a matter of national security. James C. Frier, Deputy Director, Federal Bureau of Investigation (FBI), testified that criminal groups from the former Soviet states are linking up with *La Cosa Nostra* and the Italian Mafia, Asian gangs and Colombian drug cartels. Frier quoted an estimate that crime groups have siphoned \$500 million from the Russian economy. He said that the FBI have been paying increasing attention to Russian immigrants to the United States who are believed to be involved in criminal activities abroad.<sup>29</sup> According to Louis J. Freeh, Director of the FBI, Russian emigré gangs working with *La Cosa Nostra* have been able to control the sale of more than 50 million gallons of gasoline per month in the US. Using fictitious corporations, the gangs have been able to draw off tax revenue estimated at \$1 billion annually.<sup>30</sup>



In a recent article on transnational criminal organizations (TCO's) and international security Phil Williams, Director of the University of Pittsburgh's Ridgway Center for International Security Studies, argued that "TCOs pose serious threats to both national and international security, and are extremely resistant to efforts to contain, disrupt or destroy them."<sup>31</sup> Changes in global politics and economics and the further development of the "global village" concept with its increased mobility of populations, rapid growth of international trade and sophisticated world wide financial transactions, not to mention the tremendous demands for goods and services throughout the world, has created many opportunities in abundance for illegitimate business enterprises and their criminal participants.<sup>32</sup>

Criminals are used to operating outside the laws and regulations of any jurisdiction; for them, national boundaries are more of a nuisance than an obstacle and are readily circumvented.<sup>33</sup> The size of the TCO's vary and are not necessarily hierarchial and rigid in structure. They range from the rigid Japanese *Yakuza* structure to the loosely arranged Chinese triads and youth gangs. With the exception of the *Sun Yee On* (SYO) and the 14K, the Chinese organizations are loose groupings of criminals who have banded together at a particular time for a common purpose, such as the world wide distribution of thousands of counterfeit credit cards from Hong Kong. In 1993, world wide losses to counterfeit credit card fraud amounted to a reported \$283 million.<sup>34</sup>

The SYO, which has a significant presence in Hong Kong with links to people in higher places in the colony's socioeconomic structure, was reported in 1993 to be in an ongoing struggle involving frequent violent confrontations with the 14K, to maintain a stranglehold on the colony's entertainment industry.<sup>35</sup> Triads and other Chinese criminal gangs have strong links throughout the world in the local Chinese communities, and these relationships have given them ideal surroundings to engage in the smuggling of illegal immigrants and heroin, extortion, gambling, loansharking and prostitution. Smuggling luxury cars from the US to mainland China, using sophisticated methods and overseas contacts in Hong Kong and the US, has been one typical criminal venture in recent years.<sup>36</sup>

On the other hand, the Colombian cartels focus almost exclusively on drug trafficking, as do the Nigerian criminal groups. Russian criminal organizations are also emerging as a significant threat in fraud and money laundering. Phil Williams suggested that of particular concern is the increased Russian trafficking in nuclear material, with a reported 200 smuggling operations taking place in 1993.<sup>37</sup> Russian and German law enforcement officials stated that many of the reported thefts and attempted sales of nuclear materials involved gangs that were testing the market but did not yet have the goods. What they had was low grade uranium that needed refining to increase its market value. But FBI Director Freeh stated that the Bureau was aware of two kilograms of U-235 isotope missing for weeks from Russia's St. Petersburg area that had been "enriched to a weapons grade level." Apparently this amount is less than a third the amount needed to fashion a crude nuclear device. A larger amount was seized by police in Prague in December 1994, adding weight to concern about the illicit market for nuclear bomb-making material.<sup>38</sup>

It is expected that illegal drugs, already a major worldwide economic activity, will become an even more significant commodity in the future. Heroin and opium seizures throughout the world have reached unprecedented levels. For example, in 1991 heroin seizures in Canada represented a 60 percent increase over the previous year.<sup>39</sup> Williams suggested that with the unrest that has followed the end of the Cold War the proliferation of ethnic and regional conflicts, with sub-state groups challenging the authority of their states a growing number of malcontents are seeking weapons to further their goals. Criminal activity of various kinds, but particularly the drug trade, represents one lucrative avenue for generating the funds required for arms purchases. He goes on to observe that certain degrees of cooperation have developed between TCO's and certain nation states, or "rogue" elements within the states. From the perspective of intelligence analysis, these pacts of convenience, which meet the objectives of all parties, strengthen the link between criminal and national security threats.<sup>40</sup> This is most apparent in Peru, where temporary alliances of convenience have developed between the *narcotraficantes* and the *Sendero Luminoso* insurgent groups.<sup>41</sup>

The threat posed by transnational criminal groups must be seen in a new light, since society is not used to regarding "non state actors" as a major security threat. Olson and Godson assert that criminal organizations menace domestic institutions, the market system, the stability of friendly and allied countries and the lives and well being of Americans. Given the reported serious escalating criminal events in Russia and the organized criminal activities of Russian emigrés throughout the world,<sup>42</sup> should it be considered not only a law enforcement problem but a national security problem for Western democracies? If so, then perhaps security intelligence organizations, with some amendments to their legislated mandates should become more significant contributors to criminal intelligence in those cases where criminal and security problems overlap. For example, given CSIS' accumulated experience in analyzing Russian affairs, would it not be appropriate and useful to share that knowledge with police forces engaged in combating Russian transnational crime?

Canada's "Proceeds of Crime" amendments, which came into force on 1 January 1989, have been a very effective tool in dismantling the enterprises of organized criminals. The legislation, which amended the *Criminal Code*, the *Narcotic Control Act*, the *Food and Drug Act*, and the *Income Tax Act*, provides criminal courts with the power to order the forfeiture of the proceeds of criminal activity following convictions of an "enterprise crime" or a "designated drug offence." The amendments also provide for the pre-trial "seizing" or "freezing" of the proceeds of crime by obtaining a "special search warrant" or a "restraint order." Further, the legislation creates the new offence of "laundering the proceeds of crime."<sup>43</sup> The utility of this legislation was demonstrated in 1994, when the RCMP uncovered two large money laundering networks involving millions of dollars worth of drugs. In one investigation 558 kilograms of cocaine were seized, 26 people charged with trafficking and with laundering more than \$100 million in cash. Some \$65 million of the money had been transferred to various foreign countries. During the investigation the RCMP froze more than 200 accounts in 29 financial institutions, some of them in Canada.<sup>44</sup>

As we approach the twenty-first century, experts, the media, and the public are debating the causes of the reported increase in criminality and violence. Police in all jurisdictions are being asked to expend greater resources to meet the demands of the public for safer streets and communities. At the same time, but much less visible and certainly less frequently covered by the media, sophisticated, professionally organized criminal organizations continue to flourish amid the distractions created by more visible law and order events that are the subject of so much media attention.

The criminal intelligence community in Canada is fractured and disjointed, with national and regional efforts not being entirely coordinated. Granted, coordinated efforts must contend with the complicated array of federal, provincial and municipal police jurisdictional boundaries, but surely they are not insurmountable impediments. It is not sufficient to continue the collection process only. Analysis is absolutely essential. The security intelligence community has not been alone in the "collection only" side of intelligence. The criminal intelligence field has also concentrated on collection, with the analysis process being frequently neglected.

Considerable duplication and rivalry is probably taking place given the parallel interests and responsibilities of Canada's two national criminal intelligence organizations, the RCMP's CID and the CISC. In the interests of cost effectiveness and operational efficiency some re-evaluation of organizational roles should occur. A single organization may best serve Canada's criminal intelligence needs.

The CISC is ideally situated to take the lead in the collection and analysis of criminal intelligence in Canada. Mandated since 1966, it has the necessary infrastructure in the form of provincial bureaux located across the country. It has much of the required personnel and expertise and has already developed the necessary intelligence customers and contacts. Further, its computer system ACIIS II (Automated Criminal Intelligence System), has just undergone a major update and is scheduled to be on-line Canada-wide early in 1995. Thus, if the intelligence collection mandate is already in place, then the objectives and goals should be readily definable from the national to the provincial levels, taking into account local conditions and events. But, if CISC and the regional bureaux are to be the collection and analysis points, then it is incumbent on all RCMP federal, provincial and municipal divisions and detachments, as well as other provincial and municipal police departments to provide information to the provincial bureaux in their region. Since all of those law enforcement agencies and many others, such as Immigration Canada, Ports Canada Police, and Corrections Service Canada, are members or affiliate members of CISC, the organizational structures are in place. What is required from all those departments and agencies is a commitment to move toward a unified integrated criminal intelligence system to which all would contribute. To do otherwise would mean that our assessment of transnational crime and its threat to Canada will continue to be sporadic, piecemeal and not entirely accurate.

Police agencies throughout the world are recognizing the need to coordinate and integrate their often financially-strapped resources. Shortly after being appointed to the position of US Attorney General, Janet Reno called for an integration of Federal law enforcement

activities which resulted in a joint Drug Enforcement Agency (DEA)/FBI database. DEA and FBI drug intelligence files would be merged into a single system. The FBI was undertaking a full commitment to the El Paso Intelligence Center (EPIC) which is managed by DEA, and in which all states and most federal agencies participate. EPIC provides intelligence on a real-time basis on the movement of drugs by land, sea and air throughout the world. The National Drug Intelligence Center (NDIC) in Johnstown, Pennsylvania will be responsible for strategic intelligence relating to drug trafficking organizations. Responsibility for the NDIC will rotate between the FBI and the DEA, with the US Marshals Service and the Immigration and Naturalization Service (INS) required to contribute data systems and personnel. The Department of Defense and components of the Treasury Department were also expected to contribute. This coordinated effort was consistent with FBI Director Freeh's belief that duplication of efforts is untenable in this time of fiscal austerity.<sup>45</sup>

In the United Kingdom, police and other law enforcement agencies have called for the creation of a "British version of the FBI to fight the triads and other forms of organized crime." In 1994, a Joint Action Group (JAG) was formed to help investigate international criminal groups. The JAG consists of senior government officials from 20 government departments and law enforcement agencies, including the Metropolitan Police, the National Criminal Intelligence Service, Customs and Excise, Immigration, Serious Fraud Office, Inland Revenue and the Gaming Board.<sup>46</sup> Although JAG is at present concentrated on London, where there is a high concentration of organized crime, the group could soon become national.<sup>47</sup> In March 1994, the British House of Commons Home Affairs Select Committee began an inquiry into organized crime in Britain. The committee will make recommendations on the possible changes in the structure of the police and other prosecuting bodies to give them greater power. Australia is currently exploring new methods at the federal level to integrate law enforcement responsibilities,<sup>48</sup> while German police authorities are seeking new ways to combat organized crime.<sup>49</sup>

Police forces are operating in the new milieu of rapid communication, sophisticated computers, databases, and faxes. As well, police and enforcement agencies have liaison officers stationed in key cities abroad. Agencies such as Interpol provide a clearing house for information concerning the movement of criminals. So it is curious that police agencies, who have frequently voiced the wisdom of utilizing intelligence to "wage the war on organized crime," still are unable to determine the extent of the threat from organized crime. As noted at the outset, the explanation lies in part in the fact that the field of criminal intelligence has not received the critical attention and scrutiny it deserves from within, or without police agencies and departments.

Given the myriad of criminal activity in our midst and the ever increasing demand by the public for police presence and action in their particular communities, it is not uncommon for a department's resources to be readily re-deployed to criminal activity that is neither organized nor major. But it is not surprising that the public genuinely would be more concerned about speeding cars, auto thefts and break and enters in their neighbourhoods than in the much less apparent organized crime. Many police agencies thus are frequently in a reactive mode with new events and criminal activity continually overtaking plans to

develop effective intelligence assessments. This suggests that there might be a need for nationally and regionally financed organized crime departments, rather than municipal ones. Regardless of the level at which it develops, however, it is essential that any major police and law enforcement body have dedicated intelligence analysts, well-educated and trained innovative thinkers responsible for tactical analysis, who work closely with enforcement units to identify major criminals and their organizations for domestic and international customers.

But of critical importance, even more so during times of limited financial and human resources, is the need to produce strategic intelligence, which has been called "a predictive management tool." <sup>50</sup> Strategic intelligence analysis involves the comprehensive examination of an assortment of disparate, incomplete and unfamiliar data, and requires considerable skill in developing hypotheses about events, trends and potential problem areas of criminal activity outside the normal course of a criminal investigation. But, there must be a commitment by management within police and law enforcement organizations to realize the value and place of each type of analysis in the field of criminal intelligence and to work toward that end. Some discussion, review and scrutiny by knowledgeable persons outside the forces themselves might exert a healthy influence on that process. Perhaps there is a need for the field and agencies of criminal intelligence to be subjected to the scrutiny of an oversight body, similar to CSIS' Security and Intelligence Review Committee, which would oversee targeting standards, effectiveness and efficiency. Can we rely on the organizations' internal auditors to perform those functions?

It seems reasonable to expect that the combination of a growing threat from transnational crime throughout the world and reduced law enforcement budgets limiting the ability of police forces to cope with the increasing criminal problems, <sup>51</sup> may bring about a renewed awareness and demand for answers to major organized crime problems. Likewise, the reduction of duplication, competition and rivalry among law enforcement agencies is finally being addressed in many jurisdictions, making way for the integration and amalgamation of resources.

British Columbia's CLEU is one example of this process at work. It has moved progressively toward unifying intelligence and enforcement objectives against major and organized crime within their jurisdiction, but there still needs to be a strengthening of that integration process. The Criminal Intelligence Service British Columbia is now an integral part of CLEU and is expected to play a key role in the advancement of criminal intelligence. Personnel from Citizenship and Immigration and Revenue Canada (Customs and Taxation) have also been seconded to CLEU for investigative and analytical responsibilities. In fact, CLEU has frequently been mentioned in law enforcement circles as an excellent organizational model which has all the necessary ingredients to effectively combat organized crime.

By utilizing various police and enforcement computer data banks, coupled with information gleaned from open sources, CLEU has greater potential to develop not only valuable and timely tactical intelligence in support of the operational police and law

enforcement units but also valuable strategic assessments. These products, coupled with specific recommendations for policy changes, are valuable decision-making tools for senior government bureaucrats, policy makers and police managers.<sup>52</sup> Likewise the report, *Criminal Activity in the Business Immigration Program*, which examined the extent to which criminals were using the business immigration method to enter Canada, gave a new insight into that potential problem area.<sup>53</sup> The report on *Electronic Surveillance* examined the causes and effects of diminished use of electronic surveillance by Canadian police forces between 1974 and 1992 and made specific recommendations.<sup>54</sup>

## CONCLUSION

This article argues that the need for a sophisticated criminal intelligence organization in Canada is as of vital importance today as was the need for a security intelligence organization during the Cold War. It may not be sufficient simply to leave it only to law enforcement and intelligence bodies to debate and act upon that suggestion. Thus, the existing criminal intelligence process probably deserves the critical eye that security intelligence was given during the 1970s and 1980s by politicians, academics and other commentators. Ultimately, it might be all the better for it.

## Endnotes

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