

CHAPTER 15

ORGANIZED CRIME IN NEW ZEALAND

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1. Introduction

Although organized crime has no doubt been a feature of New Zealand society since the adoption of British sovereign law in 1840, recognition of such crime as a specific and ongoing problem is less than ten years old. In 1987, as a result of concern that certain Asian immigrants may have criminal connections in their home countries, the coordinated gathering of intelligence about organized crime began. Three years later, a fulltime organized criminal intelligence officer was established at Police National Headquarters. In 1991, as an extension of this, the first dedicated Asian crime units were created.

In Australia, where a National Crime Authority was set up to fight organized crime in 1984, relevant criminal activity has been statutorily defined as that which involves: two or more offenders, sophisticated methods, offences often committed in conjunction with other like offences, and which includes a variety of specified crimes such as fraud, illegal drug dealing, extortion, and violence (Broome, 1996).

In New Zealand, the police definition of organized crime is somewhat similar and contains four essential elements:

1. The criminal activity must be continuing.
2. The activity must involve profit.
3. The activity must involve a group of persons.
4. The activity must be accompanied by the use of fear and violence (Fiso, 1997: pers. comm.)

As in Australia, the New Zealand police definition thus restricts itself principally to the activities of the underworld. Ostensibly 'respectable' organizations, such as commercial and governmental entities, though involved in crime that is 'organized' through activities such as fraud, tax evasion, misappropriation of funds, etc., are excluded. In New Zealand, the prosecution of such 'white collar' offences is normally conducted by a special agency known as the Serious Fraud Office (see Newbold and Ivory, 1993). Since the current paper relies heavily on intelligence supplied by the police, it is the police definition which will be used.

2. The Nature and Extent of Organized Crime in New Zealand

A. Context

In order to understand the manner in which organized crime has emerged in New Zealand, it is first necessary to describe the geographical, historical and social context in which such crime takes place. For as we shall see, the prospects for survival of organized crime in this country are very much affected by situational factors.

New Zealand is a South Pacific nation of 3.6 million people. It consists of two major islands: the North Island and the South Island. Three-quarters of the population live in the North Island; 900,000 of them in the country's largest city, Auckland. The capital, Wellington, is the second-largest, with 325,000. The nation's population is principally New Zealand European (75 percent), but around ten percent of New Zealanders identify as Maori, the native people of the land. Other major ethnic groups include other European (4.6 percent), Pacific Islander (3.8 percent) and Asian (two percent).

An important feature of New Zealand's geography is its isolation. It has no contiguous borders with any other country and is approximately 1200 miles from its nearest neighbour, Australia. It is due to this remoteness that the country was one of the last major landmasses colonized by Europeans, and this same isolation which makes the smuggling of illegal items and substances into it difficult. The fact that it has only one fully international

airport, in Auckland, compounds the difficulty of smuggling. Although the New Zealand coastline is large, the importance of the fishing industry and the threat imposed by poaching from foreign trawlers, means that policing of territorial waters is extensive. In addition, New Zealand's inshore seas can be very rough and small boats often founder. In 1979, for example, an attempt to smuggle two to three kilograms of heroin ashore by yacht was foiled when the boat was wrecked on the South Island's rugged west coast.

New Zealand has a national police force, headed by a commissioner. Numbering 6500 sworn personnel, the force is well trained, professionally organized and well paid. Recruits, who normally require at least four years of high school education, are trained for six months at a residential college on a salary of \$27,164. Once sworn, the salary increases to \$37,803. It is partly because of the small size of New Zealand, because of its unified police force, and because of good pay and high professional standards within the force, that institutionalized corruption is virtually unknown in the modern New Zealand Police. The fact that New Zealand policemen will break the law to enforce the law, but will not take bribes, is often lamented within country's criminal fraternity. The uncorruptibility of the New Zealand Police is an important factor in crime control because, as other papers in this volume demonstrate, organized crime can never flourish without the protection of a crooked administration.

B. Crime in New Zealand

Like many other western nations, crime rates in New Zealand have risen dramatically in the last 25 years. Since 1970, the rate of police-reported homicide per 100,000 mean population has doubled, burglary has trebled, and robbery has grown more than ten-fold. Drug offences grew from 408 reported offences in 1970 to 22,031 in 1996. In the past ten years, however, the rate of reported drug offending has only grown by twelve percent, and has virtually stabilized since 1990.

A considerable proportion of the reported increases in crime in New Zealand have been attributed to the end of the postwar boom, and deepening economic recession following the oil shocks of the 1970s and the sharemarket crash of 1987 (see Newbold, 1992: 86-87). Unemployment rates grew from 1.4 percent of the labour force in 1971 to peak at 10.5 percent in 1991. With the commencement of economic recovery in the 1990s, however, unemployment has fallen to about eight percent. Perhaps not coincidentally, not only has drug offending leveled off in the current decade

but so too has robbery, while burglary and homicide rates have dropped sharply.

Because drug offending, as we shall see, forms the mainstay of much organized criminal activity in New Zealand, we need to examine this area a little more closely before proceeding.

C. Emergence of the Drug Problem

Prior to the 1970s, trafficking and use of illegal drugs were inconsequential in New Zealand. For decades there had been a few prosecutions every year for smoking opium, principally involving older Chinese. But this was seen as of little significance to larger society. Opium smoking figures were not even isolated in police statistics until 1959. Cannabis offending first appeared as a separate item in the police annual report of 1962, but between then and 1966, only an average of six cannabis offences were reported every year.

The first sign of change took place in 1967, when 75 cannabis offences were reported. By 1970, the number of reported cannabis offences had more than doubled. They doubled again the following year, to 300 offences. Public alarm about the change in recreational drug use patterns led to the commissioning of two committees of inquiry, in 1970 and 1973, in order to search for a solution.

The genesis of the drug problem had nothing to do with organized crime; rather it was linked to popular culture. LSD and marijuana had become popular in the United States, then Britain, in the 1960s. Associated with contemporary musical and fashion trends, with the civil rights and anti-Vietnam War movements and with the growing 'Hippie' culture of the time, drug use was part of the rebellious rejection of traditional values which swept the Western nations in the decade. Isolated as it is, the fashion of 'pot' smoking and 'acid tripping' came to New Zealand late in the 1960s, transmitted mostly via music, film, print, radio and television.

At this time, hard addictive drugs were rare. The New Zealand Police first commented on the growing drug problem in their annual report of 1973 (Appendices to the Journals of the House of Representatives G.6 1973: 17-18). Quantities of LSD had begun entering the country in the late 1960s, but it wasn't until 1972 that the drug problem seemed significant enough to warrant specific action by the police. In that year a National Drug Intelligence Bureau was set up to try to coordinate operations and intelligence between the departments of police, health and customs.

Between 1972 and 1975, the number of drug offences reported in New Zealand trebled. Marijuana and LSD were still the principal drugs of choice, however, and interest in the opiates was minimal. But by the middle of the 1970s, a change in drug offending patterns was becoming visible. Firstly, responding to market demands, police-reported cannabis dealing grew dramatically, more than quadrupling in the years 1972-1974. Secondly, by 1974 large-scale cannabis smuggling had commenced. By 1975 the police knew that organized criminal networks were operating and using sophisticated methods to import drugs from Southeast Asia. Initially, interest was restricted to high-grade cannabis known as 'buddha sticks', however in 1975, with LSD usage in decline, Southeast Asian heroin began to appear in significant quantities. As police pressure increased, large busts were made and sentences of up to eleven years were awarded for marijuana importing. Realizing that heroin offered fewer risks and greater profits than did marijuana, drug traffickers changed their focus. By 1977, buddha sticks had started to become rare in New Zealand and had been replaced by high grade imported heroin.

3. The 'Mr Asia' Gang

New Zealand's most active organized criminal gang in the 1970s became known as the 'Mr Asia' gang. The Mr Asia gang is significant because it represents the only time in history that an organized criminal enterprise has operated on a major scale in New Zealand. As we shall see, factors outlined earlier relating to New Zealand's geographical and social context, frustrated the gang's attempts to control the country's drug trade.

In February 1974 Terry Clark, alias Sinclair, a 30-year old petty criminal serving a five year sentence for burglary, was released from Wi Tako Prison near Wellington. Short of cash and wanting to make money fast, he moved to Auckland where he agreed to meet a courier who had just arrived from Bangkok, Thailand, with a large consignment of buddha sticks in her luggage. The arrangement was for Clark to drive her from Auckland airport to the city. Not far from the airport, however, Clark had arranged for his car to be stopped by one containing men masquerading as detectives. Pulling over to the side of the road he shouted at the courier to run for it. She obeyed and once she was hidden safely in the bushes, Clark and his accomplices drove off with the drugs (Clark, pers. comm.).

Armed with capital, Clark now began importing his own marijuana and heroin, travelling first to Bangkok alone to make purchases, then using

couriers. By reinvesting most of his profits immediately in further shipments, Clark soon became extremely wealthy. Ruthless and ambitious, by mid-1975 he was already developing plans to control the entire illicit drug trade in New Zealand, and to franchise areas out to various distributors (Clark, pers. comm.). Later his scheme extended to the whole of Australasia.

Late in 1974 Clark had met Marty Johnstone, a 23 year old Aucklander who since 1973 had been importing Southeast Asian marijuana by sea through the Royal Dutch Orient Line (Hall, 1981: 32). Clark and Johnstone formed a partnership and together with Johnstone's contacts and some of Clark's former prison friends, the two began importing on a large scale. In 1975, both men were arrested on separate charges: Clark with importing half a kilo of heroin and Johnstone with possessing marijuana for supply. In the end, Johnstone was acquitted while Clark jumped bail and began working from Australia. Extradited to New Zealand to face trial in 1977, he also was eventually acquitted.

As his business boomed and his profits multiplied, Clark became richer and more powerful than ever. By paying a retainer of \$22,000 a year to the Australian Federal Narcotics Bureau, Clark gained a degree of criminal immunity in Australia and was also able to buy information from the bureau at around \$10,000 a time (Kwitny, 1987: 249-50). Late in 1977, because he saw them as becoming a threat to security, Clark ordered the murders of two of his workers, Greg Ollard and Julie Thielman. Their bodies were never found (Hall, 1981: 52-54). The following year, because police told Clark that his worker Harry Lewis had talked when arrested, Clark took him for a drive and shot him in the head. And in 1979, after police sold Clark tapes in which his workers Doug and Isobel Wilson could be heard informing on him, they too were murdered.

By 1979, Clark's wealth and power must have seemed unassailable - at least, to himself. Worth hundreds of millions of dollars, he now headed one of the biggest heroin syndicates in the world. Much of his money was laundered through the corrupt Nugan Hand Bank, which also had links with a number of retired senior American military officers (Kwitny, 1987). Clark himself was busy attempting to open up new markets in the United States and Europe. Clark and Marty Johnstone, although operating somewhat separately at this time, continued to maintain contact. But Johnstone was a flamboyant character, lacking the calculated organizing flair of Clark. By 1979, Johnstone's business was failing and he was beginning to take orders from Clark.

Since 1976, the New Zealand Police Commissioner Ken Burnside had been talking about a 'Mr Big' who was taking over the country's organized crime (Auckland Star, 14 October 1976). By 1979, the existence of a legendary 'Mr Asia' (a title wrongly attributed to Marty Johnstone) was public knowledge. Clark saw the publicity that Johnstone was attracting as an increasing threat to business. In May 1979, soon after the Wilsons' deaths, Clark flew to London. There he was joined by a number of his workers. Johnstone travelled between Asia and Europe, working on new markets for Clark, but his erratic lifestyle, combined with some bad business decisions, had left him with debts in excess of \$A2 million. As time went on, Johnstone became an increasing liability to the organization and Clark decided he had to go. On 9 October 1979, Johnstone was taken north from London by two of Clark's men on the pretext of a business trip. On the way he was shot in the head and his weighted body, with hands severed, was dumped in a disused, water-filled quarry in Lancashire.

It was this event which sealed the fate of the Mr Asia gang. Soon after Clark had arrived in London, the Wilsons' bodies had been found in Melbourne, Australia. A number of the organization's members were already serving prison sentences and police in New Zealand, Australia, the United Kingdom, Singapore and Thailand now had extensive dossiers on the gang's activities. These countries eventually provided Britain's Director of Public Prosecutions with 1500 pages of evidence in the trial which followed (Appendices to the Journals of the House of Representatives G.6 1980: 4). Johnstone's death did not go unnoticed for long either. Just a few days after the killing, recreational scuba divers chanced upon Johnstone's body under water in the quarry. In the Panic that ensued members of the gang soon began to talk and as arrests began, more started to crack. Clark himself was apprehended in November 1979. In July 1981, after an investigation lasting more than a year and a 121-day trial, Clark and seven other gang members were sentenced to prison terms ranging from five years to life imprisonment. Two were acquitted. Clark received life with a 20-year minimum. He died of a heart attack in Parkhurst Prison in 1983.

The effect of the collapse of Clark's drug empire was a dramatic drop in the availability of heroin in New Zealand. Clark was not the only operator but his arrest, which had been preceded by the arrests of several other big importers in the mid-to late 1970s, had a resounding impact on big-time heroin importation. Heroin seizures, which had peaked at nearly 2000 grams in 1978, almost disappeared in the early 1980s. Imported cannabis also van-

ished and was replaced by hemp grown domestically. Although imported heroin remained comparatively rare, by 1984 it too had been replaced from another source: 'homebaked' heroin and morphine manufactured in backyard laboratories from codeine-based analgesics.

4. Outlaw Gangs

So the demise of the Mr Asia gang did not result in the end of illegal drug abuse in New Zealand. All it did was alter the sources of such drugs. And by the same token, the Mr Asia arrests did not signal the end of organized crime either. From the late 1970s onward, organized crime increasingly became the province of outlaw gangs.

Loose gangs of youths bearing such names as the 'Petone Rebels', 'Curries' Cowboys' and the 'Saints', had begun forming in New Zealand in the mid-1950s (Howman, 1972: 229; Yska, 1993:144). But these disorganized groups lacked a formal structure, and remained so until 1961 when a chapter of the Hell's Angels Motorcycle Club (HAMC) was established in Auckland. The Hell's Angels had initially formed in San Bernadino, California, in 1948. Chapters in San Francisco and Oakland followed in the 1950s. HAMC (Auckland) was the fourth chapter of the Hell's Angels, and it was the first chapter to be established outside of California (Lavigne, 1987: 61-62). It was not long before other patched gangs, such as Highway 61, the Road Knights, the Epitaph Riders, and the Mongrel Mob, also became a part of the New Zealand social scene.

Initially the Californian Hell's Angels was purely an 'outlaw' motorcycle club, soon gaining a profile for toughness and violence but apparently lacking connections in organized criminal activity (Thompson, 1970). However, having come into contact with LSD through its association with writers like Hunter S. Thompson and Ken Kesey in the mid-1960s (Woolfe, 1981), the Angels realized that huge profits could be made from trafficking in the drug. This was especially so after LSD became illegal in America in 1966. By contacting the principal LSD source of the time, Augustus Owsley Stanley 111, the Angels managed to corner a large section of a lucrative market. It is from about this time, the late 1960s, that the gang's organized criminal activity began. Incorporating in California in 1966, HAMC (Inc) soon transformed itself from a motorcycle gang to an international drug trafficking network. Its principal drugs of trade were LSD (acid), PCP (angel dust), and methamphetamine (crank) (Lavigne, 1987: 91-92)

The movement of HAMC (Auckland) into organized criminal activity

occurred some years later. Until the mid-1970s, HAMC (Auckland) was a gang of traditional type, whose activities principally revolved around bikes, booze, women and the odd turf war with other gangs. Indeed, a proliferation of gangs had occurred in the 1970s, leading to a number of well publicized incidents of mob violence (see Howman, 1972: 238-9; Kelsey and Young: 1982). In December 1975, during a dispute with the Highway 61 gang over a woman, a Highway member called Bradley Haora was shot and killed. A major police investigation led to manslaughter convictions for a dozen HAMC members, and sentences of up to ten years.

The Haora killing was a significant milestone for the Auckland Hell's Angels. Apart from the twelve on the manslaughter counts, several others were also in prison on different charges. With a membership of less than 25, this meant that more than half of its complement was now locked up. The group's core was confined in New Zealand's maximum security prison at Paremoremo, near Auckland. Here also, the country's most serious criminals were held, including a number who were serving long terms for major drug trafficking offences. The population of Paremoremo was less than 200 so it was inevitable that close relationships among inmates developed. The Angels became involved in bookmaking, and small-time drug distribution within the prison. By the time they started getting released in the late 1970s, many of them had formed friendships with members of New Zealand's criminal underworld. It is likely that the gang's involvement in organized commercial crime dates from about this time.

By the end of 1980 the Californian Angels had been dealing crank, acid, cocaine and other drugs for well over a decade and had become a worldwide organization, with 47 chapters in ten different countries (Lavigne, 1987: 61-63). The international brotherhood was strong and when the Auckland group commenced dealing, its main supply source was in California. By 1980, members of the Auckland Hell's Angels were involved in the selling of crank and LSD. Early in the 1980s the gang was prosperous enough to afford a large piece of real estate and a spacious house in the expensive Auckland suburb of Mt Eden. A number of Angels came under investigation for drug dealing activities. One of the first to be charged was Chris Hartley, the Angel who had pulled the trigger on Bradley Haora in 1975 and who was not long out of prison. In April 1984 Hartley was sentenced to 6 1/2 years for trafficking in LSD. Further evidence of the Angels' international links came in 1986, when about 100 members of chapters around the world attempted to enter New Zealand to celebrate the Auckland

chapter's 25th anniversary (New Zealand Herald, 30 June 1986). A second international gathering was held for the group's 30th anniversary in 1991.

In 1981 a governmental Committee on Gangs reported that according to police, there were at least 80 different gangs or gang chapters in New Zealand, with approximately 2300 members (Committee on Gangs, 1981: 5-6). By this time the modern gang profile had been established, with three types of gangs identified: outlaw motorcycle gangs, numbering 20, with 630 members; Maori and Polynesian ethnic gangs, with 57 different chapters and 1650 members, and an unknown number of white ethnic gangs. In 1987, a second police gang survey estimated 2200 gang members in 44 distinct gangs (New Zealand Herald, 7 March 1987). The following year the estimate had doubled, to 4400, in 45 gangs. members The largest gang was said to be the Mongrel Mob, with 670, followed by the Black Power with 413, the Devil's Henchmen with 108, and the Storm Troopers with 50 (Press, 26 September 1988). By 1989 the police gang estimate had increased to 5356 members and associates, 3041 of them fully patched. The Mob's strength was said to have increased to 1630, of whom 741 were patched (Christchurch Star, 29 November 1989).

Like the Hell's Angels, there is good evidence that some of the larger New Zealand gangs became more organized in the 1980s as well. Perhaps the most successful was an Auckland chapter which had formed under the name 'Sindis' in 1976 and joined with Black Power two years later. In 1980 the chapter formed a charitable trust known as 'Tatau Te Iwi' (We, the People) (O'Reilly, 1986). By exploiting government employment-incentive handouts and gang labour, by 1986 the chapter had developed multi-million dollar assets including legitimate haulage, labour hire, security, and travel companies in Auckland. It owned a \$600,000 clubhouse in South Auckland and had purchased other properties for locating factories. It also had two limousines and a large number of Harley Davidson motorcycles imported from California (Sunday Star, 17 August 1986)

Until they were closed down in 1987, other gangs made use of these grants for contract work schemes as well. In Christchurch, the South Island's largest city (population: 307,000), Black Power received \$483,000 in work-scheme payments in 1985 and 1986. The Christchurch chapter of Highway 61 received \$214,000, the Mongrel Mob's chapter, \$179,000. So in all, around \$800,000 a year in government money was being spent on gang-related schemes in Christchurch alone (New Zealand Herald, 28 January 1987).

The Mongrel Mob, which had existed informally since 1956, profited least from the tapping of public resources. Fragmented and still only semi-organized, it continued to commit principally low or zero profit offences such as rapes, beatings, intimidation, debt collecting, burglaries, robberies and murders. Efforts to improve its tawdry image failed dismally. In December 1986 an attempt by the Mob to legitimize itself failed when a highly publicized national gang convention ended in an even more highly publicized gang rape. Partly as a result of this, an attempt to arrange a \$2 million deal from the Middle East to finance job training schemes fell through (New Zealand Herald, 4 February 1987). In January 1987 and January 1989, government-funded work-skills vehicles owned by Mongrel Mob charitable trusts were used to commit armed holdups (New Zealand Herald, 8 January 1987; 6 January 1989). Later in 1989, an attempt to link up with outlaw gangs in Western Australia, ended with the Australian gangs denouncing the Mob as troublemakers and seeking to have them deported (Christchurch Star, 29 November 1989)

The failed criminal activity of these larger gangs is reflected in prison population figures. At the end of the 1980s, a quarter of all prison inmates were gang members or associates. Of these, half belonged to the Mongrel Mob and almost a third to Black Power. Members of motorcycle gangs only accounted for about eleven percent of gang members in prison (Meek, 1992: 267). In 1987, reflecting the high Mongrel Mob presence, 56.1 percent of all gang members were serving time for violence, as opposed to 38.5 percent of non gang-affiliated inmates. On the other hand, gang members were only 3.3 percent of those doing time for drugs compared with 10.3 percent of the non gang-affiliated (Braybrook and O'Neill, 1988: 64). A later survey conducted in 1995 found that the percentage of gang affiliation in prison had dropped to 16 percent, but gang members were still more likely to be doing time for violence and than the unaffiliated, and were still less likely to be incarcerated for drugs (Lash 1996: 41-44).

These figures notwithstanding, certain gangs have continued to be involved in drug dealing. As the recession deepened in the 1980s, numerous individuals, not all of them gang members, resorted to drug dealing as a source of income. Reported cannabis trafficking offences grew by 56 percent between 1980 and 1989. The amount of cannabis leaf seized more than doubled. Cash-cropping of marijuana became an important source of income in certain depressed rural areas such as the far north, the Coromandel Peninsula and the East Coast of the North Island. Reflecting this, the num-

ber of plants seized annually escalated even more rapidly than seizures of cannabis leaf. There were more than five times as many plants seized in 1989 than there were in 1980. Official figures are not broken down into drug groups, but the number of non-cannabis dealing offences reported in the 1980s also grew, by 45 percent, in this period. There were major cocaine seizures in 1987 and 1988, and large LSD seizures in 1989.

Exactly how much of these rises can be attributed to the gangs, how much to other organized criminal groups, and how much to un-organized crime, we can only speculate about. But police believe that during the 1990s, the Hell's Angels have continued to be a principal source of LSD and methamphetamine in New Zealand, and that they distribute such drugs to other gangs. Gangs not linked in with the Angels, such as Highway 61 and certain chapters of Black Power, sell marijuana through holes in the walls of their clubhouse enclosures. Many gangs are also a source of illegal firearms. These are often obtained through burglaries of the premises of known firearms owners. Another source, especially since the breakup of the Soviet Union, is sailors from Eastern Europe, who are able to purchase handguns relatively cheaply in their home countries and get a good price for them in New Zealand. Many of these weapons are sold to, or end up in the hands of, gang members. In addition to criminal activity, however, a number of gangs also have interests in legitimate tax-paying enterprises such as night clubs, massage parlours and motorcycle spare parts outlets.

A feature of the 1990s has been a tendency for gangs to corporatize and internationalize in order to maximize profit. In doing so, they have adopted the same globalization strategies that have been taken by legitimate businesses around the world. By 1987 the Hells Angels had at least 1000 members worldwide, distributed among 67 chapters in 13 countries on four continents (Lavigne, 1987: 61). The Hell's Angels are now considered the wealthiest and most powerful of the motorcycle gangs in America, followed by the Outlaws, the Pagans and the Bandidos. Together they number 3000 members and represent the largest criminal organization in America. Of these 'Big Four', only the Pagans do not have international connections (Kenney and Finkenauer, 1995 : 293-4).

The Big Four are all involved in a wide variety of crimes such as manufacturing and/ or dealing in LSD, PCP, cocaine and methamphetamine. This is said to be the biggest money maker of the outlaw motorcycle gangs (OMGS), which control at least 40 percent of the United States methamphetamine supply (Kenney and Finkenauer, 1995: 296). OMGS also deal in

weapons and stolen motorcycle parts, and have reportedly provided firearms, bombs and 'muscle' to traditional organized criminals (Abadinsky, 1990: 227). There is, in fact, good evidence that organized criminal groups in America frequently 'franchise' some of their criminal business to other groups in this way (Albanese and Pursley, 1993: 65).

International amalgamation is another strategy which has become increasingly noticeable among OMGS in the 1990s. In 1993 Hell's Angels MC World, Outlaws MC World and Bandidos MC World were reported to have set up a corporate global takeover plan. During the 1990s the Hell's Angels have registered four companies bearing their name in Great Britain, and have established Hell's Angels (Europe) Ltd to control the use of trade marks such as the death's head logo and to run concerts and bike shows (New Zealand Herald, 16 October 1996). In Sydney, Australia, it is reported that a meeting of OMGS in 1994 decided that by the year 2000, the country should be controlled by six gangs: the Hell's Angels, the Outlaws, the Bandidos, the Rebels, the Black Uhlans and the Nomads.

It appears that within New Zealand a similar process may be taking place. It has been reported that Highway 61 is on the verge of buying into the Bandidos MC World's Australian franchise (Dominion, 24 June 1996). But the best organized gang in New Zealand is still the Hell's Angels Motorcycle Club. Numbering about 20, the HAMC is tight and loyal, and its public profile is low. It has international credibility and a long association with the most powerful gang in the United States. Seldom, nowadays, do its members appear in court. Seldom is it involved in the types of inter-gang strife which draws attention to other gangs such as the Mongrel Mob, Black Power, the Road Knights and the Epitaph Riders. Sophisticated, unpretentious, well-attired and polite to its neighbours, HAMC (Auckland) is a prototype of the successful gang of the future.

For some years, the Hells' Angels have sought to expand their sphere of influence from their base in Auckland. To some extent, this endeavour has been frustrated by a loose union of half a dozen or so gangs called 'The Federation', which has resisted the Angels' advances. In 1992, however, the HAMC began prospecting in the small North Island town of Wanganui, forming a chapter there in 1994. Already having established business links with a number of North Island gangs, in 1995 it is believed that they began looking for a drug-distribution base in the South Island. The group they chose to work with was the Road Knights MC. The Road Knights are a small motorcycle club which formed in the South Island town of Timaru in

the late 1970s. The gang now has chapters in other South Island towns such as Christchurch, Dunedin and Invercargill, and interests in at least three registered companies. In Christchurch, where approximately 14 Road Knights live, the gang is also closely associated with a small group of neo-fascist teenagers known as the Bandenkreis, who often contract themselves out to the Knights.

The most violent gang in the South Island, during the 1990s the Knights or their associates have been involved in beatings, drive-by shootings, arsons, robberies and in 1991, the bombing of a police station. Given its high profile, the Angels' choice of partner in their South Island venture is surprising. According to police intelligence, initially the Knights were provided with cheap methamphetamine (or 'white powder') to allow them to cut out their opposition. This caused friction with other gangs, in particular with the Epitaph Riders, an old Christchurch gang which had formed in 1969. Conflict soon led to gunfire, with a number of drive-by shootings in Christchurch streets in the early part of 1996. Nobody was seriously injured in these incidents, until April, when a female bystander was wounded in the chest by a .45 pistol shot fired by a Road Knights associate.

The result was a vigorous police crackdown on Road Knights activity which resulted, for example, in gang members receiving \$13,000 in traffic offence notices in the months immediately following the April shooting. In 1996, 23 Road Knights members were sent to prison, including three jailed in relation to the shooting.

On 1996 police estimates, there are around 42 different gangs in New Zealand, comprising around 5000 members. The frequently violent criminal activity of the gangs is attested to by the fact that around 750 gang members and associates are currently in prison, most of them for crimes of violence (Lash, 1996: 43-44). Between 1994 and 1996, Road Knights members alone were convicted of nearly 2000 separate offences (Press, 10 September 1996). Apart from a number of assaults, stabbings, shootings, robberies, rapes and murders, in 1995 and 1996 New Zealand gang members were arrested for LSD and marijuana trafficking, and for the manufacture of methamphetamine.

A very recent development has been the apparent linking of gangs with members of Asian crime syndicates. According to police intelligence, Black Power, the Mongrel Mob, the Headhunters, the King Cobras and the Satan's Slaves have all liaised with Asian organized crime groups in recent years and may have been doing so for some time (Fiso, 1996). perhaps the most

disturbing of these associations has been that between the Mongrel Mob and the Hong Kong-based 14K triad. In April 1996, police say, 14K offered the Mob \$140,000 to kill Api Fiso, the coordinator of the Asian Crime Unit in Wellington (Press, 19 November 1996). The implication of such developments for this country's law enforcement strategy will be addressed later in the chapter.

5. Organized Asian Crime

Immigrants of Asian extraction have been part of New Zealand's population since the early days of formal colonization. When gold was first discovered in New Zealand in 1861, large numbers of Chinese entered the country to work in the goldfields and many of them remained after the rushes had subsided. In 1881, out of a total population of 534,000, there were more than 5000 Chinese resident in New Zealand (Department of Statistics, 1990: 127, 188).

Although discriminated against by a variety of legislation (see Department of Statistics 1990: 158), the New Zealand Chinese have always been largely a law-abiding people whose principal vice up until the end of the 1960s appeared to be the smoking, by some, of opium. With the 1970s and the pressure which came upon drug abuse generally, however, the opium habits of old Chinese were largely extinguished.

For most of this century, the numbers of ethnic Chinese grew only gradually, reaching 20,000, or 6 percent of the population, in 1986. After that, however, as a result of the opening up of the borders of mainland China, and nervousness in Hong Kong and Taiwan over the impending transfer of Hong Kong to communist rule in 1997, a huge exodus of Chinese occurred to the nations of the West. A number of these migrants came to New Zealand. Thus, the Chinese population in New Zealand almost doubled between 1986 and 1991, to 44,800 (1.3 percent). In the census of 1991, 30 percent of all migrants living in New Zealand had been born in Asia. This made Asians (including Indians) New Zealand's largest migrant group. At the time of writing (February 1997), 1996 census data were not available but between 1991 and 1995, the number of North Asians approved for residency in New Zealand grew from 10,564 to 24,519. This amounted to 44 percent of all residency approvals. In 1996, as a result of tighter residency rules, the number of North Asian permits dropped to 14,716, or 34.8 percent of all approvals. That year, the largest sources of Asian migrants were China, South Korea and Taiwan, in that order (Young, 1996). The bulk of Asians now

live in the three major cities: Auckland (57.1 percent), Wellington (16.3 percent) and Christchurch (6.8 percent) (Statistics New Zealand, 1994: 44).

With the idea of boosting local business with injections of capital, New Zealand's 'Business Investment Policy' of 1987 welcomed migrants who had sufficient business capital and investment skills to make a positive contribution to the New Zealand economy. Many Chinese, especially those from Hong Kong, Taiwan and Malaysia, fell into this category. But a fraction of those who entered under the business provision had fortunes which had been made through involvement with organized crime. They maintained links with such crime on arriving in New Zealand and thus, organized Asian crime became an issue for the country.

As noted, the existence of a specifically Asian component to organized crime was formally recognized in New Zealand in 1987. The country's first Asian Crime Units were established in Wellington and Auckland in 1991, and a third was set up in Christchurch in 1996. Wellington's facility now has two detectives assigned to it, Auckland has three detectives, and Christchurch has one (Fiso, 1997). The senior coordinating officer, Api Fiso, holds the rank of Detective Sergeant.

At first, the existence of organized Asian crime groups remained barely noticed by the New Zealand public. But by September 1991 the police were aware of the existence of triad gangs, which were involved in drugs, prostitution, credit card fraud and extortion (Dominion, 10 September 1996). By the end of 1991, the Customs Department knew that around 20 triad members, six of them 'highly ranked', were resident in New Zealand (Dominion, 27 January 1992).

As a result of this and other faults in immigration policy, in the 1990s the government passed a number of amendments to the Immigration Act 1987. In 1991 a 'points' system was introduced, by which the suitability of residency applicants could be measured according to a range of criteria. At the same time, the Business Investment Policy was replaced with a 'Business Investment Category'. The purpose of these and other amendments was to tighten restrictions on immigration by closer scrutiny of the character of applicants, and to be more prescriptive about financial and business requirements. The amendments sought to ensure that entrepreneurial migrants were bona fide businesspeople who would actively invest their money in New Zealand for a minimum period of time.

Whether the amendments did in fact prevent the entry of more syndicated criminals or not, is a matter for debate. Certainly, triad-associated

persons have been in New Zealand for at least two decades. One of the earliest-known individuals with triad connections is a person I will call Y, who entered New Zealand in 1973. Although he denies he is a member of a triad, Y admits he has known Ma Man-Chuen, a senior member of the 14K Triad in Hong Kong, for 20 years. Y once acted as foster father to Man-Chuen's son. In 1989, during friction with the Wo triad in Wellington, a number of 14K members were recruited from Britain and together with local members, they smashed up a Wellington restaurant owned by the Wo group and attacked staff. As a result of this incident, Y was arrested for assault with a weapon and fined \$4000.

14K, which had changed its name from 'Hong Yee' upon moving to Hong Kong from Guangzhou after 1949 (Deputy Director, 1996: 18), is currently the third largest triad in Hong Kong (Harrington, 1997). This group is also one of the most powerful in New Zealand. First coming to police attention in 1987, when it was involved in the importation of heroin to Australia, 14K has since been associated with more drug trafficking, as well as with gambling, assaults, passport forgery and illegal shellfish smuggling.

There are two other triad-style groups in New Zealand: San Yee On and the Wo group.

San Yee On, like 14K, has its origins in China. Currently the largest triad in Hong Kong with 47,000 members (Deputy Director, 1996), the group is reputed to have forged alliances with corrupt officials in the People's Republic of China. Since the departure of its New Zealand leader in 1992, San Yee On is believed to be leaderless here, but remains in control of a gambling den in Auckland and retains contact with its counterparts in Hong Kong (Fiso, 1996).

The Wo group is in stronger shape, and one of its factional leaders is a retired Hong Kong policeman. The group is active in car theft, receiving, prostitution, drug smuggling, and shellfish smuggling. Since its confrontation with the 14K in 1989, the Wo group is believed to have declined in Wellington and now operates principally from Auckland (Fiso, 1996).

In addition to the triads, a number of other Asian organized crime rings have links with New Zealand. Vietnamese migrants, for example, many of whom came to New Zealand as refugees under a United Nations charter, have been involved in prostitution, gambling, and heroin importation. Young Asian migrants, sent to New Zealand for education by their wealthy parents, have been associated with dealing in false passports and, as has been experienced in Australia, are believed to be vulnerable to recruitment into

organized crime groups (Fiso, 1996).

From Singapore and Malaysia are the Ah Kong group and its offshoot, Singma. Although of little influence in New Zealand so far, Ah Kong is highly active in drug smuggling in Europe, and both have been involved in heroin smuggling in Australia since at least 1990. Since at least 1994, intelligence suggests that Ah Kong has also had drug smuggling links with New Zealand. In 1995, information was received by the police about the presence of a high-ranking Ah Kong member from Belgium (Fiso, 1996).

The final group which has had a presence in New Zealand in recent years is what Japanese officially call 'Boryokudan' ('violent ones'), but who are known to themselves as 'Yakuza', after a worthless hand in a card game (Abadinsky, 1990: 247-8). Yakuza is actually a collective name for approximately 24 major groups which operate in Japan and elsewhere. With collective membership of 79,300 in 1995, the Boryokudan is the largest organized crime group in the world (Uchiyama, 1996: 2).

Boryokudan groups have significant links with legitimate business in Japan and also have well-known connections in Japanese politics. Outside of Japan, Boryokudan are involved in a variety of activities such as violence, prostitution, gun smuggling, as well as a great deal of legitimate business. Although there is little evidence of major activity in New Zealand, several Boryokudan have entered or attempted to enter the country, one with \$US85,000 in his pocket. The principal activity of Boryokudan in New Zealand is thought to be money laundering, and there has been some evidence of prostitution as well (Fiso, 1996).

To date, Asian crime in New Zealand has had a number of manifestations. There were major heroin seizures in New Zealand in 1987, 1991 and 1993. Almost all of the significant heroin seizures since 1987, in fact, have involved Asian criminals from identified criminal networks. A number of other Asian crime figures have been arrested overseas or been involved in trafficking heroin to Australia via New Zealand (Fiso, 1996).

Apart from drugs, organized Asian groups have been involved in gambling dens and the manufacture and importation of counterfeit gambling chips. Since 1993, such groups have also increasingly engaged in crimes of violence. Between 1991 and 1995 there was more than a 200 percent increase in the number of Asians apprehended for violence. Greatest areas of growth have occurred in the areas of assaults, robbery, and intimidation and threats. A number of cases of kidnapping for the purposes of extortion, and other forms of extortion, have been notified to the police since 1993.

Throughout New Zealand, Asian criminal groups have become involved in organized burglary, shoplifting and motor vehicle theft, and with the 'fencing' of stolen goods. Police intelligence indicates that overseas criminal methods are being passed on to, and adopted by, local criminals (Fiso, 1996).

Since 1993, the counterfeiting of money and credit cards has been identified on a number of occasions and several arrests have been made. Passport fraud, too, has been detected, together with attempts to smuggle aliens in to the country. Many such persons arrive with false or forged travel documents to work as prostitutes in urban massage parlours.

The impact of Asian organized crime is also being felt in juvenile offending. Youth gangs are forming along ethnic lines, principally: Hong Kong Chinese, mainland Chinese, Taiwanese, Vietnamese, Malaysian, Japanese and Thai. In schools, tensions between different Asian groups, or between Asians and non-Asians, are being met with some students resorting to the use of offensive weapons such as nunchakas, softball bats, hatchets, knives and firearms. In a number of cases, youths arrested as a result of confrontations have connections with known organized crime figures (Fiso, 1996). There is also evidence that schools are being used as recruiting grounds for Asian organized crime, and that schoolboy gangsters are extorting 'protection money' from the wealthy families of other students (New Zealand Herald, 17 October 1996).

It is in the last two or three years that crime by Asians in New Zealand has become of significant importance in this country. The number of Asians apprehended by police rose gradually after 1990, but in 1995, the number of Asians apprehended was nearly eight times greater than in 1994, and almost equal to the total of all Asian offenders apprehended in the previous fourteen years. In 1996 6.4 percent of all apprehended offenders were Asians, making them the country's second-most likely offenders on a per capita basis, behind the Maori (Fiso, 1996).

As already noted, evidence of liaisons between organized Asian groups and established street gangs has recently emerged in New Zealand as well. Twice in 1996, Asians have attempted to contract local criminals to kill police officers, and there has been one drug-related plot to murder a policeman in the small town of Taumarunui. With only 24 law enforcement officers killed in the 110-year history of the New Zealand Police, these new developments are giving considerable concern.

6. Control Measures

Over the past 30 years, a number of steps have been taken to control organized crime in New Zealand.

A. Drugs

To combat the drug threat of the 1970s several legislative developments occurred. In 1975, controlled drugs were divided into three classes: A, B and C, and in 1978 penalties were stiffened so that trafficking Class A drugs - which now include heroin, LSD and cocaine - carry a maximum life penalty. That penalty has been awarded three times (and upheld twice) since the new law came into effect. Trafficking Class B drugs, such as hashish, morphine, opium and amphetamine, retained the 14-year maximum and Class C drugs - such as cannabis plant, codeine and the barbiturates - had their maximums cut to eight years.

In 1975 police were given the power to search for drugs without a search warrant and in 1978 the use of tracking and listening devices for detecting drug offenders was given. Intelligence was also improved, with the establishment of a National Drug Intelligence Bureau in 1972 and the posting of a permanent Drug Liaison Officer in Bangkok, Thailand, in 1978. A second liaison officer was appointed in Sydney in 1980. Later, as the importation of drugs from Southeast Asia declined and domestically-produced drugs took their place, helicopters were employed to search for drug plantations in remote, bush-clad areas.

More recently, and not just related to drug dealing, the Proceeds of Crime Act 1991 has been passed, allowing asset seizure when a person has been convicted of an offence punishable by more than five years imprisonment and when a High Court judge believes the assets to have been accumulated as a result of crime. In 1995 an amendment to the Crimes Act made money laundering an offence in New Zealand. The following year, the Financial Transactions Reporting Act made financial institutions responsible for reporting suspicious financial activity to the police.

B. Gangs

Where outlaw street gangs are concerned, there has been little formal response. In 1972, the Leader of the Opposition's proposal for Parliament to 'take the bikes off the bikies' as a controlling strategy was ignored on practical and human rights advice. The approach of police to the gangs has largely been one of tolerance within the boundaries of the law. Strategy has

been to police gangs in the normal context of law enforcement, rather than to target them and try to wipe them out. The most likely consequence of a repression strategy would be to force the gangs underground, and thus make their activities more difficult to monitor.

Where the illegal profile of a particular gang grows unacceptably high, however, or the gang is considered to be becoming a public menace in its own right, rigorous short-term harassment operations are common. In 1995, for example, a campaign against the Nomads in the North Island's Wairarapa district resulted in arrests of 40 gang members or associates and the eventual imprisonment of the gang's leaders. It will be recalled that in Christchurch in 1996, an operation specifically targeting the Road Knights also resulted in dozens of arrests, and thousands of dollars in traffic fines.

In 1989, amendments to the Criminal Justice Act and the Summary Offences Act allowed the courts to impose non-association orders on convicted persons and empowered the police to disperse assemblies which threaten public order. The specific objective of the latter provision was to limit gang activity by giving the police greater powers to move gang members even though they had not committed an offence. Late in 1996 the Harassment and Criminal Associations Bill came before parliament. Designed to provide police with greater powers to combat gangs, the bill makes it easier for police to use listening devices and search vehicles, it extends their powers to remove gang fortifications, and it seeks to outlaw membership in gangs known to engage in criminal activity. It remains to be seen whether these proposals will all remain after scrutiny from parliament's justice and law reform select committee.

C. Asian Crime

Asian crime is a recent phenomenon, with the existence of dedicated Asian intelligence units less than a decade old. Apart from the six detectives in Asian intelligence units, Asian crime portfolios are now held by detectives in four North Island and two South Island towns. By the beginning of 1997, the police still had no Asian or Chinese-speaking person attached to their units, due to the absence of any suitably-qualified staff within the force. However, a specific attempt was being made to equip staff with skills in Mandarin, Japanese and Thai languages. A number of bilingual Asian officers had been recruited and there were officers working within their communities with the appropriate language skills. Training and information lectures were being given in a variety of police training courses, and

since 1994, a number of New Zealand police officers had attended organized crime-related conferences overseas (Fiso, 1996; pers. 35 comm.).

At the same time, a systematic attempt was being made at coordinating training and intelligence at a national level, in particular with other departments such as Customs, Immigration, Inland Revenue, Security Intelligence, and Agriculture and Fisheries. An immigrant database had been created. English language entry requirements were being tightened, and community group sponsorship had been abolished. Several government departments had officers working fulltime on intelligence and investigations relating to Asian organized crime. These and other agencies were coordinating their activities and knowledge in order to maximize the state's capacity to deal with the emerging problem of organized crime in New Zealand.

7. Evaluation of Anti-Crime Measures

The success of the measures has been variable.

A. Drugs

As noted, the steps taken in the 1970s to deal with drug importation were extremely effective. By the end of 1979 the Mr Asia gang had been destroyed, with most of its members either dead or in prison. Certainly, the bulk of arrests took place in Australia or England, but prosecution cases were enhanced by multi-national police cooperation, including input from New Zealand. In New Zealand itself, combined customs and police intelligence was so effective that during the 1970s a number of major importers of cannabis and heroin were apprehended. Heavy sentences were imposed, even for relatively small amounts of drug. We have seen that as a result, the commercial viability of drug importation dropped to the point that by 1980, the ingress of heroin and marijuana to New Zealand had virtually ceased. For the same reason, cocaine has never featured as a significant problem.

But staunching the flow of foreign drugs into New Zealand did not stop the availability of controlled substances. As noted, by the early 1980s backyard laboratories had begun manufacturing opiates from codeine, and a lively market for pharmaceutical analgesics such as palfium, pethidine, omnipon and non-injectable morphine (MST) developed. MST is easily converted to injectable morphine by treating it with asceic anhydride and bicarbonate of soda. Thus, a small drug addiction problem exists in New Zealand. Currently there are 2500 opiod dependent patients on registered methadone treatment (Sellman et al, 1996: 1) and every year, according to

police reports, about 15 people die from drug overdoses. But few of these deaths are due to abuse of traditionally feared drugs such as heroin and morphine. In 1992, for example, a government report showed that in 1989 there were 25 deaths as a result of drug abuse. Only five of these were caused by opioids, none were caused by cannabis or hallucinogens, and none were caused by barbiturates. The remaining 20 deaths were attributed to unspecified 'other' drugs (Adams et al, 1992: 52).

The sealing of borders did not reduce marijuana use either; it may even have stimulated it by creating a market for cheaper, domestically-grown cannabis. Between 1980 and 1995, the number of cannabis plants seized in New Zealand rose steadily, from 37,000 to 352,000: an increase of over 900 percent. Neither have these massive seizures resulted in any apparent decline in cannabis use. The number of persons caught annually in possession of cannabis in New Zealand more than doubled in the same 15-year period, to 11,000. A recent report indicates that by age 19, at least 41 percent of New Zealanders will have used cannabis at least once, whereas only nine percent will have tried hallucinogens, three percent, stimulants, and one percent, opiates (Adams, et al 1992: 28). Of fences concerning the relatively benign drug, cannabis (Ministry of Health, 1995; 1996), constitute fully 93 percent of all drug crimes reported to the police.

The market for cannabis in New Zealand is thus huge, and the growing and distribution of it is of considerable economic importance in some areas. It is this drug which forms a financial basis for many gang members who do not have access to more dangerous compounds such as methamphetamine. As mentioned, the police adopt a low-profile approach to the majority of gang activity. It is reasonable that this should be so. If marijuana was removed as a source of income to gangs and others whose livelihoods depend on it, other forms of perhaps more serious crime might result. paradoxically, therefore, the existence of a certain amount of marijuana production in New Zealand may be seen as a latent crime control feature in itself.

Police operations in marijuana distribution have had some effect on the availability and price of the drug, but may be less effective in the future. In the past, undercover officers assigned to marijuana investigations have had to engage fully with the marijuana trafficking culture in order to make arrests. Inevitably, this has involved them in smoking the drug and has necessitated official training in smoking techniques (see Ansley, 1995). Consequently, however, by 1996 around 30 former officers were claiming to have become addicted to marijuana and some were admitting to having

perjured themselves in court when questioned about their drug-taking activities. This development has thrown the drug undercover program into jeopardy.

B. Gangs

According to police estimates cited earlier, gang numbers roughly trebled between 1981 and 1996. Such figures are only broad estimates, however, and do not take account of gang prospects and associates. Moreover, there is no way of assessing their accuracy. During the late 1980s, police gang estimates grew by roughly 28 percent, but have remained stable since 1990. Numbers of patch members in prison have remained virtually unchanged, at about 400, since 1987. However the prison population overall has increased so that the percentage of imprisoned gang members relative to non-gang members has almost halved during this time (Braybrook and O'Neill, 1988: 62; Braybrook and Southey, 1992: 70; Lash, 1996: 42).

But it is not the responsibility of police to reduce gang membership, since belonging to a gang is not itself an offence. Police are concerned, however, with the criminal activity which gangs may be involved in. As seen in the cases of the Nomads in the Wairarapa and the Road Knights in Christchurch, vigorous repression campaigns against high-profiled gangs are successful, but such pressure cannot be maintained without compromising police effectiveness in other areas. The violent profile of gangs is high, and in terms of gang members incarcerated for violence, that profile is increasing. The ratio of gang members in prison serving time for a violent offence, relative to non-gang members, grew by 21 percent between 1987 and 1991 (Braybrook and O'Neill, 1988: 64; Braybrook and Southey, 1992: 72). Between 1988 and 1993, about four percent of all murders in New Zealand were gang-related (Miller, 1994 : 8). Homicides, however, have been declining since 1989 and robberies have stabilized since 1991. Conversely, grievous assaults have risen unremittingly, more than doubling since 1990.

The picture is thus far from simple, but it seems that the police do have the gang problem largely under control. Neither now, nor never before, have the gangs presented a significant threat to the stability of the country or to the welfare of the average New Zealander. That comment aside, changing circumstances and recent intelligence about links between the gangs and Asian crime, will require close monitoring.

C. Asian Crime

The Asian crime problem has really, only become significant in this country since 1993. To date, few police resources have been dedicated specifically to dealing with it. However, the coordination of inter-agency intelligence nationwide has so far proven effective in keeping police aware of major developments. Whether greater resources will be necessary in the future will depend largely on how the situation progresses in the next few years.

8. The Future

The police believe that in the future, Asian criminal groups will become more visible in their activities. Particular areas of potential growth include fraud, serious violence, illegal immigration, extortion, vice, dishonesty, drug trafficking, gaming, and the illegal exploitation of fisheries (Fiso, 1996). If this occurs, it is also likely that stronger links with outlaw gangs may emerge, with increases in their criminal effectiveness as a result. In a worst-case scenario, Asian groups could form functional alliances with large violent gangs such as the Mongrel Mob, and develop a monopoly over criminal activities throughout the country. If gangs became organized at such a level, keeping control of serious crime could become extremely difficult.

There are several reasons why this is unlikely to happen.

Firstly, most gang members are highly visible. Maori gangs in particular, such as the Mongrel Mob and Black Power, advertise themselves through ostentatious forms of dress and extensive tattooing, particularly over the hands and face. Such men are unable to go anywhere in public without being noticed. Moreover, unlike Asians, gang members do not come from a subculture which is markedly distinct from that of the average New Zealander, and they are normally well-known within their own neighbourhoods. These factors severely limit the capacity of gangs to engage in covert activity.

Secondly, apart from a few exceptions such as the Hell's Angels, most gangs are disorganized and guileless, and much of their activity is incompetent. The lucrative job schemes of the 1970s, for example, were lost to the gangs as a result of conspicuous exploitation by some and the use of government-funded vehicles for armed robberies. Indeed, the high numbers of gang members in prison for rapes, serious assaults, robberies and murders is itself testimony to their bungling efforts to make a life out of crime.

Sophisticated organizations such as triads would be unlikely to profit from relying on gangs for support. It seems probable that Asian crime leaders will realize this quite quickly.

Thirdly, by themselves, Asian gangs are unlikely to gain a strong foothold in this country. The reasons principally have to do with those factors outlined at the beginning of this chapter: New Zealand's remote insularity, the small size of its population, and the nature of its police force. In the United States in 1968 the President's Commission on Law Enforcement and the Administration of Justice declared that without corrupt officials, organized crime cannot exist (Schweizer, 1996: 8). One only has to look at areas in the world where organized crime has taken hold, such as Japan, Russia and Latin America, to find testimony to this statement. In the current chapter we have seen that Terry Clark was only able to survive in Australia for so long because of his relationship with corrupt government officials.

A recent worldwide survey by the Berlin-based organization, Transparency International, has found New Zealand to be the least corrupt of all the countries studied (Dominion, 17 July 1995). I have argued earlier that systematic corruption is absent from the New Zealand Police. This situation will be significant in limiting the growth of organized crime in this country. The police are aware of the threat of corruption generally, and specifically of that presented by organized crime (Fiso, pers. comm). They are also aware of the need to create confidence among law-abiding immigrant groups that reports about intimidation or attempted extortion by criminals will not compromise the complainants and will be dealt with quickly and effectively. As police confidence within the Asian community grows, the arena within which Asian organized crime operates will be reduced.

In the late 1970s, large-scale hard drug-running activities by organized groups were virtually eliminated from the New Zealand criminal scene. Today, the same factors which then restricted the viability of organized crime, still apply. This does not mean that New Zealanders can be complacent about the re-emergence of organized crime in their country. What it does mean, however, is that with ongoing police vigilance, careful allocation of resources, and the continuation of inter-agency responses to developments in organized crime, the chances of major syndicated criminal groups taking root on New Zealand soil are slim.

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