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## Mafia movements: a framework for understanding the mobility of mafia groups

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This article starts by offering comments on the framework proposed by Carlo Morselli, Mathilde Turcotte and Valentina Tenti for understanding the factors underlying the mobility of organised crime groups. It then presents a modified framework, consisting of three elements: ‘supply’, ‘local conditions’ and ‘demand for mafia protection’. The article continues by applying the new framework to several cases and concludes with recommendation for future research and for policy makers.

**Keywords:** mobility of criminal groups; supply of criminals; local conditions; Carlo Morselli; mafia

### 1. The mobility of organised crime groups<sup>1</sup>

Do organised crime groups and mafias ever move outside of their territory of origin? It is often difficult to gauge what the police, judicial authorities or press reports mean when they claim, for example, that the Russian mafia is active in at least 26 foreign countries or that the Calabrese 'Ndrangheta is present in more than 20 countries.<sup>2</sup> From the few academic studies that mention the phenomenon, we know that mafias are rather stationary. Peter Reuter, while discussing US ‘illegal enterprises’ (of which organised crime and mafias are a subset), notes that they tend to be ‘local in scope’.<sup>3</sup> In *The Sicilian Mafia*, Diego Gambetta writes that ‘not only did the [Sicilian] mafia grow mainly in Western Sicily, but, with the exception of Catania, it has remained there to this very day’. More generally, the mafia, he adds, ‘is a difficult industry to export. Not unlike mining, it is heavily dependent on the local environment’.<sup>4</sup>

Still, transplantation does take place. In his memoirs, Catania mafia boss Antonino Calderone reminisces that during his time, there were two recognised branches of Sicilian mafia families in central and northern Italy. Another family operated for a while in Tunis,

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1. The first three paragraphs of this section draw upon Varese, *Mafias on the Move: How Organized Crime Conquers New Territories* (Princeton, NJ: Princeton University Press, 2011), 13–15.

2. On the data for Russia, see *Itar-TASS*, July 21, 1998; for the 'Ndrangheta, see Varese, ‘How Mafias Migrate’, *Law and Society Review* 40, no. 2 (2006): 411–44; and Varese, *Mafias on the Move*, 34.

3. Peter Reuter, *The Organization of Illegal Markets: An Economic Analysis* (New York: U.S. National Institute of Justice, 1985), 21.

4. Diego Gambetta, *The Sicilian Mafia: The Business of Private Protection* (Cambridge, MA: Harvard University Press, 1993), 249, 251.

its existence having been recorded since at least the 1930s.<sup>5</sup> In his study of southern Italian mafias' expansion and entrenchment in non-traditional territories within Italy, Rocco Sciarone shows how a concatenation of mechanisms accounts for the expansion of the Neapolitan Camorra in the neighbouring region of Apulia in the late 1970s and early 1980s.<sup>6</sup>

Moving beyond Europe, we encounter other instances. The charismatic leader of Taiwan Bamboo United, a major triad group, has been living in Cambodia for several years, where he appears to broker deals between visiting businesspeople and the local elite. At least 30 other Taiwanese gangsters live and operate in Phnom Penh.<sup>7</sup> According to reports, the reign of Evgenii Petrovich Vasin, a Russian mafia boss of the Far East, has been succeeded by that of a triad boss, Lao Da, now 'the main organised crime figure in Vladivostok'.<sup>8</sup> Xiang Du, a Chinese national, led a gang in the Russian city of Khabarovsk for 4 years (1997–2001).<sup>9</sup> But at the same time Russian groups moved westward. Two subsidiaries of the Moscow-based crime group Solntsevskaya operated in both Rome and Budapest.<sup>10</sup> As for the Japanese case, although Peter Hill – author of *The Japanese Mafia* – downplays the presence of the yakuza abroad, he suggests that 'the presence of non-Japanese criminals in Japan is likely to become more significant in the future'.<sup>11</sup> Thus, transplantation seems to be a real phenomenon in need of an explanation.

Carlo Morselli, Mathilde Turcotte and Valentina Tenti have written a timely and in-depth review of studies that have tried to suggest factors explaining the mobility of criminal groups.<sup>12</sup> The authors organise their study in three sections: criminal market research; research on ethnic-based criminal groups; research on criminogenic conditions in legitimate settings. For each section, 'push' and 'pull' factors are identified. The former are forces that drive criminal groups *from* a setting; the latter are forces that *draw* criminal groups to a setting. Morselli et al. then introduce a distinction between 'strategic' and 'emergent' contexts. In the former, 'criminal groups [. . .] intentionally or strategically mobiliz[e] themselves to seize opportunities in various geographical locations across the world'.<sup>13</sup> In the latter, 'criminal groups are the product of offenders' adaptations to the constraints and opportunities surrounding them'.<sup>14</sup> They conclude that past research supports the view that organised criminals do not strategically seize opportunities but rather adapt to their context, despite some sensationalist journalistic accounts that suggest the opposite.

5. Pino Arlacchi, *Men of Dishonor. Inside the Sicilian Mafia: An Account of Antonino Calderone* (New York: William Morrow and Co., 1993) 28; Gambetta, *Sicilian Mafia*, 251, 314; and see also the testimony of Melchiorre Allegra given to the police in Castelvetro in 1937, published in *L'Ora*, January 22–25, 1962.

6. Rocco Sciarone, *Mafie Vecchie, Mafie Nuove* (Rome: Donzelli, 1998), 155–212.

7. Ko-lin Chin, *Heijin: Organized Crime, Business, and Politics in Taiwan* (Armonk, NY: M.E. Sharpe, 2003), 200. In this article, I use the expression 'Taiwanese triads', but organised crime groups in Taiwan are normally called *jiaotou*.

8. Bertil Lintner, 'Chinese Organised Crime', *Global Crime* 6, no. 1 (2004): 93.

9. Bingsong He, *Deciphering Mafia Related Crimes* [in Chinese] (Beijing: China Procuratorial Press, 2003), 201–3.

10. Varese, *Mafias on the Move*.

11. Peter B. Hill, 'The Changing Face of the Yakuza', *Global Crime* 6, no. 1 (2004): 111–12; and see also Idem, 'Tokyo: La Rete Della Yakuza', *Lettera Internazionale* 71 (2002): 55.

12. Carlo Morselli, Mathilde Turcotte, and Valentina Tenti, 'The Mobility of Criminal Groups', *Global Crime* 12, no. 2 (2011): 165–88.

13. This wording derives from Carlo Morselli, Mathilde Turcotte, and Valentina Tenti, 'The Mobility of Criminal Groups', Public Safety Canada, Report 04–2010: 2. For a slightly different wording, see *Ibid.*, 166.

14. *Ibid.*

This article continues as follows. First, it offers some remarks on the framework proposed by Morselli et al. Second, it presents a modified framework. Third, it discusses evidence that supports the new framework. Finally, it concludes with a short list of policy recommendations. Below, remarks are limited to mafia groups, broadly defined as territorially based criminal organisations that attempt to control markets and territories.<sup>15</sup>

## 2. Morselli et al.'s framework

The following comments on the illuminating review by Morselli et al. are threefold. First, they pertain to the use of the word 'strategic'; second, they pertain to the need to unpack the different strategic motivations that might lead groups to move to a different territory; third, they refer to the presence of strategic thinking even in cases where migration is less than voluntary.

The expression 'strategic' as used by Morselli, Turcotte, and Tenti refers to 'criminal organizations that are intentionally or strategically mobilizing themselves to seize opportunities in various geographical locations across the world'.<sup>16</sup> Thus, 'strategic' is used in a narrow sense. Morselli et al. refer to a *centralised form of decision-making* taken by the organisation, thereby excluding the possibility that a member of the group autonomously decides to move abroad and, when in the new location, links back with fellow members. Second, even strategic decisions to move might be the product of several motivations, as I will argue in Section 3. Third, an element of strategy might be present even in the case where criminals are forced to move out of a given territory: those who are forced out might still exert some strategic thinking in deciding *where to go*: in order to escape law enforcement fugitives would not board a plane at random, but they would choose a location where to go *strategically*, and in the new territory they will adapt to the local conditions: in this plausible scenario, all elements of Morselli's framework are present: push factors; strategic thinking; and adaptation to the local environment. Thus, the factors are not mutually exclusive categories.

Ultimately, 'strategic' does not seem to be the opposite of 'emergent'. In this context, the opposite of a strategic decision to move is 'unintended', 'unwilling' and 'unplanned' movement. Morselli et al. rightly encourage scholars to explore the local conditions that give rise to organised crime in a given context, but by doing so they risk subsuming the phenomenon of organised crime groups' mobility into the more general study of the factors conducive to the emergence of organised crime. Clearly, the two phenomena are closely related, but still specific dynamics explain mobility as opposed to home-grown phenomena.

## 3. A modified framework of organised crime mobility

I suggest to recast Morselli's framework around a simple 'supply – local conditions – demand for mafia services' scheme.

### 3.1. Supply

How does a 'supply' of criminals end up in a new territory? Some will move willingly, putting into action a long-term plan to expand to new lands (the 'strategic' scenario identified by Morselli), while others move there to escape prosecution at home, mafia

15. For a definition of organised crime and mafia, see Varese, ed., 'What Is Organized Crime?', in *Organized Crime: Critical Concepts in Criminology*, vol. 1 (London: Routledge, 2010), 1–33.

16. See footnote 13.

infighting or for reasons unrelated to crime, such as poverty and generalised patterns of migration (I call this ‘unintended organised crime movement’).

### 3.1.1. *Strategic decisions to move*

At least in theory, one should spell out the strategic motivations behind a decision to move. In *Mafias on the Move*, I suggest three different reasons: mafias might be after specific resources or investment opportunities, or wish to invade a new market.<sup>17</sup>

- (1) *Resource-seeking*: For a legitimate firm, the decision to open a branch abroad may be motivated by the desire to acquire a specific resource, such as labour, at a lower cost. Resources also include intangible goods like knowledge, innovation capabilities, and management or organisational skills.<sup>18</sup> The motivation to open a branch abroad is predicated on the fact that the resources desired by the firm cannot be simply bought on the open market or accessed remotely. For a mafia, resource-seeking motivations might include looking for labour, a key input factor. Other resources of interest to mafias include technical equipment (such as arms, hideaways and spying technology), passports and bank accounts.
- (2) *Investment-seeking*: A legitimate firm might wish to reinvest the proceeds of its core activity in other businesses. Such decisions might be motivated by tax and performance incentives provided by governments, or by the desire to operate in more efficient financial systems. It is harder for a mafia group than for legitimate firms to monitor remote investments. Like other firms, mafias seek to reinvest their proceeds in profitable enterprises. Mafia investments, though, are informal and often involve cash, and no recourse to the legal system exists in the event of a dispute. Moreover, money laundering and investments in the legal economy can involve several hundred one-shot transactions between business associates of the criminal group and legitimate firms in foreign and inhospitable countries. Those tasked with undertaking these decisions enjoy a significant amount of discretion and are hard to monitor. Investments can go wrong, and the bosses back home cannot easily verify claims and reports. This situation generates specific incentives for bosses to go abroad to monitor transactions with legitimate entrepreneurs directly.
- (3) *Market-seeking*: A legitimate firm might open a subsidiary in a different country in order to carry out its main activity in a new market. For mafias, the core business of the firm is control of a territory or market(s). Thus, at least in theory, mafias might wish to invade a profitable untapped market.

### 3.1.2. *Unintentional movement*

Rather than being motivated by a strategic decision to move, the mafia of origin or its individual members might not intend to open a branch abroad. Simply, they are forced to

17. Varese, *Mafias on the Move*, 18–21. A typology first advanced by John Dunning, *Multinational Enterprises and the Global Economy* (Reading, MA: Addison-Wesley, 1993), and subsequently modified and expanded by Srilata Zaheer and Shalini Manrakhan, ‘Concentration and Dispersion in Global Industries: Remote Electronic Access and the Location of Economic Activities’, *Journal of International Business Studies* 32, no. 4 (2001): 667–86, focused on ‘resource-seeking’, ‘market-seeking’ and ‘efficiency-seeking’ motivations.

18. Zaheer and Manrakhan, ‘Concentration and Dispersion in Global Industries’, 670.

leave their territory by reasons unrelated to crime, such as poverty, or they are pushed out by the action of law enforcement or other criminals.

- (1) *Generalised migration* is the explanation for mafia transplantation most often cited by the press, academics and prosecutors.<sup>19</sup> Although never properly unpacked, a straightforward quantitative logic lies at the root of this theory: assuming that a given proportion of a population consists of criminals, the greater the migration of individuals from that population, the larger the number of criminals that will reach a new territory. Moreover, migration from territories of origin where there is a high proportion of mafiosi appears to carry the greatest threat of mafia transplantation.<sup>20</sup> The view that links migration to mafia transplantation can take simplistic and crude forms. The notion that Italian migration alone is responsible for the creation of the Italian American mafia in the United States is part and parcel of the now-discredited ‘alien conspiracy theory’ of organised crime.<sup>21</sup> The presence of migrants from mafia territories, although clearly a contributing factor, is not sufficient for the establishment of new mafias, otherwise we would find mafias in every country to which southern Italians have migrated in the past.
- (2) A specific push factor for mafia transplantation in the case of Italy was the perverse policy of forcing convicted mafiosi to reside outside their area of origin as a form of punishment.<sup>22</sup> Based on a naive view of the mafia as a product of backward societies, forced resettlement (*soggiorno obbligato*) started in 1956 and was predicated on the assumption that away from their home base and immersed in the civic, law-abiding culture of the north, mafiosi from the south would abandon their old ways. Since the mid-1950s this policy has brought hard-nosed lawbreakers to the northern regions of Italy, including Lombardy, Piedmont and Emilia-Romagna. The mafioso-turned-state-witness Gaspare Mutolo commented that the policy of forced resettlement ‘has been a good thing, since it allowed

19. See, for example, Frank Bovenkerk, ‘Organized Crime and Ethnic Minorities: Is There a link?’, in *Combating Transnational Crime: Concepts, Activities, and Responses*, ed. Phil Williams and Dimitri Vlassis (London: Frank Cass, 2001), 109–26; Roger Waldinger, ‘The “Other Side” of Embeddedness: A Case-Study of the Interplay of Economy and Ethnicity’, *Ethnic and Racial Studies* 18, no. 3 (1995): 555–80; and Phil Williams, ‘The International Drug Trade: An Industry Analysis’, in *Global Dimensions of High Intensity Crime and Low Intensity Conflict*, ed. Graham H. Turbiville Jr. (Chicago, IL: Office of International Criminal Justice, University of Illinois at Chicago, 1995), 153–83.

20. See, for example, Consiglio Regionale del Piemonte, *Atti del Convegno: Mafia e Grande Criminalità. Una Questione Nazionale* (Turin: Consiglio Regionale del Piemonte, 1983), 54, 68–9; Tribunale di Torino, Procedimento n. 5/89 mis. prev. nei confronti di Iaria G., De Stefano L.F., Lombardo G., 1990, 32, quoted in Sciarrone *Mafie Vecchie, Mafie Nuove*, 123; and Commissione Parlamentare Antimafia, *Relazione sulle risultanze dell’attività del gruppo di lavoro incaricato di svolgere accertamenti su insediamenti e infiltrazioni di soggetti ed organizzazioni di tipo mafioso in aree non tradizionali*, doc. 23, no. 11. In *Commissione Parlamentare Anti Mafia: Relazioni Della XI Legislatura*, March 9–February 18, 1994 (Rome: Camera dei Deputati, 1995), 854.

21. Estes Kefauver, *Crime in America* (Garden City, NY: Doubleday, 1951).

22. Monica Massari, ‘La criminalità mafiosa nell’Italia centro-settentrinale’, in *Mafie Nostre, Mafie Loro*, ed. Stefano Becucci and Monica Massari (Turin: Comunità, 2001), 12; Elio Veltri and Antonio Laudati, *Mafia Pulita* (Milan: Longanesi, 2009), 198; and see also Tribunale di Torino, Procedimento no. 5/89, 32 (quoted in Sciarrone, *Mafie Vecchie, Mafie Nuove*, 123), claiming that the *soggiorno obbligato* of Calabresi in the Canavese valley is partly responsible (along with Calabrian migration) for the increase in crime.

us to contact other people, to discover new places, new cities'.<sup>23</sup> The soggiorno obbligato policy selected for forced migration individuals with specific mafia skills, and unintentionally allowed them to expand their networks and knowledge of the world.

- (3) Criminals, including members of mafia groups, are also pushed to migrate in order to *escape mafia wars* or *police repression* in their areas of origin. *Ivan Yakovlev* (fake name), the Solntsevskaya boss in Rome, was eager to move from Moscow to Italy because he was afraid of being killed by the Solntsevskaya ruling elite.<sup>24</sup> Vyacheslav Kirillovich Ivan'kov, often described as the Solntsevskaya envoy to the United States tasked with creating the Russian mafia in that country, in fact left Russia in 1992 because 'it became too dangerous for him there'.<sup>25</sup> Many yakuza active in the Philippines are actually ex-members who have been expelled from their groups.<sup>26</sup> Georgian *vory-v-zakone* (a type of mafia boss in the Soviet Union) 'migrated' to Russia whenever there was a change at the top of the Georgian Soviet republic's political elite, since whenever a new first secretary came to office he would try to impress Moscow by conducting purges as well as cracking down on corruption and crime.<sup>27</sup> Following the Rose Revolution of 2003–2005, the new Georgian president launched a harsh repression of what was left of the Georgian *vory*, referred to now by their Georgian-language equivalent of *kanonieri kurdebi*. A direct consequence of the repression was the escape of several leaders to Moscow (again), Spain and other countries.<sup>28</sup> Similarly, Taiwan's campaigns against organised crime in 1984, 1990 and 1996 facilitated the relocation of triad bosses to China. As crime expert Ko-lin Chin put it, 'Even though initially they [Taiwanese triad members] had no intention of staying away from Taiwan for long, they ended up living abroad for months, or even years. ... As many fugitives started new lives abroad, they not only became entangled in the affairs of the overseas Chinese community, but also established connections with local crime groups in the host societies'.<sup>29</sup> Fascism's repression of the Sicilian mafia led to families emerging outside the island, such as Tunis, and some leaders arriving on the shores of the American continent, both in New York City and Rosario (Argentina). A systematic study of a Camorra clan shows that out of 51 members, only 4 individuals resided abroad, in Aberdeen and Holland. All four were

23. Quoted in Massari, 'La criminalità mafiosa nell'Italia centro-settentrinale', 12.

24. Varese, *Mafias on the Move*, 17, 73.

25. James O. Finckenauer and Elin J. Waring, *Russian Mafia in America: Immigration, Culture, and Crime* (Boston, MA: Northeastern University Press, 1998), 112–13; see also Aleksandr Grant, *Protsess Yaponchika* (Moscow: AST, 1996); and Claire Sterling, *Crime Without Frontiers: The Worldwide Expansion of Organised Crime and the Pax Mafiosa* (London: Warner Books, 1995), 5, 1, instead inflates Ivan'kov's role in the United States and assumes that he was tasked by the Solntsevskaya to turn 'an assortment of unruly and loosely-articulated Russian gangs on American soil into a modern, nation-wide crime corporation', as (she assumes) Lucky Luciano did with the Italian American Mafia.

26. Hill, 'The Changing Face of the Yakuza', 112.

27. Georgi Glonti and Givi Lobjanidze, *Vory-v-Zakone: Professionalnaya prestupnost v Gruzii* (Tbilissi: Transnational Crime and Corruption Center, 2004), 32, 37, 38; and Alexandre Kukhianidze, 'Corruption and Organized Crime in Georgia Before and After the "Rose Revolution"', *Central Asian Survey* 28, no. 2 (2009): 220.

28. Kukhianidze, 'Corruption and Organized Crime in Georgia', 228–29.

29. Chin, *Heijin: Organized Crime, Business, and Politics in Taiwan*, 193.

escaping from the Italian police.<sup>30</sup> Thus, a neglected aspect of globalisation is at work here: repression in one corner of the world has an unintended effect on another.

### 3.2. *Local conditions*

Once in the new locale, *local conditions* either facilitate the criminal activities of crime figures, or they do not. This is where the ‘emergent processes’ identified by Morselli and his co-authors is most helpful. Such conditions are conducive to the birth of crime groups, local or newly arrived. The conditions that I list below might give rise (or not) to a demand for the services that the incoming criminals are able to offer, depending on how local authorities deal with such conditions.

- (1) *Low trust*: The level of generalised trust (trust in others who we do not know) in the new land is, for some authors, an important variable that could explain the entrenchment of mafias. James Coleman has pointed out that a low level of trust reduces actors’ ability to cooperate and communicate, inhibiting collective action.<sup>31</sup> The less trust exists among law abiders, the less likely it is that civil society will organise to oppose the entrenchment of a mafia group. One can further predict that the lower the trust among lawbreakers, the greater their demand for protection services will be; a mafia facilitates exchanges among criminals who distrust each other by offering the enforcement of deals and promises. This line of reasoning implies that mafias are more likely to transplant successfully to regions with little trust among law abiders and lawbreakers (each condition is independent of the other).
- (2) *Newly formed market economies*: In a market economy, a key function of the state is to define and protect property rights and to settle disputes among market actors. In legal markets, the more incapable a state is of protecting its citizens and settling disputes among actors in the economy, the greater will be the demand for alternative sources of protection. Such demand arises because of the state’s lack of competence to act as a credible third-party enforcer of agreements.
- (3) *Booming markets and incentives to create cartels*: Demand for protection emerges when entrepreneurs seek to sell legal commodities illegally. This might take the form of trying to wipe out competition or organise cartel agreements with mafia support. A sector of the economy that typically generates high incentives to create cartels is construction: firms compete on a local market, and the barriers to entry are relatively low. Construction cartels often emerge without the need for mafia enforcement. A small number of firms simply corner the market. Yet, a sudden explosion in the construction market would open up the market to new entrants. Market incumbents might then develop a demand for protection against outsiders. Given this, construction sector booms might lead to a demand for criminal protection. On the other hand, economies that are export oriented will generate less demand for mafia protection: the mafia cannot help exporters to penetrate distant markets by harassing another entrepreneur who lives in the same place but exports

30. Paolo Campana, ‘La Camorra: Struttura e Mercati’ (Tesi di Dottorato, Università di Torino, 2010).

31. James Coleman, *Foundations of Social Theory* (Cambridge, MA: Harvard University Press, 1990), 302.



to a different part of the world. For the mafia to be effective, producers must compete in the same market. On the other hand, several exporters of the same product to the same market would benefit from mafia protection.

- (4) *Large illegal markets*: The demand for property rights protection in illegal markets is rife. Not only is state protection absent by definition, but state action is aimed at arresting actors in such markets and confiscating their 'property' ('That's what the FBI can never understand,' says Henry Hill in the book *Wiseguy*, 'that what Paulie [mafia member Paul Vario] and the organization offer is protection for the kinds of guys who can't go to the cops').<sup>32</sup> As a consequence, illegal assets are highly vulnerable to lawful seizure and theft, and property rights are disputed to a much greater degree than in legal markets. Moreover, information about the quality of goods as well as the identities and whereabouts of the actors is particularly poor in illegal markets; entrepreneurs in these markets cannot freely advertise their good reputation, creditors disappear, informants consort with the police and undercover agents try to pass themselves off as bona fide fellow criminals. As documented by several studies, mafias offer protection to criminals in the underworld and, in so doing, make illegal markets run more smoothly. It is thus plausible that the larger the illegal markets are, the greater will be the demand for protection. When there is a time lag between the emergence of a demand for protection and the provision of suitable local supply, the opportunity to supply mafia services may be seized by transplanted groups.
- (5) *Size of the locale*: *Ceteris paribus*, the smaller the new territory or the market, the easier it is to penetrate it. As mentioned above, the construction market is vulnerable to mafia penetration. It is easier to control a construction sector populated by 30 players than one populated by 300, however. If a mafia tries to penetrate politics through the control of votes, it is easier to control politics if the district is small. It takes more voters to influence the election of the mayor of a large city than of a smaller one.
- (6) *Presence of existing illegal protectors*: Where local protectors, such as mafia or fragments of the state apparatus, are present and effective, it might be next to impossible for incoming mafiosi to dislodge them.

Large constituencies or markets and export-oriented economies are negatively related to a demand for mafia protection and thus transplantation, while construction booms and large illegal markets are positively related to such a demand.

#### 4. Application of the framework

Table 1 lists a selected number of factors that I have explored in two works of mine, 'How Mafias Migrate' and *Mafias on the Move*.

Among the 'local conditions', I include the level of trust in the new locale, the presence or absence of local criminal competitors (e.g. an existing mafia or corrupt officials and police), and the size of the locale. By 'new and booming markets', I refer to whether the economy has undergone some sudden change. For instance, a construction boom would qualify as one. Also, a wholesale transition to the market economy or the sudden outlawing of alcohol consumption would create new and booming markets. This is a limited and

32. Nicholas Pileggi, *Wise Guy: Life in a Mafia Family* (London: Corgi Books, 1987), 60–61.

Table 1. Selective list of factors facilitating mafia transplantation.

<i>Supply of mafiosi:</i>	Generalised migration
	Mafiosi migration (willing/unwilling)
<i>Local conditions:</i>	Level of trust/civic engagement
	Presence of local illegal protectors
	Size of locale
	New and/or booming markets
<i>Demand for mafia services:</i>	Yes/no
<i>Transplantation:</i>	Yes/no

selective list of factors, although there is virtue in trying to group as many factors under few headings. Some such factors are causally linked to others: a construction boom, the sudden outlawing of alcohol or low levels of trust could give rise to a demand for services provided by mafia groups. This connection, however, is not mechanical; if actors in a given market are able to regulate the sudden changes and cope, they would not develop such a demand. If the state is efficient at defining and protecting property rights in a new economy, a demand for criminal protection would not arise. If the operators in the drug sector are able to settle disputes without recourse to a third-party criminal enforcer, such a demand again would not emerge.<sup>33</sup> This scheme could also help prevent the phenomenon, namely a police force could identify local conditions potentially conducive to the emergence of mafia groups even when they are absent.

In *Mafias on the Move*, I have applied this framework for the study of the migration of mafia groups in seven cases, the movement of the Calabrese 'Ndrangheta to Bardonecchia and Verona in the 1960s and 1980s; the movement of the Russian mafia to Rome and Budapest in the 1990s; the movement of Sicilian mafiosi to New York City and Rosario at the end of the nineteenth century; and the movement of members of crime groups from Hong Kong and Taiwan to mainland China. A key selection criterion was variation in the 'dependent' variable (transplantation).<sup>34</sup> I have used three further criteria for selection. First, among the territories of destination, I discuss both advanced market economies and newly created ones. Variation on this dimension allows me to establish whether similar (or different) reasons account for transplantation to newly created and advanced market economies, and make it easier to generalise from my findings. Second, I include regions, among the territories of destination, where the level of interpersonal trust and civic engagement was high along with those where it was low before the arrival of the mafia. In particular, Piedmont and Veneto are high-trust regions in Italy, while Rome, Budapest and China have low levels of interpersonal trust. Since the level of trust in the territory of destination is a factor that I suspect might affect the ability of mafias to entrench themselves, variation in this independent variable was crucial.

A key finding of my work is that, in all the cases I have examined, mafiosi find themselves in the new territory not of their own volition; they have been forced to move there by court orders, to escape justice or mafia infighting and wars. They are not seeking new markets or new products but are instead just making the most of bad luck, in line with Morselli et al.'s findings in their paper. When forced to move, mafiosi do not choose their

33. Varese, *Mafias on the Move*, 27–29.

34. On the logic of the comparative method, see Gary King, Robert Keohane, and Sidney Verba, *Designing Social Inquiry* (Princeton, NJ: Princeton University Press, 1994).

new destination at random: unless they are told by the court where to go, they usually join relatives, trusted friends or previous contacts.

I also find that the presence of mafiosi in a new territory is not enough for a mafia to emerge. A special combination of factors must be present. First, no other mafia group (or state *apparati* offering illegal protection) must be present. It is too much of an uphill struggle for an incoming mafia to set up shop in the presence of a powerful local competitor. Second, a mafia group is most likely to succeed in transplanting when its presence coincides with the sudden emergence of new markets. To the degree that the state is not able to govern new markets, the possibility of mafia emergence or entrenchment from abroad is strong. States might be unable to clearly define and protect property rights, and market operators hence would develop a demand for alternative sources of protection. In addition, states by definition cannot protect dealers of illegal commodities. In both instances, significant opportunities exist for mafias to govern access to valuable markets, offer genuine services of dispute settlement and protection, enforce cartel agreements, reduce competition and thus serve the interests of a sector of society. These opportunities can be easily taken up when a supply of people trained in violence, either local or from abroad, is at hand.

The presence of a supply of mafiosi and the inability of the state to govern markets are the key factors that link cases of successful transplantation, such as the 'Ndrangheta in Bardonecchia and the Russian mafia in Hungary. In Bardonecchia, disenfranchised migrant workers from outside the region accepted illegal employment over unemployment, thereby forgoing membership in trade unions and more generally state-sponsored protection. Entrepreneurs not only hired illegal workers but also schemed to restrict competition. The structure of the local labour market and the booming construction industry (in which firms compete locally and there is a strong incentive to form cartels) led to the emergence of a demand for illegal protection. Members of the 'Ndrangheta Mazzaferro clan resided in this territory. They offered certain firms privileged access to this market, and were able to settle disputes between workers and employers.

Although Piedmont does not have a new market economy like those of Eastern Europe, a striking parallel exists in the successful transplantation of the Russian mafia's Solntsevskaya criminal group in Budapest. In that instance, the state failed to create a system to adjudicate disputes quickly and effectively, thereby leaving significant sectors of the emerging market economy unprotected by the law, as was the case for immigrant workers in Bardonecchia. When vast numbers of economic agents operate in an unprotected market, they develop a demand for non-state forms of protection. In both Bardonecchia and Budapest, skilled criminals were available to organise a mafia group and offer a variety of services, such as the settlement of disputes and elimination of competitors in local markets.

A powerful set of mafia groups emerged in the United States around 1910 because of the unintended consequences of police reform and it was able to expand significantly later, thanks to prohibition. Until then, illegal markets were protected by a combination of local politicians and corrupt police officers. When the mayor of New York enacted far-reaching reforms that curbed grand graft, illegal markets such as gambling and prostitution were in search of new protectors. In legal markets, like garment production, poultry, garbage collection and construction, existing operators were only too happy to turn to an agency able to ensure the continuation of cartelisation. Unemployed immigrant workers, mostly from southern Italy and equipped with some mafia skills, stepped in.

The case of China allows me to spell out in greater depth some crucial mechanisms. The state has been unable to offer swift and efficient avenues of dispute settlement for the new players in the rapidly emerging market economy, and a significant sector of the workforce operates in the informal economy, where state protection is absent. In addition,

large illegal markets, such as in prostitution, gambling and drug trafficking, have developed since the opening of the Chinese economy in the 1980s. On the 'supply side' of the story, 'brothers' (triads members) from Hong Kong and Taiwan have moved to the Middle Kingdom. They have failed (so far) to become entrenched and offer generalised protection, because a powerful actor is already in place to offer such services – that is corrupt fragments of the state apparatus, which work as the 'protective umbrella' for both legal and illegal businesses. In the cases of successful transplantation, no other mafia (or bent state apparatus) was already on the ground to compete with the outsiders.

These results contribute to more general debates on the effects of globalisation on organised crime and suggest that globalisation hinders mafia transplantation in a way that has escaped most contributors. In the case of two of the failed attempts to transplant mafias, the local economies relied on exports – Verona on exported furniture, and Rosario on exported agriculture. There is no demand for cartels in the export-oriented sector of the economy since producers export to different parts of the world. In order to stop competition for producer A in, say, northern Europe, the mafia would need to scare away producers in a variety of different countries who all export to northern Europe. Thus, as economies become more export oriented due to globalisation, the likelihood that mafias will transplant themselves may diminish.

Migration as such is clearly not a cause of mafia transplantation. Despite roughly similar patterns of migration from the south to the north of Italy, a southern mafia did not transplant itself in either Rome or other towns of Piedmont. Only when migration is coupled with illegal employment and the absence of state protection does a demand for criminal protection emerge that can be met by a mafia. In other words, migration – even from regions with a high mafia density – does not necessarily carry the seed of a new mafia. Rather, it is the state's failure to offer effective legal protection and the lack of avenues for legitimate employment that set in motion a chain of events that might give rise to a new mafia.

The Italian policy of *soggiorno obbligato*, flawed as it might have been, cannot be blamed for successful transplantation. In the case of Bardonecchia, the supply of foreign mafiosi went hand in hand with a genuine demand for criminal protection. When it did not, transplantation failed. Moreover, other parts of Piedmont and northern Italy also experienced an influx of skilled mobsters forced to migrate due to the *soggiorno* policy, but mafias did not develop. Similarly, the Russians in Rome failed to establish a successful group because there was no demand for their services. Even a supply of specialised criminals (as distinct from generalised migration) is not enough to produce successful transplantation.

Contrary to what is suggested by the seminal work of Robert D. Putnam, a high level of generalised trust and 'social capital' among the law-abiding population is not enough to prevent transplantation.<sup>35</sup> The study of Bardonecchia suggests that high levels of trust among the general population are not sufficient to prevent transplantation and social capital might remain high while a mafia flourishes. The mafia was able to offer to a large enough section of the local population protection against competition, a workforce cheap enough to reap the opportunities generated by the construction boom, and more generally capital and employment. Those who rejected this state of affairs, recognising that it was built on violence and disrespect for the law, were soon ostracised and marginalised.

Not only do I show that a mafia can transplant itself in highly civic northern Italy and that some local groups can rally to its defence, but I also establish that in Verona, the dense

35. See Robert D. Putnam, *Making Democracy Work: Civic Traditions in Italy* (Princeton, NJ: Princeton University Press, 1993).

network of social trust allowed the drug trade to operate without recourse to third-party enforcers. This network reduced the demand for third-party enforcement by the mafia and thereby inhibited mafia migration. The more general point is that social capital can be used for good or ill, depending on the goals of the actors involved.

In all the cases I have examined, mafiosi were forced to move, but once in the new territory, started investing in the local economy, as the Russian mafia did in Rome and the triads did in China. Yet investments alone are not sufficient to lead to long-term transplantation. When investments combine with a supply of mafiosi and a specific demand for protection services, a group can become entrenched.

Finally, the incentives to open outposts abroad in order to obtain resources such as labour, intelligence and specialised equipment are few, and decrease as the mobility of goods and people increases. Globalisation will increase the ability of mafia groups to obtain some of the resources that they need without having to move. To put it more generally, globalisation will affect the way crime is committed in a given locality. For instance, labour mobility *towards* traditional mafia territory can well increase, allowing mafias to import labour from trusted suppliers. A feature of globalisation that we observe in legitimate firms – the ability to outsource work, such as opening call centres in India – will not be an option for mafia groups; workers cannot be located in India to run protection rackets in New York City. To the extent that mafias seek specialised technical equipment, like arms, globalisation could increase the number of international locations from which a mafia group obtains its resources, but will reduce the motivation to open outposts abroad.<sup>36</sup>

## 5. Conclusion and recommendations

The conclusions will touch upon three areas: the Morselli framework; recommendations for future research; and policy recommendations.

### 5.1. *Morselli et al.'s framework*

In my work, I characterise the ‘strategic’ versus ‘emergent contexts’ differently from Morselli. I incorporate such a characterisation into a scheme that spells out the reasons why the ‘supply’ reaches a certain territory: intentional/willing movement versus unintentional arrival. Among the intentional/strategic motivations, I consider three motivations: acquisition of resources; search for investment opportunities; and search for new markets. Then I spell out the local conditions *potentially* conducive to the emergence of a demand for a service that mafias could supply; I further establish whether local actors have acted so that the local conditions do – or do not – lead to such a demand; and finally, I am in a position to explain why transplantation has taken place or it has not.

### 5.2. *Recommendation for future research*

A challenge for future research is to adopt a more clearly comparative approach. It is as yet hard to evaluate which of the *pull* and *push* factors listed in Morselli et al. is more important than another, and under which conditions. The first step would be to undertake targeted comparisons, between two cases that are as similar as possible for as many features as possible, and differ in the outcome (mafia was successful or not in transplanting). I have

36. See Varese, *Mafias on the Move*, 7–12.

tried to undertake this work in my paper 'How Mafias Migrate': both cities selected for the study – Bardonecchia and Verona – are part of the same country and the attempt at transplantation was taking place roughly at the same point in time, and by the same mafia group ('Ndrangheta). Such a design allows scholars to control for some common factors, such as the level of corruption, and to evaluate the effect of other factors, in the particular case of 'How Mafias Migrate' being generalised migration and the *soggiorno obbligato* policy as the cause of the successful transplantation.

### 5.3. Policy recommendations

Local conditions can generate a demand for mafia services. Ultimately and quite simply, policy makers must ensure that such a demand does not emerge. More specifically, my work suggests that booming markets must be regulated in order to avoid operators turning to the mafia to reduce competition or form illegal cartels. How do we improve the regulation of booming markets? First, firms that wish to enter a new sector of the economy – and compete with incumbents – must be able to do so without risking retaliation from incumbents. Since sectors such as construction and garbage collection have relatively low barriers to enter, an effective way to reduce competition for incumbents is through the use of violence. By 'regulation', I refer to provisions that ensure easy entry into a market, thereby increasing competition in it. I do not refer to provisions that increase barriers to engage in a particular economic activity. Simple registration norms, easy access to authorities in case of disputes, an effective civil law system are all key provisions to ensure easy entry into a market and its smooth functioning. If a sector is already organised as a cartel backed by the use of mafia violence, authorities should consider establishing their own companies to document cartel practices and break into the market. Such companies would not be easily scared away by incumbents, since they are backed by direct access to police power.

A large workforce that operates outside the framework of the law gives rise to opportunities for forming extra-legal forms of governance. Workers that cannot turn to state-sponsored forms of dispute settlement will welcome the provision of such services even if supplied by criminals. Such situations should not be allowed to emerge. Rather, the workforce should be integrated in the legal economy. The first step to ensure enfranchisement of workforces is to fight trafficking gangs that facilitate illegal immigration. Immigrants should enter the country lawfully and thus be able to use state-sponsored services of protection. Cultural programmes for new immigrants should be aimed at making it easy for new residents to turn to local and federal agencies in case of need. Strong partnerships with community leaders should be forged, so that federal authorities are not perceived as alien institutions. If undocumented migrants are in considerable numbers, authorities should consider legalising their status, thereby bringing them back within the fold of state-provided forms of protection and dispute settlement. Authorities might wish to consider some forms of 'don't ask/don't tell' provisions regarding immigration status of workforces in order to sap their reliance on illegal forms of governance.

A further piece of policy advice that emerges from this work concerns the importance of the size of a territory. Everything else being equal, it is easier for incoming criminals to control small towns, such as Bardonecchia, than large cities, such as Verona. In a place like Bardonecchia, the mafia group need to control only a handful of votes to be able to interfere with the democratic process. How do we prevent mafia infiltration in smaller municipalities? As far as the electoral process, I suggest to keep the size of electoral constituencies as large as possible. More generally, authorities must be aware of the risk of capture of smaller municipalities and must be prepared to disband local councils if proven that the electoral

process has been tampered with. Beyond elections, one should consider local regulatory powers. Local authorities often have regulatory power over construction projects and other key areas of the local economy. Elected and non-elected officials that oversee the granting of licences must be scrutinised with care. A careful system of checks and balances must be in place to ensure that delicate decisions regarding permits are taken according to the law. Ideally, outside expert opinion should be considered when key permits are granted. Policy makers might also wish to consider a system of *office rotation*, so that an individual does not serve in a given position for a long period of time. Routine rotation would make it harder for an office incumbent to forge long-term ties to individuals that wish to influence the administration.<sup>37</sup>

Finally, it is imperative for law enforcement to monitor what takes place in other countries. Criminals forced out of their territory of origin because of mafia infighting and local anti-mafia drives have an impact on other countries. Through targeted intelligence, law enforcement agencies should monitor the crime hot spots of the world in order to be prepared for possible mafia migration in the direction of their countries. Each embassy abroad should task a member of staff to write regular reports on crime policies and activities. Such person should also be tasked to liaise with local law enforcement and, more crucially, to coordinate with her nation's law enforcement and intelligence gathering services to ensure better preparedness in case of mafia migration. The example of migration of Russian criminals to the United States in the 1970s is an instance where Federal authorities failed to properly scrutinise such movement, leading to several prominent criminals reaching the shores of the United States.<sup>38</sup>

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37. Rotation of office to limit abuse of power was famously suggested by Max Weber (see Hans Gerth and Charles Wright Mills, eds., *From Max Weber* (London: Routledge & Kegan Paul, 1970), 289).

38. Robert I. Friedman, *Red Mafia: How the Russian Mob Has Invaded America* (Boston, MA: Little, Brown, 2000), 14; Varese, *Mafias on the Move*, 72.