

ANTONOPOULOS, G. A. (FORTHCOMING 2007) 'Cigarette Smugglers: A Note on Four 'Unusual Suspects', *Global Crime*

RESEARCH REPORT

Cigarette Smugglers: A Note on Four 'Unusual Suspects'

RESEARCH REPORT

Cigarette Smugglers: A Note on Four ‘Unusual Suspects’

Georgios A. Antonopoulos*

School of Social Sciences and Law, University of Teesside, Middlesbrough, UK

Abstract

The smuggling of contraband cigarettes is discussed in relation to numerous financial and social issues. Cigarette smugglers are often portrayed as ruthless and dangerous individuals, and according to official and media accounts a clear link has been established between cigarette smuggling and ‘criminal and terrorist organisations’. The aim of this article is to challenge this stereotypical image of the cigarette smugglers based on the presentation of the stories of four smugglers interviewed in Greece and the United Kingdom.

Keywords: cigarette smugglers, organised crime, terrorism, stereotypes

Georgios A. Antonopoulos obtained his PhD from the University of Durham, UK in 2005. He is currently lecturer in criminology at the School of Social Sciences and Law of the University of Teesside, UK. His research interests include the criminality, criminalisation and victimisation of minority ethnic groups, ‘organised crime’, and illegal markets.

* Email: g.antonopoulos@tees.ac.uk. The author would like to thank Federico Varese, the editorial board of *Global Crime* and Mark Cowling for their comments and suggestions on previous drafts of the article.

Introduction

It is estimated that smuggled cigarettes account for 6-8.5 per cent of the total cigarette consumption, and that for every truckload of cigarettes smuggled into the EU US\$ 1,2 million (approximately £ 691,000/€ 992,000) in taxes are lost (Joossens and Raw, 1998). There are however, several issues discussed in relation to cigarette smuggling, apart from the issue of lost revenue tax. The most important ones are the involvement of dangerous individuals in the trade; ‘organised criminals’ who invest their proceeds into other, more dangerous and threatening illegal activities, and even terrorism. According to law enforcement, politicians, high public officials, media accounts as well as public health charities, there is a well-established link between cigarette smuggling, and criminal and terrorists ‘organisations’. For instance, in an article appearing in the professional magazine *Police Chief* it is stated: “the trafficking of cigarettes by terrorists and their sympathisers has been going on worldwide since the mid-1990s, and the last... years have seen a sudden increase in trafficking. The trafficking schemes provide the terrorist groups with millions of dollars annually, which fund the purchasing of firearms and explosives to use against the United States, its allies, and other targets” (Billingslea, 2004). Despite the certainty with which the law enforcement apparatus, media, politicians and others treat the ‘contraband cigarette market– rich and dangerous ‘organised criminals’-terrorists’ link, we do not really know enough about the cigarette smugglers (see von Lampe, 2006). Who are the cigarette smugglers? How ‘organised’ are they? Are they the stereotypical mafiosi? Do they use violence? Do they corrupt public officials as it is commonly portrayed in the media? And very importantly, given the preoccupation of law enforcement, politicians and the media particularly after 9/11, what do they do with their profits from cigarette smuggling? The purpose of this article, which is based on a series of interviews with cigarette smugglers, is to present the abridged stories of four cigarette smugglers, John, Maria, Peter and Rebwar, to try answering the aforementioned questions and ultimately challenge the stereotypical image of the cigarette smuggler. The interviews were conducted between 2004 and 2006 in Greece and the United Kingdom. It should be noted that these smugglers operated in different settings and within different cigarette smuggling schemes. The names presented in this article are fictitious.

John

John is 41 years old and lives in Patras, Greece. He was a student at Belgrade from 1984 to 1991. In the beginning of his studies in the former Yugoslavia he relied exclusively on financial assistance from his parents; however, this placed considerable financial burden on the family. In 1986, he met the owner of a café in Belgrade, Stojan, who asked John to get him a few cartons of hard pack Marlboro for personal use after returning from holidays in Greece. John got Stojan the cigarettes and they discussed the possibility of importing hard packs of brands that were not available in the former Yugoslavia, which would be distributed in Stojan’s café and other cafés and bars in Belgrade where the elite of the former Yugoslavia used to hang about. Every time John went to Greece he used to return with cigarettes bought from the duty free shop on the Greek-Yugoslavian border. He used to buy DM (Deutschmark) 1,000 (approximately € 510/US\$ 720) in merchandise (hard packs of Marlboro and Camel), and he was transporting them in his and his friends’ luggage on the bus. John had established a contact with a customs officer on the Greek-Yugoslavian border, who did not however, receive any money in order to “turn a blind eye”. Despite the

fact that cigarettes in Yugoslavia were much cheaper than in Greece bootlegging was possible because a) there was no hard pack for Marlboro and Camel in Yugoslavia and the possession of such a pack was a sign of prestige and status, and b) the quality of the Yugoslavian tobacco was much poorer than the Greek tobacco. John's *profit* was DM 2,000 (approximately € 1,020/US\$ 1,440) for every load of DM 1,000. Money was spent on living expenses as well as on entertainment, women, and gambling. John's business finished in 1991 when he obtained his degree and returned to Greece.

Maria

Maria is a 28-year-old Greek from Pireaus, and has been a student at a university in the north East of England. A friend, Pauline, who used to work at the café that is a meeting place for Greek students in the northern English town, asked her whether he would be able to get her manager, Tom, a few cartons of cigarettes from Greece. Pauline, who was also 'importing' cigarettes into the UK, brought Maria into contact with Tom. A few weeks later Maria went to Greece for the Christmas holidays, and Tom gave her the money and asked her to bring him specific brands of duty-paid cigarettes that are consumed in Britain. Maria 'imported 16 cartons (3,200 cigarettes) in Britain in her luggage by air, and received about £30 (US\$ 55/€ 44) as an 'importation fee'. Maria kept importing cigarettes every time she was returning from Greece. The cigarettes were distributed to a network of customers in a chain of bars and clubs in the particular town. Maria was not the only student to be involved in the scheme. Other Greek students also participated. Maria's £30 was spent primarily on pieces of clothing.

Peter

Peter is 45 years old and lives in Thessaloniki in Northern Greece. His legal business grew significantly in the late 1980s and during the 1990s, and he became prosperous. He considered himself to be a successful businessman. He managed to have a three storey house built; he owned two shops and two cars, one of which was a luxury sport car. He used to have his holidays in the expensive and cosmopolitan Greek island of Mykonos every year, and he and his wife would even go shopping in London and Milan. His network of business and customer contacts also grew significantly. These contacts were from both prosperous and disadvantaged areas of the city, who were not only involved in Peter's line of business but also in illegal markets including cigarette smuggling. During the early 2000s, his legitimate business had its ups and down but mostly downs, which he viewed as a result of the Chinese involvement in the trade, and which –very importantly - made him and his family radically alter their way of life. Thus, while he continued operating his legal business, he was looking for alternative sources for supplementary cash. One of his legal business contacts suggested a scheme in which he could be involved by investing some money and buying a truckload of cigarettes from a tobacco manufacturer in Greece. These cigarettes would be supposedly exported to a 'business contact' in Bulgaria but the truck would return supposedly without merchandise. In this way he would have taken advantage of the transit system. With the assistance of a customs officer Peter and his acquaintance managed to secure the relevant documentation and the truckload of cigarettes did not even exit the country. Peter's legal business contact also helped him

sell the merchandise to a wholesaler in Thessaloniki. Peters' money from the cigarette business was used to pay off debts from his legal business and cover family needs.

Rebwar

Rebwar is a 27-year-old Iraqi Kurd. He migrated from Iraqi Kurdistan 8 years ago because he feared for his life due to aggressive policing of the Iraqi police, who killed one of his brothers. He irregularly entered into and lived in Turkey and Greece before entering (via Italy and France) the United Kingdom, which was his 'ultimate destination'. He has been living in the UK since early 2004. In Turkey he was repeatedly arrested and beaten by the police as he was in Greece by the coastguards in the Aegean and by the police in Athens. Rebwar remained undocumented for a long period of time and he existed in a limbo between legality and illegality. He did not apply for asylum in Greece, although he could, because viewed Greece as only a transit country. When in Athens, he would occasionally work for Greeks who employed him for odd jobs for a day or two and underpaid him. However, for most of the time he was unemployed relying, just as the majority of Kurds in Greece, primarily on assistance from their social network, members of the Greek public as well as from NGOs. At some point and when in Athens Rebwar was looking for a job. At that time someone from the Kurdish community in Athens was involved in selling cigarettes in the city and employed Kurdish migrants in the business. Through an acquaintance, Sharafshat who was already selling contraband cigarettes, Rebwar managed to become involved too. He was selling cigarettes on the street every day, and he would receive € 30 (£ 20/US\$ 42) per day irrespectively of the sales. He was ignored by the police on his capacity as a street-seller. His € 30 was spent on food and leisure.

Discussion/Conclusion

The discourse about illegal markets has been surrounded by an 'enduring myth of the underworld' (Hobbs, 1997), allegedly separate from the 'upper-world'. Illegal marketers are portrayed as violent and dangerous, possibly hardened by prison, and swimming in pools of cash. The 'Godfather' and Keyser Söze, the inapprehensible, unseen, omnipotent, enigmatic, and ruthless 'underworld' figure in the cinematographic masterpiece *The Usual Suspects*, are perceived as the 'typical organised criminals'. In addition, illegal markets are portrayed as the working environment of mafia-type, powerful, and extremely dangerous and violent 'organisations' similar to the ones depicted in Hollywood blockbusters. Finally, smugglers are viewed as fund providers of even more 'organised crime' and terrorist activities. The research reality here is much different however. All smugglers presented in this article are action-oriented individuals. All except Peter deal small quantities of cigarettes. All operate on a local level (despite the fact that in some cases the cigarettes originate from other contexts), they are aware of place-specific contextualities, and have either no or few 'collaborators'. They represent different types of smugglers. John and Peter are entrepreneurs; they invest money to the business. They make novel combination of different resources and have the ability to identify and exploit opportunities of different nature. John, for instance, capitalises opportunities that are based on the need for social enhancement, whereas Maria capitalises opportunities based on price differentials. All of the smugglers presented in this article exploit the relatively low risks involved in the transportation and sale of

the merchandise, the fact that cigarettes are a legal commodity as well as the existence of receptive markets.

Maria and Rebwar are simply workers; a runner and a street-seller, respectively. All individual smugglers presented in this article use their social networks and their 'weak' and 'strong' ties. Apart from Rebwar, who was a regular employee in the business, the others' activities are *ad hoc*. They are what Dorn *et al* (1992) would define as *opportunistic irregulars*. All of them have short-term objectives for their involvement in the particular trade, and by no means they plan or want to have their business expanded. For Rebwar, expansion of the business would make no difference since he receives a 'salary' irrespectively of the sales. None of the four smugglers appearing in this article have used violence to safeguard business objectives (and in fact Marias' bodily capital would not allow her to use violence even if she wanted to or was necessary). It is only Peter, who needed the assistance of a corrupt customs officer to facilitate the business, although John relied on compliance on the part of a customs officer on the Greek-Yugoslavian border. Violence and corruption are, therefore, neither *essential* features of the cigarette smuggling business nor characteristics of the cigarette smuggler's psyche. Threat assessments by law enforcement agencies throughout the world present illegal marketers as fund providers of even more 'organised crime' and 'terrorism' (see Levi, 2005). However, as it can be observed John, Maria, Peter and Rebwar's profit is not that big given that they either receive little money or operate on an *ad hoc* basis. John and Peter earn more than Maria and Rebwar but they do not invest it in other illegal trades or terrorism. In Rebwar's case the contraband cigarette money is probably not enough for him to pass the day, whereas in Marias' case, the *yearly* income from the business, resulting from three trips to Greece (Christmas, Easter and after the summer) is not even enough for a month's rent for an average student house in the particular town, which is about £150 (€ 215/US\$ 303).

The above do not however, suggests that the four smugglers presented in this article are the representative cigarette smugglers as there are different smuggling schemes of varied 'organisation' (see von Lampe, 2006). Moreover, the above neither, of course, deny that there are 'big fish' and big earners existing in a business in which there is a division of labour and different roles assumed (see Antonopoulos, forthcoming 2008); nor the fact that these 'big fish' may be earning large amounts of money from the particular low-risk trade or even use violence (see, for example, Hornsby and Hobbs, 2007). But could these 'big fish' and big earners be the representative cigarette smuggler? As van Duyne and Levi (2005: 71) have argued in relation to the drug market "there is hardly a common denominator or type of market player". We have absolutely no reason not to accept their argument in relation to the contraband cigarette market too, although there appear to be some common denominators *within* specific levels of the trade namely upper, middle, and street (see Antonopoulos, forthcoming 2008). When however, we come across law enforcement or media references to 'cigarette mafias', headed by Keyser Söze-like rich and ruthless individuals with dodgy financial transactions we at least ought to be more critical of them. Cigarette smugglers may be your neighbour, your classmate, your student, your legal business associate or simply the girl next door. The closer one gets to the 'cigarette smuggler', the more the stereotypical 'organised criminal' image dissolves.

References

Antonopoulos, G. A. (forthcoming 2008) 'The Greek Connection(s): The Social Organisation of the Cigarette Smuggling Business in Greece', *European Journal of Criminology*, 5(3)

Billingslea, W. (2004) 'Illicit Cigarette Trafficking and the Funding of Terrorism', *Police Chief*, February, available online at http://policechiefmagazine.org/magazine/index.cfm?fuseaction=display&article_id=226&issue_id=22004

Dorn, N., Murji, K. and South, N. (1992) *Traffickers: Drug Markets and Law Enforcement*. London: Routledge

Hobbs, D. (1997) 'Professional Crime: Change, Continuity and the Enduring Myth of the Underworld', *Sociology*, 31(1), 57-72

Joossens, L. Raw, M. (1998) 'Cigarette Smuggling in Europe: Who Really Benefits?', *Tobacco Control*, 7, 66-71

Hornsby, R. and Hobbs, R. (2007) 'A Zone of Ambiguity: The Political Economy of Cigarette Bootlegging', *British Journal of Criminology*, 47(4), 551-571

Levi, M. (2005) 'Organised Business Crime in the News', *Criminal Justice Matters*, 59(spring), 20-21

van Duyne, P.C. and Levi, M. (2005) *Drugs and Money*. London: Routledge

von Lampe, K. (2006) 'The Cigarette Black Market in Germany and in the United Kingdom', *Journal of Financial Crime*, 13(2), 235-254