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Taking crime out of crime business

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Abstract

It is one thing to assert that conventional market analysis is critically useful in understanding criminal enterprise. It is more challenging to suggest that corrupt and compromised legal regulation interacts with other critical market variables to maximise market advantage for crime business in a similar manner to legitimate regulatory forces in their protection and enhancement of legitimate business enterprise. The central argument of this paper is that crime business mirrors other business forms when considered in terms of critical market variables, and that in particular regulatory forces when inverted from their original purposes can influence market conditions in the same ways desired from the legitimate regulatory form. The main research direction deriving from the analysis of regulatory influences over specific criminal enterprises is how do certain *critical market forces* essentially facilitate criminal enterprise as a market phenomenon. This paper suggests how through comparatively analysing nominated *critical market forces* in the context of lucrative and recurrent criminal enterprises, common business decision-making may be predicted and thereby controlled beyond a law enforcement paradigm. In fact, the paper argues that when perverted law enforcement regulation operates as an inter-connecting market characteristic then it can have a similar influence over illegitimate enterprise that law enforcement may provide legitimate business.

By establishing a richer and more enterprise-oriented understanding of crucial market variables, it becomes possible to refine control strategies at critical entry and exit points in the operation of clandestine crime businesses. The paper will challenge a comparative theorising of what makes crime business a good business, and how normative distinctions between illegitimate markets are made less convincing when positioned against an analysis of the interaction of *critical market variables*.

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1. Introduction

The paper has two parts. Working from the hypothesis that market-based analysis is crucial for empowering enterprise theory¹ and the insights it offers for understanding crime business, we selectively identify critical market variables which shape this analysis. This identification is intended to suggest how conventional market analysis can be adapted to the understanding of crime business, but more particularly to open up the argument that market regulation has a powerful influence over the way market variables accommodate crime business, and how distorted regulation can mirror the market impact of legitimate regulatory frames. Following a broad discussion of these variables the paper moves on to select a particular interaction of two variables which influences both demand and supply market forces, and discusses its operation in more specific business relationships and contexts.² By this point the paper will have:

- Conceptualised criminal enterprise in a way whereby its normative distinction can be separated from its market motivations;
- Set out an interpretation of universal market conditions in which legitimate and illegitimate enterprise can operate to achieve similar market motivations;
- Selected critical market variables which act in uniform and predictable fashion to enhance different aspects of market motivation while adapting to the distinct market needs of legitimate and illegitimate enterprise;
- From these variables focused on the role of distorted regulatory forces and their interaction with other variables important in the construction of supply and demand; and
- Drawn parallels between the regulatory influence of legitimate and illegitimate regulatory frames for specific crime businesses.

In setting out to contest two ‘articles of faith’ in conventional organised crime research, the following analysis takes on a task which in overview form can do no more than present the bones of an argument and directions for further elaboration. This paper is an extension of our

¹Enterprise theory of crime understands the organisation of criminal behaviour as reflective of specific market or economic forces, influencing the motivations of criminals, how they interact, their perceptions of risk versus benefit, and the efficiency and efficacy of their motivation.

Under this theory, organised crime exists because legitimate markets leave many customers and potential customers unsatisfied (Smith, 1978). High demand for a particular good or service, low levels of risk detection and high profits lead to a conducive environment for entrepreneurial criminal groups to enter the market and profit by supplying those goods and services. For success, there must be:

- an identified market; and
- a certain rate of consumption (demand) to maintain profit and outweigh perceived risks (Albanese, 2000, 2008). Under these conditions competition is discouraged, or regulated to sustain profits (Smith, 1991). Albanese’s (2004, p. 4) definition of organised crime is as follows: Organised crime is a continuing criminal enterprise that rationally works to profit from illicit activities that are often in great public demand. Its continuing existence is maintained through the use of force, threats, monopoly control, and/or the corruption of public officials.

²This selection is limited to those forces we believe are indicative of the comparative potential of this analysis. A richer analysis of these and other forces and relationships is developed in the doctoral thesis of Hanif (forthcoming).

work in market modelling criminal enterprise³ and is only intended to sign-post deeper considerations from rich research findings.⁴ Particularly in this piece we challenge:

- a) The presumption that crime business can only be viewed in the context of its operation within an illegitimate market structure, therefore functionally and structurally setting apart criminal enterprise (and its understandings) from that of legitimate business; and
- b) The consequent conclusion that if market analysis is applied to criminal enterprise it can only be done so as to confirm the distinction between legitimate and illegitimate markets.

The second part of the paper sketches out from the relationship between two critical market variables, how specific comparative analysis of different criminal enterprises exhibiting different entrepreneurial motivations⁵ influence and are influenced by the interaction between uniform market variables. Put simply, if our thesis is correct that:

- Conventional market analysis, set free from legitimate/illegitimate normative distinctions, can assist in understanding the market motivations of criminal enterprise
- Uniform market variables can be identified for the purpose of such analysis
- Those variables remain constant across legitimate and illegitimate enterprise, while adapting in operation to the distinctions between these enterprises;
- Such variables adapt but also remain constant across different crime business types, and
- In particular for the purposes of this paper, the central principles of regulatory theory in influencing market conditions (and relating to other crucial variables) adapt but remain constant, legitimate to illegitimate enterprise, and across different crime business types.

The later point in the above hypothesis requires detailed empirical testing which cannot in the constraints of a paper such as this, be achieved in any convincing form.⁶ All that will be offered here in the second part of the paper is comparative analytical methodology⁷ which can be employed within and between specific criminal enterprises to test for the theoretical continuity of a uniform market analysis to distinctly different forms of crime business. The focus in this part will be the influence of regulatory forces on the construction and maintenance of other critical market variables such as product preferencing.⁸

The paper concludes by returning to the necessity for normative reflection on illegitimate and legitimate markets,⁹ and what makes business criminal. We accept the importance of normative distinctions and value-laden meanings for criminal enterprise and its consequences, where political determinations need to influence policy developments in crime control. That said, we retain our caution that evidence-based policy creation and law making need to know

³See Findlay and Hanif (forthcoming) 'Disturbing the Rice Pot: Market modelling criminal enterprise'.

⁴Detailed in the doctoral thesis of Hanif (forthcoming), and the sole intellectual property of that author.

⁵'Entrepreneurial orientation refers to the processes, practices (pro-activeness, risk taking behaviour and innovativeness) and decision-making activities used by entrepreneurs that lead to the initiation of an entrepreneurial enterprise' (Gottschalk, 2009, p. 14).

⁶This empirical comparison is being carried out by the second author as part of her doctoral thesis and remains her sole intellectual property.

⁷The methodology is 'comparative contextual analysis' detailed in Findlay and Henham (2007, pp. 117–121).

⁸Hanif and Findlay, 2010a.

⁹Ruggiero, 2000; Antonopoulos, 2008.

the difference between uniform market analysis of crime business and its regulation, separate from other externalities such as normative proscription.

The next section sets out simply to indicate the manner in which we intend to employ the concept of *enterprise* in order to give substance to our analysis of:

- the dynamics of crime business;
- its complementarity with other competing business enterprises;
- its market positioning
- the extent to which market motivation accounts for structuring and operationalising crime business;
- the significance of regulatory cross-over in establishing and maintaining market positioning; and
- how to particularise the utility of enterprise theory in promoting a universalised market understanding of crime business, especially from a regulatory perspective.

2. Distinguishing criminal enterprise

Any application of enterprise theory to market conditions where profitability rather than enterprise legitimacy is the focus, could be criticised as taking the *crime* out of crime business. When dichotomous interpretations of business (criminal or not) and markets (legitimate or illegitimate) are challenged through modelling common conditions of enterprise profitability and market positioning, the researcher is left to determine the nature of crime business rather than to explain it away.¹⁰

Regulation and product preferencing are universal market conditions. Legalist regulation¹¹ in its corrupt or unlawful forms facilitates crime business and can assist in product preferencing but despite its influence over profitability, distorted or inverted regulatory services do not gain their ‘marketability’ in economic terms alone.¹² It is the potential of legalist regulation to transfer the mask of legitimacy to criminal enterprise and the preferencing of its products and services which makes the retention of an appearance of regulatory legitimacy for the corrupt public official critical to his or her market value. In this respect to speak of legalist regulators as ‘cross-over’ players bridging legitimate and illegitimate enterprises (not to be confused with markets) is much more complicated than the transition implies. It is more helpful to see the legalist regulator and their service to the market as what we refer to as *legitimacy transaction*, a common feature of the regulator’s utility when interacting with legitimate business enterprise. This will be addressed in greater detail later.

¹⁰Paoli, 2002.

¹¹The conceptual parallel between *legalist* and legal regulation exists insofar as the regulatory power of the social control agents, institutions and bureaucratic processes in both contexts is derived from their legal standing. In the service provision sense *legalist regulatory practices* refer to the discretionary granting and/or withdrawal of opportunities, authorisation, favours, privileges and other market access variables. The deviant dimension of legalist regulation involves the abuse of public power for private profit by legally authorised regulators who hold positions in legitimate socio-political apparatuses, and are in our case-studies, by extension candidates for elected office. By extension legalist regulators can compromise candidates for elective offices, through informal methods or by manipulating formal bureaucratic processes, in order to gain preferences and protections for the enterprises which they service. Across cultural contexts, various studies have identified extortion, intimidation, bribery, gift-giving, nepotism, and patron–client networks to be among the foundation for the institutionalisation of legalist regulatory practices.

¹²Hanif and Findlay, 2010a; see also Khan (1998).

In attempting to habituate a market consciousness into the understanding of criminal enterprise engaged in by rational entrepreneurs and regulators, several counter intuitive challenges need to be confronted.

2.1. *Research reluctance*

The analysis of crime as a business, with an emphasis on the market motivation of rational entrepreneurs and self-interested regulators as rational service providers, rather than simply as irrational, disorganised and violent criminals has been hesitant in the language of law enforcement policy as well as criminology theorising.¹³ The receptivity among criminologists to equate organised crime as an enterprise has not naturally redirected analytical gaze towards organised crime entrepreneurs as market players.

2.2. *Disorganised organisational thinking*

From the rudimentary, hierarchically organised street corner criminal groups to the complex and sophisticated organisation of a crime syndicate, crime business and collective criminality is organised according to the market structure and culture in which these criminal groups operate. Criminal groups that attempt to take advantage of the criminal market require structural advantage to maximise the market opportunities available to them as they compete with other criminal groups, as is the case with any other business.¹⁴ The influence of business environment over business structure and models sees a parallel in legitimate business enterprise.

2.3. *Misconceiving structural market adaptation*

An example of structural adaptation generating business advantage in criminal enterprise is what might be seen as logically confounding when put against law enforcement normative distinction; the symbiosis between crime business and otherwise legitimate market regulators.¹⁵ We will examine this as a critical market variable in more detail later in the paper. For now it is mentioned to throw light on the importance of structural adaptivity in the advancement of criminal enterprise as profitable business. The crucial function of corrupt regulators in facilitating criminal enterprise is a direct consequence of the unique and strategic location of social regulators along the porous boundary that separates the legitimate and the illegitimate sectors of society,¹⁶ and contextualises legitimate and illegitimate enterprise across consistent market conditions. Whether illicit social actors are able to run an uninterrupted criminal enterprise, to expand criminal enterprise on a global scale, to permeate market economies in an expansionist business mode, are dependent on the corruptibility of social regulators and compromised regulatory boundaries.¹⁷

¹³For reservations in theorising crime as business in the law enforcement perspective, see: Werthman and Piliavin, 1967; Whish, 2003; for reservations in theorising crime as business among criminologists, see: Reuter, 1983; van Duyne, 1997; Paoli, 2002.

¹⁴Findlay, 1993; van Duyne, 1997; Hanif and Findlay, 2010a.

¹⁵See Ruggiero, 2002, 2010; Zhang, 2008; Hanif and Findlay, 2010a.

¹⁶Royal Malaysia Police, 2005, p. 280; Hanif and Findlay, 2010a.

¹⁷Hanif and Findlay, 2010a.

2.4. *Down-playing agency*

Next to structural adaptivity, agency is critical to the advancement of crime business and the realisation of varied market motivations to expand and diversify successful crime business in a modern market context. Agency in the organisation of crime is a series of negotiated interactions and relationships between key players. The least common denominator of organised criminality is human relationships; specifically human relationships engaged in the process of social networking for the provision of illicit goods and services as well as the protection, regulation and extortion of those engaged in the provision or consumption of these goods and services.¹⁸ This process of social networking occurs as part of a social system of organised crime, a system which explains the remarkable consistency of the process of organising crime across time and space. This process of networking also has cultural variants, a phenomenon that explains the subtle and not-so-subtle differences between organised criminals of different ethnic heritages. Organisational identities, structural loyalties and the empathetic facilitation of corrupt regulators must be contextualised in particular market contexts in order to understand agency. Agency is a relative market relationship, and not just a structural delegation. For instance, it is enlightening to appreciate the way corrupt regulators perceive their own agency and involvement in the organisation of criminal enterprises in order to critically reveal their motivations beyond financial enrichment.¹⁹ Corrupt regulators are a fundamental variable in the market profitability of the criminal network.²⁰ At the same time, and to increase their commercial utility while maintaining a mask of respectability and authority, these corrupt regulators distract their primary role in organised crime by distorting knowledge. The ideological representation of crime, the misrepresentation of market reality through selective law enforcement, the doctoring of statistics on crime in order to influence public perception of law enforcement effectiveness, to create or assuage moral panic and to appease the national and international community have been documented.²¹ The perpetuation of false consciousness and the ideological discursive representation of crime by corrupt regulators deflect critical attention from and suspicion of the porosity of the boundary between the legitimate and illegitimate enterprise. The agency of corrupt regulators in facilitating criminal enterprise is holistic in that their role in dictating knowledge about crime enables them to divert attention away from their role as a gel between the legitimate and illegitimate enterprise in common market contexts.²² Agency needs to be contextually defined. Corrupt regulators attest to the multiple loyalties, functions, identities that influence their action or agency.

2.5. *Limiting regulation to objectified law enforcement*

Regulation as a critical market variable of criminal enterprise is rarely fully appreciated as a fundamental feature of successful crime business. The establishment, profitability and sustainability of criminal enterprises, we later argue in more detail, is dependent on *legalist regulation* which despite this critical facilitation is very much neglected in theorisations of organised crime. The relative success of criminal entrepreneurs to operate a stable, predictable,

¹⁸McIllwain, 1999.

¹⁹Hanif and Findlay, 2010a.

²⁰Shakantu, 2003; Hanif and Findlay, 2010a.

²¹Johnson, 1962; Ianni, 1972; Ekblom, 2003; Block, 1991.

²²Hanif and Findlay, 2010a.

profitable and sustainable criminal enterprise is contingent on their degree of success in securing the collaborative relationships of legalist regulators. Contrary to the normative assumption that regulation is antithetical to crime business, this paper will show legalist regulation to be a critical variable of market dynamics that secures criminal market presence and share.²³

2.6. *Single variant fixation*

Law enforcement investigations into the organised crime *problem* are preoccupied with ascertaining whether organised crime groups are hierarchically structured or loose networks of criminal associates and whether their organisation in particular ways pose external threats to otherwise ‘licit’ political-economies.²⁴ With such an emphasis the dynamics of crime business culture and market involvement escape consideration in favour of a structuralist concern for organisations and the ‘holy grail’ of what makes them criminogenic; family, race, ethnicity, secrecy, opportunity etc. Subculture ethnographies, whose analytical focus is the identification of taxonomies to describe organised crime groups (as ethnically-based, indigenous or non-indigenous, hierarchically structured or networked), are concerned with the regularities, common patterns and distinguishing features of organised crime groups, where these groups operate and in what markets.²⁵ In the resultant constrained research agenda the researchers’ focus is channelled towards the mundane and distinctive features of illegitimate markets and sectors of society in terms of preconceived single variable analytical frameworks whether in terms of positivist biology, subculture’s race and class or social disorganisation’s ecology.²⁶ Methodologies which then direct the research gaze to low level operatives and street-crime relationships may tend to confirm the utility of mundane and limited variant analysis not as a consequence of its empirical significance but through a concurrence with the normative commitments of these minor players.²⁷ These normative commitments in turn may have been consciously confirmed and proliferated by more powerful entities in the enterprise determined to conceal the complexities of power and to keep the lower orders unstable, factionalised and violent so as to restrict their commercial access to the orderly profits and expertise of the business.

2.7. *Ignoring rational business dynamics*

As we will discuss more fully later, normalisation, be it the province of regulators, entrepreneurs or consumers, is contingent on the dynamic collaborative relationship negotiated between the criminal enterprise and other critical market variables such as the legalist regulator, which is vital in securing the enterprise’s market presence and share. The cooperative relationship negotiated between the syndicate and various legalist regulators advances the interests of criminal business in a variety of ways. A key challenge for developing our understanding of illicit enterprise is to pursue a more qualitative interpretation of the actual decision-making processes engaged in by illicit traders. In particular, the hypothesis that actors rationally anticipate the actions of those charged with their regulation and take evasive action provides

²³See Findlay and Hanif (forthcoming) ‘Disturbing the Rice Pot: Market modelling criminal enterprise’.

²⁴Edwards and Levi, 2008, p. 364.

²⁵Edwards and Levi, 2008, p. 366.

²⁶McIlwain, 1999.

²⁷Hanif and Findlay, 2010b.

a useful starting-point for questioning the degree to which different traders approximate to a “perfect knowledge” about the actual and potential actions of competitors and regulators operating in the markets they inhabit. In questioning the logic of entrepreneurial practice there is always a danger of over-emphasising the voluntary exercise of choice by particular traders, especially given the methodological individualism of rational actor models.

Having overviewed our appreciation and application of *enterprise* and its critical components when analysing crime business we are now in a position to frame out the significance and structure of conventional market analysis in which to locate the uniform dynamics and to test the specific adaptation of illegitimate enterprise as crime business.

3. Maximising choice/minimising competition

As suggested earlier, an analysis of the market variables at work in the profitability of crime business helps expose the normative distinctions which retard other theoretical and methodological approaches which are based on the intractable distinction between legitimate and illegitimate markets, good and bad business.²⁹ Contemporary organised crime analyses and research methodologies are replete with the dichotomised representations of businesses, markets and stakeholders. The functions of criminal enterprise are positioned along the axis of ‘legal’ or ‘illegal’, ‘functional’ or ‘dysfunctional’ and ‘orderly’ or ‘disorderly’. These dualisms have been historically institutionalised through principal analytical frameworks in criminology like positivism, Merton’s social structure and anomie paradigm, sub-cultural studies and the ‘crime control’ law enforcement perspective. Dialectical theorisations conceal the dynamic reality of criminal networks³⁰ and enterprises, and stunt efforts to realistically appreciate organised crime as business.³¹

The market analysis we apply to the study of crime business operates under the following pre-conditions:

- a) That entrepreneurial motivation is influenced by market forces and relationships which can be reduced down to critical market variables;
- b) That critical market variables are present and influential to differing degrees across crime business with distinctly different market conditions;
- c) That critical market variables are present and influential across enterprises no matter if they are normatively determined to be operating in legitimate or illegitimate markets; and
- d) That market variables are employed in crime business in similar fashion to any other enterprise context provided they are geared towards economic profitability. In this respect they may be directed at enhancing or restricting market choice, but as such they are always focused on choice (rational or otherwise).

Market analysis, while a universalist exercise, must anticipate being tested in the specifics of different market contexts which is the challenge for the comparative methodology advanced in

²⁹In Findlay and Hanif (forthcoming) ‘International Conventions and the Failure of a Transnational Approach to Controlling Asian Crime Business’ we draw the connection between legitimate and illegitimate enterprise within common market conditions.

³⁰The “criminal network” of an illegal entrepreneur refers to ‘all those individuals he or she encounters in the course of his or her criminal activities who are in a position to influence the success or failure of that criminal enterprise’ (von Lampe, 2007, p. 132).

³¹Morselli and Giguere, 2006.

the second half of this paper. There is a need to understand the structures of different markets, that is, how they unevenly distribute cultural, economic and political capital amongst competing entrepreneurs and the consequences of this for the reproduction, stagnation or collapse of particular markets. At the level of action at least the epistemology of crime business is advanced through specific market modelling in particular enterprise contexts. The ontology of crime business is not determined by the nature of markets but by the phenomenology applied to their meaning and thereby their legitimacy.

Market analysis is central to predicting:

- *whether* criminal entrepreneurship is undertaken (addressing criminal inclinations, capacity to undertake entrepreneurship depending on whether the group has capital³²; access to illegitimate sector of society, etc.),
- *how* criminal entrepreneurship is organised in a particular market context (network or hierarchical structure; race oriented? profit oriented?), and
- *which* criminal entrepreneurship is undertaken and *why* (culturally determined demand, assessing consumer demand, dissatisfactions, wants, needs).

Although conventionally studied from a supply perspective, market analysis can draw on a range of subjects and perspectives; consumers, criminal entrepreneurs, legitimate entrepreneurs competing alongside illegal businesses, law enforcement agents, specific communities, which dynamically interact and culminate in market forces. The problem with the supply perspective is that it encourages the normative and dialectical tensions inherent in organised crime study from an essentialist law enforcement perspective. If market analysis is done from the perspective of a specific organised crime, with an over-emphasis on the organisational distinction from legitimate enterprise such as the marketing of violence, *difference* itself becomes an over-endowed independent variable that is presumed to affect the profitability, sustainability, and growth of crime business. The organisation becomes the control focus towards which efforts to disrupt certain supply dimensions are invested. The resilience of certain groups dealing in those supply commodities which law enforcement seeks to capture distracts a more balanced consideration of market analysis wherein product preferencing and the conditions influencing rational consumer choice are passed over.

Freed from any essentialist dichotomy between legitimate and illegitimate markets, we argue that universal market characteristics, forces and relationships can explain criminal enterprise and business in a similar way to market theorising for any enterprise or business. The predictive powers offered by market analysis can be applied and tested across enterprises as well as across broad market contexts. While it is argued that universal forces, characteristics and relationships which make up market profitability can explain the nature and operation of criminal enterprise and entrepreneurial motivation in the same way as any other business under the same market conditions, differences in crime business can also be explained through different market conditions, and therefore are market specific.

Following the review of essential market forces common to market analysis and applied to crime business, the next stage is to consider critical market variables and their dynamic influence on market conditions. Our consideration of two such variables to follow is premised on certain assumptions about their operation and their influence. For instance with consumer

³²Cohen, 1955; Cloward and Ohlin, 1960; Bourgois, 2003; Brotherton, 2008.

normalisation that we argue³³ is a critical market context for product preferencing decision-making:

- 1) normalisation at critical decision sites in criminal enterprise is crucial for essential business outcomes;
- 2) the impression that the stronger are forces of normalisation the weaker is the distinction between legitimate and illegitimate enterprises;
- 3) that the forces of normalisation are context specific and diminished by the characteristics and relationships (such as violence) that determine enterprise as more unambiguously criminal; and
- 4) that forces of normalisation depend for their potency on the inverse market discrimination of legalist regulators.

This paper can only of necessity limit its market analysis aspirations and the later comparative methodology to two critical market variables; legalist regulation and product preferencing. By establishing a richer and more enterprise-oriented understanding of a crucial market variable such as these it will be possible to refine control strategies at critical entry and exit points in the operation of clandestine crime businesses. Furthermore, by exploring how one variable influences the market context and dynamics of another (i.e. legalist regulation facilitating product preferencing) then the dynamic and interactive nature of market analysis is revealed.

Therefore, we see the universal market influence of regulatory forces (legitimate or illegitimate) as one critical market variable for achieving a profit-centred understanding of crime business. Certain underlying assumptions as to the regulatory significance for market analysis would be:

- Legalism and the creation of an optimal market context
- Legalism as a stimulant for the cross-over of legitimate and illegitimate economies, entrepreneurs, enterprise, business strategies
- Legalism broadens the criminal network and criminal resources available to criminal entrepreneurs

Prior to describing in more detail the critical market variables of legalist regulation influencing product preferencing, we need to clear up a further apparent paradox. How can we assert that these selected variables are uniform market conditions if, when they are applied to

³³The study of the normalisation of illicit goods and services and criminal business is really modelling the variables that incline consumer demand for and endorsement of illicit goods and services. Normalisation is the manifestation of structural forces that influence and diffuse into the decision-making process of consumers. The cumulative effect of consumer-decision making processes subsequently influences the market presence of a particular criminal enterprise within a particular context. To understand the process by which the culture of normalising criminal business is brought about requires to understand deep-seated culture, a process of enculturation, the institutionalisation of corruption, etc. Normalisation is an investigation into a way of life within a particular context. This way of life includes corrupt culture, dealing with corruption, looking at informal ways of making money, gradual inclination towards deviance and crime. In this way the services of corrupt police and public officials assist in the normalisation process through a series of complex and often masked and mystified market relationships. For a much more developed analysis of normalisation and its place in demand management (which is the distinct intellectual property of the author Hanif N.) see the doctoral thesis of Hanif (forthcoming).

particular criminal enterprise they appear in an adaptive form? For instance legalist, cross-over regulation is a market regulator but it is one where the anticipated regulatory influences of law and legal process are corrupted and even reversed. The answer lies in common operational market themes such as agency, power, knowledge-management, discretion and authority. Another way of viewing the paradox is to see these variables emerging from *a core market meta source and then being adapted down to the particular exigencies of the different criminal enterprise contexts. In this way, the variables can be viewed at their source down to their operational entity as what we might call 'crime adaptations'* – so for instance normalisation is an adaptation of consumer choice which could be seen as coming out of demand management; cross over legalist regulation grows out of law enforcement regulation which could be seen as coming from supply management. This is how we will envisage and employ the selected market variables in the analysis to follow.

4. Legalist regulation

The role played by discretionary regulators in promoting crime identifies market regulation as crucial in promoting favourable market conditions to advance the interests of criminal entrepreneurs, as might be expected of regulatory forces for stimulating legitimate enterprise.³⁴ With the institutionalisation of compromised regulatory agency at each progressive stage of criminal business, from the resourcing, production, marketing, to the import and export of illegal commodities, it can be shown that the divide between the legitimate and illegitimate enterprises becomes blurred.³⁵ Legalist regulators conflate the market in which legitimate and illegitimate enterprises and entrepreneurs operate and compete. Legalist regulation in these settings facilitates the convergence and cross-over between legitimate and illegitimate market enterprise share instead of denying the attraction of the alternative market conditions. Discretionary regulation functions to bridge markets and economies, specifically by stimulating a consumption pattern that is partial to illicit goods and services. Such a pattern of dealing with legalist regulation is designed to show normalisation as a dynamically negotiated market context.³⁶

The offices of legal regulators are legitimately accorded the coercive power of the state, in exercising their authority and powers as instrumentalities and agents of the state and its regulatory process. With state-invested power to prohibit or compel, to take or give reward, the practises of these state-appointed and legalised regulators can and do selectively help or hurt enterprises and entrepreneurs. The machinery and power of the state represents a potential resource or restriction to every market player, including illegitimate enterprise. The capacity of law enforcement regulators to exercise the apex powers of the regulatory pyramid³⁷ (coercive

³⁴In his recent work *Regulatory Capitalism: how it works, ideas for making it work better* (2008) John Braithwaite questions the convention that too much regulation hurts market profitability. At least in the case of global multi-national capitalism there has been an explosion in regulatory activity in the past decade and Braithwaite argues that the current dominion of global corporate capitalism and its expanding market share is in no small measure due to regulatory environments. This assertion should be measured against Braithwaite's other conviction, that the regulatory theory behind regulatory strategies which support healthy market conditions needs to be pluralistic and responsive. His own preferred theoretical approach is a mix of limited command and control progressing down through tri-partism, to a broad-based compliance and self-regulatory foundations.

³⁵Hanif and Findlay, 2010a.

³⁶Hanif and Findlay, 2010a.

³⁷Rose-Ackerman, 1978; Braithwaite and Drahos, 2000; Hanif and Findlay, 2010a.

sanctions) is a service worth paying for if guaranteed market positioning is something an entrepreneur does not want to leave to organic market forces. Regulation is the mechanical overlay in which these organic forces are played out and as a consequence can be viewed as a far more manageable and marketable critical variable.

Legalist regulation advance crime business by:

- (1) pressuring the incorporation of illegal corporate strategies within legitimate enterprise models, and
- (2) directly cooperating with legitimate entrepreneurs.

Legalist regulation intervenes at all points of legitimate and criminal enterprises, and influences crucial market dynamics and structures affecting both legitimate and illegitimate business. Legalist regulation inclines particular business sectors towards criminality as a mode of adaptation, as well as the market towards crime business profit and sustainability. In this regard, market positioning through cross-over facilitation and consumer preferencing through *normalisation* will be central analytical reflections for any effective market analysis. Regulation, we suggest, is a unique market variable through the manner in which it constructs critical contexts in which other variables such as product preferencing become essential market decision outcomes.³⁸

5. Oligopolistic market context favouring criminal enterprise — dangers of the free market

It has been observed of crime business that it operates more effectively in market conditions of limited competition³⁹. For those seeking to cast criminal enterprise as somehow destructive of legitimate market conditions this tendency to oligopoly is seen as proof that crime business and the forces that foster it are opposed to free market economy.⁴⁰ Such a distinction, we suggest, is naive at best on at least two levels. First it represents a shallow and normative equation of legitimate market conditions always requiring free and unrestricted competition. This is the foundation of equally unrealistic critiques of market regulation in any form for what is seen as some universal potential of regulation to restrict market freedom.⁴¹ Braithwaite (2008), at least for large multi-national corporations, argues that the burgeoning of international networked regulation in recent times can only be explained as good for the essential conditions of global capitalism. This leads to the second misconception and that relates to some uniform ascription to oligopoly of negative market connotations. In the delivery of particular goods and services (such as those with high R&D and intellectual property start up costs) oligopolies are common in the most legitimate market forms such as IT services or branded consumer product.

Public choice theories of regulation analogise regulatory decision-making to market decision-making. In such situations individuals who are, or could be effected by regulation

³⁸Hanif and Findlay, 2010a.

³⁹Works in which crime business is seen as anti-competitive: Reuter, 1983; Paoli, 2002; Thoumi, 1995; Tremblay et al., 1998.

⁴⁰Works that argue crime business destroys market legitimacy: Tilly, 1985; Sterling, 1994; Mittleman and Johnston, 1995.

⁴¹This position is interrogated by Croley (1998).

exchange regulatory *goods* which are *demand*ed and *supply*ed according to the same principles governing demand and supply of ordinary goods in the market. Such regulatory goods can include:

- Subsidies
- Selective restriction of market entry as through tariffs
- Control over the substitutes and complements of economic goods
- Price controls
- Supply and demand pathway controls
- Consumer segregation

For those willing to engage regulatory goods, the benefits for their market positioning can be significant. Rather than necessarily anti-competitive in context and consequence there can prevail a competitive condition for the supply and demand for these regulatory goods.

In the law enforcement context the state is the sole supplier of regulatory goods. Through legalist regulation by corrupt state agents regulatory *trades* are offered to criminal entrepreneurs to further their mutual economic interests. ‘The resources necessary to meet the supplier’s political needs constitutes the *price* of regulatory goods’.⁴² The outcomes for such forces of supply and demand will be a function of the market (and non-market) constraints under which participants in the regulatory marketplace operate. For legalist regulators we will discuss these constraints in the section to follow.

As attractive as the parallel between regulatory decision-making and market decision-making may appear, for legitimate market regulation at least, there are challenges to the analogy.

- Regulatory decisions can be ‘all-or-nothing’ propositions rather than what happens commonly with market prioritisation.
- The scope of regulatory decisions extends across almost all participants in the market.
- Once the state makes a decision about which package of regulatory goods it intends to supply there is no opportunity for market players to exit the regulatory market.
- Regulatory decisions are more likely to be permanent.
- Regulatory decisions are usually collective decisions.
- Relative to market decisions, regulatory decisions are relatively infrequent.

However, these distinguishers are less apparent when the supplier of regulatory goods is a legalist regulator. In the context in which regulatory goods are offered by legalist regulators and accepted by criminal entrepreneurs, the regulatory market works to the advantage of organised groups with narrow interests such as crime syndicates and corrupt police.⁴³ Regulatory goods as with any marketable product must be worth the price. The benefit may be the restriction of competition in situations where perverted and selective law enforcement replace the need for violence from the criminal entrepreneur directed against his competitors. Where such regulatory goods are sold to organised, concentrated interests, as our research reveals, the rewards focus at the top of the syndicate and are dispersed and diminished as they move down the enterprise pyramid.⁴⁴

⁴²Croley, 1998, p. 58.

⁴³Hanif and Findlay, 2010a.

⁴⁴Hanif and Findlay, 2010a.

6. Cross-over — challenge to market designations of legitimacy

The notion of *maximisation* can be applied to any facilitator or opportunist within a criminal enterprise or crime business relationship, regulator or otherwise.⁴⁵ Certain styles of legalist regulator can be seen as maximisers but not all. As we interpret the concept of maximisation it is not about crime parasitic self-interest, but the mutualised interests of criminal enterprise stimulated through the trade in regulatory goods. The legalist regulators feeding off consequentialist criminal enterprise⁴⁶ may not be maximisers in the enterprise sense. They bleed the business for individualist reasons of self interest and eventually kill the enterprise. Any maximisation role is for the legalist regulator alone and thereby short lived.

By examining maximising legalist regulators who provide this cross-over facilitation, the conceptual framework of mutualised criminal enterprise becomes extremely constructive in enabling the study of criminal network relationships at all business levels. In so doing enterprise analysis transcends dialectical tensions and dichotomies to the reveal dynamic cooperation that makes for profitable business.⁴⁷

An underlying aspiration and consequence of the enterprise/regulatory cross over is the establishment and maintenance of market ordering. In conventional organised crime analysis disorder features as a crucial discriminator of illegitimate business. The reverse is the experience of syndicate senior management in our case study and argues against the order/disorder dichotomy in crime business.⁴⁸

Oscillation legal to illegal businesses requires examination in light of the market activity and organisational structures in which and by which they operate. The array of important relationships, which result from the necessary interplay between market activity and organisational structure, must be understood. Otherwise the representation of criminal enterprise will forever be stylised by distracted dichotomies (legitimate business versus the syndicate), moralising psychologising (legitimate businessmen being corrupted by mobsters), and a tacit belief in an alien spectre seducing away the virginal purity of the illusive free market (infiltration of legitimate business).⁴⁹ The normative without the active is a recipe for analytical apology regarding the daily profit motivations of crime business and facilitating corruption.

Some important questions arise for an analysis of the symbiosis between legalist regulators and crime business. To what extent does the paradox of cross over regulation require normalisation at various crucial sites of market decision-making and between essential market players? How are both the paradoxes of:

- a) legalist regulation facilitating rather than frustrating crime business, and
- b) regulatory cross-over as a challenge to rather than a confirmation of distinctions based on market legitimacy,

⁴⁵Murphy and Robinson, 2008.

⁴⁶For a discussion of the division of crime business into consequentialist and maximising criminal enterprises see Findlay and Hanif (forthcoming) 'Disturbing the Rice Pot'.

⁴⁷Hanif and Findlay, 2010a.

⁴⁸Hanif and Findlay, 2010a; A richer analysis of these and other forces and relationships is developed in the doctoral thesis of Hanif (forthcoming).

⁴⁹Martin, 1981.

particularly tied to normalisation as critical market variables when we are arguing for a uniform market modelling approach premised on a freedom from externally mechanical and normatively compromised distinctions of market legitimacy?

The normalisation of legalist or corrupt regulatory trading is contingent on the dynamic collaborative relationship negotiated between the syndicate and legalist regulator, which is critical in securing the syndicate's market presence and share. The cooperative relationship negotiated between the syndicate and various legalist regulators can be shown to advance the interests of criminal business in a variety of ways including:

- Discretionary policing of competitors who aim to usurp the syndicate's market share and presence,
- Overlooking the legal prosecution of consumers and more importantly the original sources of illicit product and services,
- Facilitating the stable operations of criminal business,
- Laundering criminal capital to fund other criminal business.

But in turn these interests rely on mirroring the beneficial influences brought about by regulation for general market competitiveness; sometimes even including oligopolistic outcomes.

7. Regulation in reverse

As indicated previously we see the regulatory paradox embodied in otherwise law enforcement agencies offering regulatory services to facilitate crime business as operating in a uniform market-driven frame and not just in some normative tension focussed on the 'moral corruptibility of individual agents'.⁵⁰ For crime business situations, legalist regulation can work contrary to the expected purpose of restricting what is determined in law enforcement parlance as illegitimate or black market operations. As a result, in analysing the market conditions for crime business (and hence the risks to designated legitimate enterprises) legalist regulation crosses over porous normative market divides (which in many respects their agencies and institutions have *designated and maintained*) creating opportunities to influence consumer preference. This is achieved by favouring particular market players and practises in reward for corrupt relationships, and by restricting access and participation in legitimate and illegitimate markets by disfavoured business.⁵¹ Legalist regulation can also create and maintain commercial conditions which favour crime business products ahead of legitimate service providers. Associated with this, compromised regulators can use or refrain from criminalisation which in turn impacts on the normalisation of illegitimate commercial trade. In this way the negotiation of meanings by compromised regulators helps re-imagine crime business to support consumer normalisation, and market preference.

Clearly the institutionalisation of legalist regulation blurs the now normative distinction between good and bad business, operating in legitimate and illegitimate markets, and

⁵⁰As Potter (1994, p. 10) expertly explains: 'To suggest that righteous citizens are being perverted, intimidated, and forced into vice by alien forces is far more palatable than suggesting that "native" demands for illicit drugs, sex, and gambling invite the creation of organised crime groups'.

⁵¹Corrupt regulators use their legitimate law enforcement authority to selectively enforce and 'over-police' other business enterprises impacting on their free access to consumers and suppliers and thereby their competitive viability. This is what we referred to above as legitimacy transaction masking discriminatory applications of law enforcement power, and anti-competitive over-regulation.

emphasises the legal–illegal continuum of markets and enterprise. This is the terrain through which legalist regulatory agencies market the regulatory paradox.⁵²

8. Regulatory protectionism – limiting market competition

We have already observed the danger in seeing legalist regulation as opposed to market viability and thereby challenging anything but illegitimate market analysis. That said, the regulatory goods offered by corrupt market officials have the capacity to exacerbate mechanical market inequalities and distort resource distribution which is sometimes generally criticised as the negative consequence of modern capitalism.⁵³

Corruption can help preserve objective inequalities in two ways: by facilitating the unequal appropriation of wealth and privileges, and by inhibiting changes which could threaten existing advantages.⁵⁴

Lets apply these two direction to the creation of oligopolistic market positioning which we indicated above is not uniquely but particularly conducive to criminal enterprise, by restricting organic competition in an otherwise de-regulated market. Legalist regulators will use their licit and illicit standing as regulators to offer the service of anti-competitive protection.

Corrupt regulation to aid the appropriation of wealth and privilege is a ‘two-way’ relationship whereby the criminal entrepreneur is given market positioning through the intimidation of competitors, selective sanctioning of other market players, and licence protection and product access. The corrupt regulator is enriched through ‘direct taking’ such as bribes and kick-backs, embezzlement and extortion. The type of corrupt regulation more likely to protect market inequalities by inhibiting change is exchange corruption where through quid pro quo transactions with other key market players the criminal entrepreneur gains a continued market advantage and a reliable and recurrent customer base while the corrupt regulator is paid by participants in these relationships as a facilitator and agent.

Exchanges require a convergence of self interest among participants: once this is attained, those involved often have an interest in repeated exchanges in the future. Exchange corruption frequently eases imbalances in supply and demand, and can also pre-empt or postpone politically disruptive reforms. These effects should be all the more pervasive to the extent that exchanges are repetitive and become routine expectation.⁵⁵

As the regulatory trade becomes institutionalised into an essential market variable with the capacity to normalise critical sites for market decision-making such as product preferencing, the relationship between the supplier and the consumer of regulatory goods looks less like one of domination and dependency and more like other profitable and orderly market transactions. Even so, the illicit nature of the relationship involves risk no matter how it is minimised. In the

⁵²It appears from the responses to our interviews with consequentialist crime businessmen that the root causes of corrupt activities come from government officials, clients or contractors. This finding is similar to that of Shakantu. The legalist regulatory demands and impositions (counter regulatory culture) practiced by compromised regulators necessitate legitimate entrepreneurs to incorporate illegitimate business strategies in their everyday operationalisation.

⁵³Posner, 2008.

⁵⁴Johnson, 1989, p. 20.

⁵⁵Johnson, 1989, pp. 21–22.

shadow of that risk may remain an incipient mistrust which is kept in check by fragile externalities such as the threat of violent reprisal, or exposure, in return for the withdrawal of advantage. We will now briefly consider the market conditions necessary for the maintenance of networks of dependency and advantage wherein legalist regulation itself is normalised and at the same time is a powerful force for normalisation.

9. Networks of dependence and advantage — creating and maintaining corruption

Certain commercial aspirations (entrepreneurial motivations) especially where these are ambiguous or polyglot, and incentives for market advantage act as opportunities for corruption.⁵⁶ Along with such opportunities there is the capacity through often obscurest interactions between various networks of authority for the corrupt supplier of regulatory goods to ‘add value’ to his cross-over services. This is regulatory legitimisation.

The conceptual parallel between *legalist* and legal regulation exists insofar as the regulatory power of the social control agents, institutions and bureaucratic processes in both contexts is derived from their legal standing.⁵⁷ In the service provision sense, *legalist regulatory practices* refer to the discretionary granting and/or withdrawal of opportunities, authorisation, favours, privileges and other market access variables. The deviant dimension of legalist regulation involves the abuse of public power for private profit by legally authorised regulators who hold positions in legitimate socio-political apparatuses, and are in our case-studies, by extension candidates for elected office. By extension legalist regulators⁵⁸ can compromise candidates for elective offices, through informal methods or by manipulating formal bureaucratic processes, in order to gain preferences and protections for the enterprises which they service.

Legalist regulators and legalist regulation are marketable commodities. Not every criminal group is able to secure the collaborative relationship of legalist regulators because it is an expensive commodity. For those criminal entrepreneurs left out of the regulatory trade the consequences as noted above can be even more market negative than if the trade was not excluded from them. These small crime businesses are often, through discriminatory regulation, sucked into dependency relationships with legalist regulators, minus the advantage. Through processes such as extortion the relationship between the regulator and the excluded crime business is predatory and parasitic. If the crime business is made unprofitable or non-viable through the relationship then the regulator has added further value to his goods and trade for those with whom he has an advantageous relationship.

It is also worth noting that legalist regulators differ in their ‘market price’ depending on their capacity and the degree to which they are able to deliver a market context that is expected by criminal entrepreneurs. Depending on their position in the bureaucratic structure in which they

⁵⁶Findlay, 2008, p. 63.

⁵⁷Hanif and Findlay, 2010a.

⁵⁸Legalist regulators do not simply refer to police. Other regulators like moneychangers, directors of banks are equally important as regulators between the legitimate and illegitimate enterprises. Their corruptibility portends the intertwining of legitimate and illegitimate economies, the safeguarding of proceeds from criminal enterprises by diverting them into legitimate institutions like the bank and legitimate businesses, the exponential growth of criminal capital, and the ease with which criminal capital flows on a global scale to fund other legitimate and illegitimate enterprises. Investigations into criminal enterprises reveal many boundary regulators and what their corruptibility reveals for the understanding of criminal organisation.

serve, legalist regulators differ in their ability to negotiate optimal conditions to advance the interests of the criminal entrepreneurs and the criminal network they serve. Securing legalist regulation is a negotiated and dynamic process.⁵⁹

The crucial function of corrupt regulators in facilitating criminal enterprise is a direct consequence of the unique and strategic location of social regulators along the boundary that separates the legitimate and the illegitimate sectors of society. In treading the boundary between the legitimate and illegitimate sectors of society, regulators are uniquely placed at an intersection that determines the sustainability of criminal endeavour or their demise. Whether illicit social actors are able to run an uninterrupted criminal enterprise, to expand criminal enterprise on a global scale, to permeate what is normatively determined as the legitimate market economy, are dependent on the corruptibility of social regulators and compromised regulatory boundaries. Corrupt regulators can only be the gel between the legitimate and illegitimate sectors of society and function as facilitators if their position in legitimate society is not openly compromised and they continue to be involved in and knowledgeable of boundary regulation procedures of the legitimate sector of society. The positions that corrupt regulators occupy in the legitimate sector of society and their skillfulness in securing their legitimate identity are the currency that makes social regulators ‘marketable’ to illicit social actors.

Comparative features	Criminal networks with the collaborative relationship of legalist regulators	Criminal networks without legalist regulators but only criminal regulators
Power source	The offices of legal regulators are legitimately infused with the coercive power of the state, since they are ideologically a machinery or function of the governmentality process. With state-invested power to prohibit or compel, to take or give money, the practises of these legal or state-appointed regulators can and do selectively help or hurt industries and entrepreneurs. The regulatory machinery of the state is a potential resource or threat to every business form. The authority of state sanctioned coercion imbues order in the regulatory trade and downplays violence.	Criminal regulators, referred to as assassins, soldiers, fighters, are typically members of the criminal groups that they serve. Their regulatory roles are appointed for them by those occupying leadership positions in the criminal group with which they are affiliated. Their positions are recognised exclusively by members of the particular criminal body they are a part of. Their power is infused only with and sanctioned by the authority of the criminal leader that selected them. Without external mechanical authority they trade violence and disorder
Sphere of influence	Legitimate and illegitimate sectors of society	Illegitimate sector of society
Modus operandi	A mixture of legal and extralegal method	Exclusively extralegal method
Function	<ul style="list-style-type: none"> • Deterring competing suppliers with legal punishment • Policing competing suppliers • Regulating consumption 	<ul style="list-style-type: none"> • Deterring competing suppliers with violence
Machinery	Legal coercion and regulatory ordering	Physical violence and disorder ⁶⁰

⁵⁹Hanif and Findlay, 2010a.

⁶⁰The graphs, figures and tables in this paper are from original ideas by the author Hanif N.

10. Progressive and regressive market regulation – regulating to the normal

The market impact of *legalist* regulation over crime business is not static. It can be progressive or regressive depending on the entrepreneur's compliance (or ability to comply) with the compromised or corrupt conditions of legalist regulation. It can begin as a facilitator of crime business and deteriorate to become predatorial of criminal business and entrepreneurs. For aggressive crime business (maximisers), or business induced to be criminal (consequentialist), the compromised regulator imposes a parallel and inverted control regime to legitimate regulatory conditions. That said both regulatory regimes are intended as profit maximisers in return for compliance by entrepreneurs.

Normalisation is a product of negotiations among key players in the criminal network, and reliant on authentication by regulators in the market. It marks an important stage in the criminal business life cycle. The device of harmonisation through regulatory trade endorses the stability of criminal business as a source of income for all its players. It is hard to achieve and negotiations, bribes rather than violence are the typical tools of legalist regulators. It is sometimes unstable within shifting market conditions and can be challenged and re-arranged by competing market variables such as including higher demands by the regulators, attempts by criminal entrepreneurs to cut regulators short, etc.

Even in the most harmonious regulatory trade, the illegitimate nature of the market relationship, and the constant and prevailing risk of exposure and thereby the destruction of the value of the regulatory goods, crime business and legalist regulation are uncertain market players. This uncertainty sometimes sees recourse to regressive market behaviour. For instance, violence, or at least its threat, is not completely excluded from the regulatory strategy.⁶¹ While non-violence and the legal status of legalist regulators are sufficient to remove criminal elements that challenge the status quo, the interference of non-criminal actors and competing legitimate regulators can bring out the most extreme survival instincts in regulator and entrepreneur which remind us that the normative approbation of crime business has real foundation.

11. Balancing regulatory impact – regulating from the normal

Legalist regulatory contexts can impact on criminal enterprise in two broad ways. Legalist regulatory contexts can either impede the profitability of criminal business (excluded from regulatory trade) or facilitate the profitability and sustainability of criminal business (included in regulatory trade) within a particular market context. The market context we have been examining up until now is facilitation/restriction through legalist regulation. In the next part of the discussion we will speculate on the manner in which such regulatory forces in turn assist in the normalisation of critical market decision sites where crime business is operating, another critical and universal market variable. On the way to this discussion it is useful to make clear that normalisation as a particular regulatory 'good' can be traded through interaction between criminal entrepreneurs who are included in or excluded from the benefits of regulatory trade.

In Fig. 1 the regulatory interaction is between regulator and entrepreneur with opposite market outcomes depending on the context of that interaction within regulatory trade. For an advantageous outcome accruing to the entrepreneur the regulator must offer the service to

⁶¹Friman, 2009.

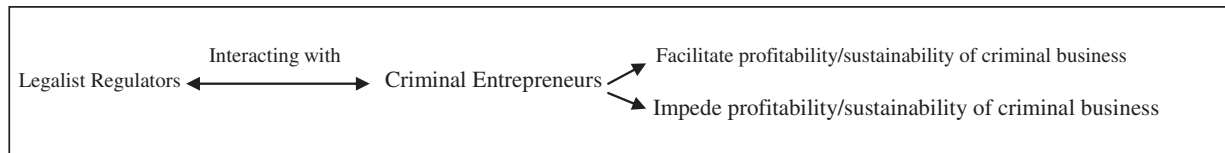


Fig. 1. Direct correlation between legalist regulation and impact on criminal business.

normalise a range of critical market decision sites that relate to supply and demand conditions. Where the regulatory relationship disadvantages an entrepreneur the market conditions are such that the regulator acts to ‘ab-normalise’ such decision sites. For instance, with product preferring the legalist regulator can ignore law enforcement against certain consumers and thereby benefitting particular crime business with the appearance of marketing normal product, and at the same time by selectively policing other consumer transactions, labelling those transactions abnormal to the disadvantage of other crime businesses.

In Fig. 2 we see how legalist regulators can also provide advantageous service to a criminal entrepreneur with whom they have a regulatory trade by helping to facilitate normalised engagement with legal entrepreneurs such as suppliers and capital providers (particularly in the form of labour permits and the like). On the other-hand the legalist regulator can further benefit the included crime business by restricting these ‘normalised’ engagements with legal business from crime business competitors, and even from competitors running legal but competitive business.

Fig. 3 is the representation of critical market relationships between legalist regulators and legal regulators, enabling a further level of normalisation and cross-over in market conditions.

So far in this paper we have used the terms *cross-over* and *legalist* regulator somewhat interchangeably. Fig. 3 suggests a more limited and accurate conception of how a capacity to cross-over adds value to the regulatory product. More conventional analysis of corrupt regulators uses cross-over to describe the phenomenon of moving from legitimate to illegitimate markets.⁶² As our analysis is premised on the conviction that such a market distinction is normative rather than actual, we would only conceive of cross-over in this sense, important as it is to any law enforcement paradigms, across a porous market distinction which is significant in the mind and practice of the regulators themselves. The style of cross-over envisaged in Fig. 3 and, we would argue, being more potent in adding value to the regulatory ‘goods’ traded by legalist regulators, is the drift from legal to legalist regulatory frames. This transition can occur when the legalist regulator also invokes his legal role and authority. It also takes the form of the legalist regulator acting either openly or in a clandestine context as the agent of the included criminal entrepreneur, in order to influence a profitable market outcome through other legal regulatory agents or processes.

It could be said from the market context represented in Fig. 3 in particular, that forces normalising crucial sites for market decision-making emanate from regulatory goods that are grounded in the coercive authority of the state. Whether distorted by individual or institutional corruption these forces retain the potential to legitimate the market variables influencing market decision-making and to re-interpret the processes and outcomes of these decisions as authorised. Conversely regulatory goods offered by legalist regulators can, through the same authority foundations, declare market decisions as abnormal and unauthorised. There is value in both regulatory directions, and both can directly influence the profitability of conventional market conditions.

⁶²Sellin, 1963; Ruggiero, 2002; Morselli and Giguere, 2006; von Lampe, 2007.

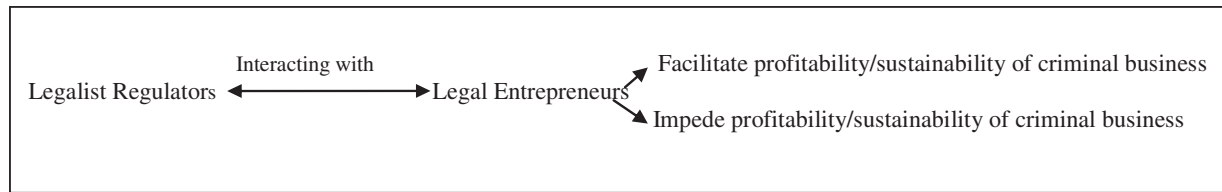


Fig. 2. Indirect correlation between legalist regulation and impact on criminal business.

The current challenge, following the assertion that legalist regulation can (1) either facilitate or impede the profitability and sustainability of criminal enterprise, (2) advance or sabotage the interests of criminal entrepreneurs and (3) stimulate or deter criminal entrepreneurship at an everyday level, is to chart the interaction patterns between legalist regulators and market players. It is crucial to interrogate the differences in the pattern of interaction between legalist regulators and market players to understand why certain interactions sustain, while others lead to the disintegration of criminal enterprise. We have suggested that the crucial variable in the interaction between legalist regulators and market players that determines the sustainability or unsustainability of criminal enterprise is the potential for regulatory goods to normalise (or make abnormal) vital market decision making. We now will take the case of product preferencing to see in summary, how this interaction might play out.

12. Product preferencing as influenced by regulation — forces for normalisation

When normalisation sets in, individuals no longer perceive a particular legally criminal act to be so. Normalised criminal acts are:

- engaged in blatantly,
- indulged in by an entire population, and
- become integrated as a feature of the legitimate sector of society.⁶³

Normalisation suggests moral, cultural receptivity to certain types of criminality. Normalisation can occur despite the recognised illegality of a particular act. The ‘illegal’ label is insufficient to induce guilt or a sense of immorality influencing consumer choice. Normalisation suggests a post neutralisation state of consumer consciousness, while it is not dependant on any normative or moral discounting assumed in neutralisation. The normative or moral struggle which is central to sociologies of neutralisation is not a characteristic of consumer normalisation as we see it because of:

- the frequency and recurrence of involvement in an illegitimate purpose, and thus crime enterprise;
- the prevalence of critical and conventional motivations for consumer choice like price comparison, priority access, consistent and comparable quality, and ease of access;
- the ambivalent response to the crime product or service by legitimate regulators;
- the understanding that it has become the norm in the face of declining legitimate competition;
- the temporal development of consumer loyalty through permanency of supply and constancy of market conditions;

⁶³Hanif and Findlay, 2010a.

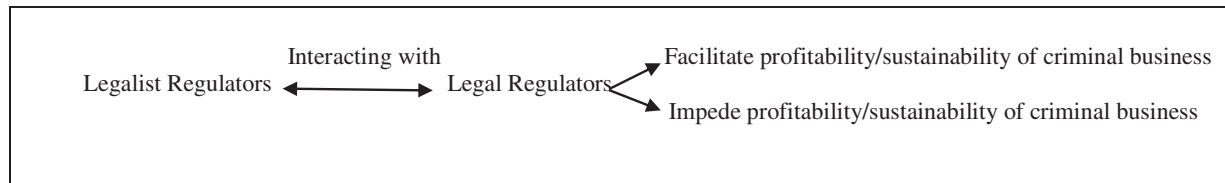


Fig. 3. Indirect and direct correlation between legalist and legal regulators and impact on criminal business.

- the everyday nature of the transaction – in this respect the more ‘criminal’ the consumer relationship and the more uncommon or contrary the transaction the more likely normalisation will be replaced by neutralisation; and
- a ‘low harm’ factor – win win.

Through blurred marketing, the ambivalence (or even promotion) of legalist regulators, and a mass consumer preferencing, the consumer is comforted and encouraged by the otherwise normal market conditions of the crime product so that considerations of its illegitimate context only represent a passing and easily negotiated concern for the consumer, if at all. Consumption of the product becomes an economic and not a normative question. As such, deterrent law enforcement will have little or no impact over normalised consumer behaviour. The absence of law enforcement on the other-hand seems to have a disproportionately inferential legitimating consequence.

Normalisation is the manifestation of structural forces that influence and diffuse into the decision-making process of market players with market choice to exercise in specific contexts where meaning and interpretation are ambiguous and open to external influence. To understand the process by which the culture of normalising criminal business is brought about is to understand deep-seated commercial culture at least, or maybe cultures of decision-making in specific market contexts, a process of enculturation, the institutionalisation of corruption, the minimisation of risk, and the management of competitors.

Some might argue that the need to normalise means that crime business does operate in a distinctly illegitimate market and hence the need to create a false normative consciousness in order to conceal from market players (or at least console their knowledge) concerning the risks and reprehensibility of particular market choices. We argue the reverse of this conclusion by identifying normalisation as a universal market variable. Whether one is dealing with a crime business choice, or the decisions made by consumers to smoke tobacco and endanger their lungs or to buy expensive branded goods that they cannot afford, normalisation is necessary to contextualise product preference to the market advantage of either criminal or non-criminal entrepreneurs.

Normalisation is socially organised and systematically produced by broader social forces and structures, which subsequently shapes the world-view of market players and their decisions. Normalisation is not a stable market variable and that is why the authorisation of legalist regulators becomes such a confirming influence over this universal market variable. Sustaining normalisation requires constant negotiation among key players in a particular criminal trade. Constant policing is required to ensure the preservation of this stable stage of normalisation.⁶⁴

⁶⁴ A richer analysis of these and other forces and relationships is developed in the doctoral thesis of Hanif (forthcoming).

13. Describing and conceptualising normalisation as a point on a spectrum of market responses towards illicit goods and services

Through processes of normalisation the question becomes how is criminal business perceived and lived in an everyday context? Why a product preference becomes or does not become routine is the guiding question for analysing this market decision normalisation. Among the factors that govern product preferencing include the following:

- Price,
- Quality,
- Accessibility,
- No informal negative label by peers,
- Absence of legal enforcement to a large extent,
- Empathy,
- Share with friends, more value for money,
- Availability of latest stuff not necessarily outdated stocks,
- Absence of heightened response by members of legitimate, competing industry,
- Good customer service,
- Absence of violence,
- Lack of understanding how criminal capital from one enterprise funds other criminal businesses.⁶⁵

In the context of criminal enterprise, normalisation is a stage in the criminal business cycle that a criminal entrepreneur aims to achieve, for universal market outcomes such as preferred market share and consumer loyalty. Normalisation, or the absence of it, has the power to advance or obstruct the rootedness, profitability, and sustainability of criminal business by directly influencing consumer demand for and endorsement of illicit goods and services. When a criminal business is normalised, crime enterprise operates like its legitimate counterpart. It is a stable source of income. It offers employment. Criminal entrepreneurs can focus on expanding the business. Criminal capital increases as a consequence of profit through mass normalisation, which can then be used to invest in other more lucrative (but also more risky) criminal business ventures.

Normalisation is a universal market variable with particular relevance for the profitability and sustainability of criminal enterprise. The influence of legalist regulators and their trade in authorising regulatory goods, we assert, is crucial to the normalisation process. In addition, the role of legalist regulators as normalisers mirrors the function and force of legal regulators who enforce the regulatory conditions for the selective supply of dangerous products such as alcohol, and the context of authority which compliance with these conditions implies.

The second and briefer section of this paper will lay out a comparative methodology for testing the resilience of our preceding analysis. It works from these foundations:

- a) Critical market variables exist across criminal and legitimate businesses in uniform market conditions;
- b) These variables have the capacity to influence one another towards the selective profitability and sustainability of entrepreneurs and enterprises;

⁶⁵Hanif and Findlay, 2010a; see also Bloch et al. (1993).

- c) Criminal and legal businesses can be understood in terms of market analysis in which critical market variables indicate both the uniform and particular market motivations, enterprise to enterprise;
- d) These critical market variables, while remaining constant will adapt to and adapt specific enterprises within uniform market contexts;
- e) Market regulation has a capacity to influence profitability and sustainability;
- f) Regulation influences normalisation of market choices to influence profitability and sustainability;
- g) In the context of criminal enterprise regulation adapts to a legalist mode and has a particular way of ensuring profitability and sustainability;
- h) The nature of regulatory trade, the importance or legitimacy transaction, and the value of regulatory goods operate in a similar fashion across enterprises and within uniform market conditions;
- i) A particularly vulnerable market variable to be influenced by legalist regulation is normalisation.

Working from these analytical conditions the next challenge is to propose a methodology through which comparative analysis will enable empirical substantiation.

14. Examining the enterprise and market specific application of critical market variables – testing and surviving the model in the face of enterprise distinction – comparative contextual modelling

Having proposed two related critical market variables as useful for enabling market analysis of crime business it becomes necessary to construct a methodology for testing the resilience of such analysis. For this purpose we apply comparative contextual analysis.⁶⁶ Comparative contextual analysis requires that as an essential precursor to the exploration of similarity and difference between two social referents, there is a need to drill down deeply into each so that their unique socio-political constituents can be understood and distilled for the comparative project. In the comparative analysis we would propose to test the resilience of our market variable interaction we suggest two levels of comparative exchange in which the pre-conditions for comparison become clear.

First, it is necessary to look at the selected market variables and compare their individual and interactive market influence within a constant market context. To some extent that has been the purpose of what has gone before in this paper. The market context of criminal enterprise (in its generalisable form) was nominated and applied in order to appreciate the dynamic existence of two particular market variables. These were identified as legalist regulation and decision-making normalisation. The drilling-down process then evolved. Legalist regulation was understood in terms of a distortion of law enforcement regulation at large. What distinguished legalist regulation from other regulatory modes was interrogated. Regulatory goods, regulatory trade and legitimacy transaction were particularised as dynamics for understanding the unique presence and capacity of legalist regulation to influence the profitability of criminal enterprise or otherwise. As for normalisation, the argument that it is a uniform market variable was made. Then it was necessary to look at motivations for normalisation at critical decision-sites within

⁶⁶This analytical format was first developed in Findlay (1999). It is discussed and applied in detail to the comparative analysis of different trial sentencing models in Findlay and Henham (2007).

the market and by different market players. The manner in which normalisation would influence profitability and sustainability dependant on whether it occurred or was blocked gave clear substantiation to the significant role it played in market choice such as product preferencing.

The comparative project between these two variables and then between their interaction and the market itself was a natural by-product of deep-drilling. When normalisation was studied the necessary question as to what makes for normalisation, an observable phenomenon in the context of our study,⁶⁷ could not be avoided. In our analysis regulation could influence most crucial market variables and due to the authority base of legalist regulation is ability to facilitate normalisation was strongly evident. This would form the bridge for comparative contextual analysis at this level.

The comparative contextual model proposes a conceptual distinction between the notion of *evaluators of context* and of *evaluators in context* that is dependent on the nature of the theoretical (evaluative) paradigm chosen to explore the different contexts of discretionary decision-making tied *p* in, say, regulatory trade and product preferencing. In short, the role of the contextual model is to ensure that market-oriented decisions are evaluated *in context* and *across contexts* in ways which remain sensitive to the social reality of processes within and across different enterprises.

The twin components of contextual modelling can be summarised as follows:

Evaluators of context: these are theoretical propositions selected on the basis that they are likely to provide some conceptual insights that will contribute to our understanding of the particular social phenomena chosen for analysis. The focus is more on *process* (the construction of process in comparative context).

Evaluation in context: this refers to the *practice* of comparative contextual analysis, using these interpretive methodologies which have been dictated by the theoretical positions chosen on the basis of the problem chosen.

Evaluators of context consist of ‘acceptable knowledge’ which is tested against ‘reality’ and becomes modified by ‘emerging knowledge’ produced through the recursive process of *evaluation in context*. The latter allows us to gradually modify (and or confirm) accepted knowledge through verification, while the process of theory generation may suggest confirmation, integration and postulate new evaluators. If we go to our more basic analytical problem once we have theorised the universal utility of market analysis for the understanding of criminal enterprise set free of normative distinction. The problem must move to be that market analysis employing critical market variables will hold even with adaptation within and across distinctly different criminal enterprises. Therein lies the empirical challenge.

In this setting evaluators of context become the manner in which we employ the critical market variables, their interaction and their adaptation. Evaluation in context is to search out the uniform market influences such as profitability and sustainability of even these variables in their adapted form, when features of context such as the presence of violence and disorder as components of regulatory trade or as pressures on normalisation, prevail.

15. Conclusion — putting crime back into crime business — market ambiguity and normative distraction

As a post script we committed at the outset of this paper to address the criticism that a neutralisation of the normative distinction between illegitimate and legitimate markets left the way open

⁶⁷Hanif and Findlay, 2010a.

for irresponsibly taking crime out of crime business. This recognition, which assures the audience of the authors' moral commitment against organised crime, in fact does not alter the reality that the blurred morality of consumers, evidenced from their preferencing and normalisation when consuming criminal commodities, systematically encourages the establishment and promotes the profitability, sustainability and growth of organised crime business both locally and trans-nationally. However, at the risk of seeming to use enterprise theory to discount criminality as a significant and distinguishing feature of business and market vulnerability, the following 'saving' considerations are proposed as an essential backdrop for the study of crime business and illegitimate markets.

Organised crime research and thinking is inflicted with competing ideological standpoints that have compromised any context-independent conceptualisation, theorisation and regulation of crime business. Our commitment to challenge normative distinctions between a legitimate and illegitimate market, business, entrepreneurs and networks is contextualised first against the need to reflect our empirical findings and second as an effort to rectify where possible the diversified and competing understandings of the complex phenomenon of organised crime. It is problematic enough to assert that corruption can be good business,⁶⁸ yet to do so does not require a co-existent denial that corrupt regulatory services are anything but destructive of competition and market freedom. Therefore, legalist regulation and the conditions for product normalisation it can promote, we argue, may possess facilitative potential for enterprise, but represent a negative potential when seen in their expressive role. Legalist regulation in an expressive context is not legal. Where it is brought about through the regulatory conditions of corrupt law enforcement or licensing, product normalisation does not make consumer practice legal or legitimate in an expressive sense. Nevertheless the extent to which a legal framework that legalises and criminalises particular actions is internalised by those, whose behaviour it seeks to govern, remains an intensely neglected dimension of organised crime understanding. An act criminalised by the law does not necessarily retain its negative connotations among those for whom the act is illegal. Understanding the dynamics which overturn the negativity imposed by a criminalising process holds great potential for developing a regulatory framework or remedies that work. The 'inconsistent success of supply-side remedies'⁶⁹ to reduce various crime businesses, increasingly is perceived as indicative that 'demand for illicit goods and services structure the rationality of the economic activities in which organised crime engages itself'.⁷⁰ Such a conclusion fails to create an impetus for research paradigms constructed through the lens of demand and aimed at understanding the motivations and organisation of crime business, particularly determining how to target consumers of criminal commodities and which appeal to use.

Another way of approaching criminality as a discriminator of both enterprise and markets, within which business operates, is to return to the Weberian distinction of mechanical and organic organisational environments. Profitability in a free market model is organic insofar as it may be a product of competitive market conditions. Regulation (legalist or otherwise) and consumer normalisation (manipulated or preferential) are mechanical influences over markets and enterprise positioning. Viewed in terms of legality and legitimacy enterprises may be similar in their organic nature (profitability) and yet different in their mechanical existence (criminality being a significant mechanical determinant). Research which attempts to adapt the analogy of *entrepreneurship* or its corollary concept of *entrepreneurial orientation*, both defined, differentiated and modelled within legal market contexts, to conceptualise and advance

⁶⁸For a discussion of this in a developing market context see Findlay (2007).

⁶⁹Bloch et al., 1993.

⁷⁰Gordon, 1980.

a ‘general theory’ of rationales motivating organised crime are systematically critiqued within “social models”⁷¹ as ontologically and phenomenologically unconvincing.

These observations, however, remain as normative critiques which adamantly refuse to admit the entrepreneurial orientation of criminal business and entrepreneurs. Comparative contextual analyses drawn between licit and illicit market representations, businesses and entrepreneurial orientation are critiqued by cultural theorists as phenomenologically unconvincing since these parallels are assumed by superimposing a materialist ontology on the ‘supply of illicit and services in demand’ as a common denominator of all definitions of organised crime.⁷² Competing cultural theorisations of organised crime echo the Weberian⁷³ caution to recall that illicit *entrepreneurial orientation*, referring to the ‘processes, practices and decision-making activities’.⁷⁴

Polemic against the comparative analyses of organised crime as “the extension of legitimate market activities into areas normally proscribed for the pursuit of profit and in response to a latent illicit demand”⁷⁵ centres on the implicit, phenomenologically-contentious assumption that materialism is the ontological base of legitimate and illegitimate market order, structure, culture and dynamics.⁷⁶ Although illegal entrepreneurs embody in the fullest form the “animal spirits” of capitalism, the constraints created by the illegality of the products these actors provide have been so far so powerful as to prevent the development of modern capitalist companies similar to those that populate the legal sphere. Such critiques however remain the product of resistance to recognising the entrepreneurial orientation characterising organised criminality and the entrepreneurialism of crime business.

The criminal and legitimate economies are not distinguishable in any market variable sense. An essential reason for the teleological failure of enterprise theory is its incapacity to dispassionately recognise and engage with crime as ‘good’ business in a profit/market sense, and the commercially conducive conditions of criminality (particularly corruption) as they advance profit. In many transitional societies, in fact, crime and corruption are not only good business they may be the only viable business.⁷⁷ Enterprise theory has little to say about more viable trading arrangements, where black markets are the market of choice for the consumer. This is because the more generalised and a historical musings within enterprise theory about the progression of market relations and commercial arrangements tend to take as a given that consumer preference for crime business is dependent on crime factors (addiction, perversions, violence, intimidation) rather than more predictable consumer influences such as price and quality.

⁷¹Williams and Godson, 2002, p. 328.

⁷²Paoli, 2002.

⁷³Weber, 2001.

⁷⁴Lumpkin and Dess, 1996, p. 136.

⁷⁵Smith, 1975 *The Mafia Mystique* (New York: Basic Books, 1990), p. 335.

⁷⁶According to Raimondo Catanzaro, for instance, “the only commonly agreed upon identifying characteristic is that the Mafia exists to make profits illegally” ([1988] 1992, p. 3 and 1991, p. 3), and the element that mafia and organised crime share and that distinguishes them from social bandits is “their organisational stability, their being shaped in the form of a ‘firm’ within the field of normal economic activities” ([1988] 1991, p. 4). Participants in criminal organisations are considered to be persons associated for the purpose of engaging in criminal activity on a more or less sustained basis. They usually engage in enterprise crime, namely the provision of illicit goods and services, or of licit goods that have been acquired through illicit means, such as theft or fraud. (...) The activities of organised crime groups require a significant degree of cooperation and organisation to provide illicit goods and services. Like any business, the business of crime requires entrepreneurial skill, considerable specialisation, and a capacity of coordination, and this in addition to using violence and corruption to facilitate the conduct of activities (UNESCO, 1994, p. 4).

⁷⁷Findlay, 2007.

The challenge for existing enterprise theory is to break free of the normative and moralist dichotomies (false as they are) between good and bad business, or legitimate and illegitimate commerce. Once outside the construction of organised crime as disorderly and thereby antithetical to a better business model, enterprise theory can reveal the motivations behind corrupt regulatory relationships and anti-competitive marketing, which characterise crime business much more than violence and intimidation. In this, enterprise theory does not provide an apologia for criminal corruption of legitimate markets. Rather it enables a consideration of the corruptibility of regulators and the susceptibility of inelastic market models to criminal competition.

Even violence, a normative constant believed to characterise illegal markets, stems more from limited observational engagement with criminal players occupying the lower rungs within the criminal networks of an organisation, than being a necessarily reflection of the features that characterise what is commonly called the 'black' market. Legalist regulation manages the degree of violence necessary to maintain stable conditions in the operation of criminal business within an overlapping contextual representation of licit and illicit markets. With legalist regulation, violence is redundant. Legalist regulation accomplishes and offers the stability violence could never guarantee and without disrupting the process of marketing, manufacturing, importing, exporting and consumption of criminal commodities. This is contrary to the traditional image that is conjured up when people envision organised criminal groups as violent street thugs. They use violence to protect and expand their turf, thereby protecting and expanding their profits. Violence and the economic and socio-political sustainability of criminal enterprise within any market context are mutually exclusive. Violence risks the economic viability, the degree to which criminal business can be normalised alongside legitimate enterprise and the relative capacity for criminal entrepreneurs to elicit the collaboration of legalist regulators to facilitate the operations of illegitimate enterprise by emphasising and magnifying the criminality of crime business.

To advance a hypothesis that criminal enterprise is best understood through universal market analysis presents the analytical paradox that if markets are universal then how can we nominate normalisation, and regulatory cross-over (which seems to react to and depend on market distinction) as constant and uniform critical market variables. The answer lies in appreciating the following market realities and from here drawing, where appropriate, the relevant normative conclusions. In so doing we move from the realm of analytical critique to policy formulation.

An interrogation of organised crime through market analysis that specifically expresses no a priori, ideological commitment, typically influenced by law enforcement parlance and other normative determinants regarding the features of 'black' versus 'free' market economy or 'crime' versus 'business', holds great potential for conceptual and theoretical abstraction as well as governance strategies and regulatory policies. At the same time we can argue that market reality (and thereby the capacity to market model) is not bound by normative distinctions, while at the same time critical market variables can be born out of false normative distinctions. Crime or business, black or free market are contextual extremes that: (1) fail to capture the common characteristics between them, (2) do not encourage reflexivity between these extreme categories and (3) compromise the capacity to foster any converging conceptualisation and theorisation of organised crime to facilitate drafting a regulatory framework that targets the motivations at the heart of crime business.

Competing theoretical frameworks breed competing regulatory frameworks with limited potential for success, since the core motivation remains fallacious, misunderstood, ideologically misrepresented or simply ignored. Understandably competing theoretical frameworks to

explain organised crime are rooted in context specific investigations that link knowledge production to specific supply-side empirical referents, whether illicit organisation, network, trade or market. We suggest that by shifting attention from individual organisations, business, or network to a market analysis that interpretations of organised criminality as an attempt to stimulate, intensify and sustain consumer demand for criminal commodities are more productive for understanding and controlling organised crime. Market analysis values supply and demand perspectives. It is only by taking into account both sides of market transactions (illicit gains) that a unified regulatory framework for addressing the role of all parties in crime business, subsequently prompting a remedy that targets the various roles that are fundamental in accounting for the persistency of such crime business can be drafted. The false normative distinction between market legitimacy is easier to endorse by using a supply focus on marketing rather than a demand focus. In the later, normalisation is more apparent and this argues for market universality. Normalisation, after all is only a normative activity which then turns it into a market variable. Market analysis forces criminologists to address the popularity of criminal commodities among consumers contextualised against legal enforcement strategies, heavier sentences, public education campaigns, as well as informal or peer regulation to deter consumers. In this study we have emphasised one of those conditions, legalist regulation and the way it facilitates and manages legal and illegal trade within a common market frame. In particular we have noted how legalist regulation embraces or distorts or abandons law enforcement, producing optimum conditions in which criminal businesses operate and the normalisation of criminal behaviour or criminal consumption proliferates. Cross over regulators collude with crime entrepreneurs to exploit universal market conditions, while at the same time using the regulation of a false market distinction to gain market preferencing through reducing competition and opening up opportunity. It is their continual cross over that not only indicated that their distinguished border between legitimate and illegitimate markets is porous, but in fact it does not exist beyond the normative frame, which is compromised by legalism.

Market modelling of cross-over features which sheds light on normalisation demonstrates the potential of market analysis for understanding entrenched crime business across socio-economic polities and historical contexts. The normative process of distinguishing through regulation creates the normative conditions in which normalisation and cross-over become market variables. Thereby, market analysis is universal, where markets can be specific in which legitimate and illegitimate enterprises and businesses can compete and flourish. But it is crucial that distinct market features are rooted in a demand dimension as much as a supply dimension. Market analysis explains the subtle and not-so-subtle differences between organised criminals of different cultural and historical contexts.

The importance of market analysis is that it truly offers a way of understanding crime business as a social system, the factors which explain its emergence, persistency, profitability, sustainability and growth. Market analysis, applied to an interrogation of the social networks underlying organised criminality, produces an interpretive approach that transcends criminological paradigms of organised criminality as a pathological, an ethnic, economic or a class motivated response by emphasising demand as a common supposition from each paradigm. In so doing, market analysis facilitates a holistic appreciation of the organised crime phenomenon, coming closer thereby to grounding realistic evidence-based policy for effectively regulating local and transnational crime business. With that result in mind market analysis is not taking crime out of crime business but rather it offers regulators a better chance of taking out crime business.

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