



# 1 Security and Organised Crime

## An Introduction

The delivery of counter-crime policy has put developing states under constant pressure to perform. States need the engagement of multiple public actors in order to counter the ever-evolving multi-nature of crime. Such governing architectures, however, have proven to be increasingly complex, feeble and disorganised, and what is more, their authority runs the risk of being supplemented or even usurped by the criminal groups' ability to nullify and collude with state formal action. Different realities across the globe have empirically shown how highly complex crime can drive the state to lose its power over the delivery of security. What has been less researched, however, is that in some other cases, the state has held on to its capacity for steering and delivering policy. Chile, despite many pitfalls in its security policies, most of them inherited from the previous authoritarian era, seems to be one of these cases. From the redemocratisation landmark of 1990, its continuing policy-making for complex crime has shown a very particular rationale. The state has kept its steering capacity; however, its governing power has not remained limited to the core but has instead been diluted among various actors and different policy communities; these have been set up to assess and counter particular areas of crime policy, such as its prosecution, prevention and detection. In that vein, current conceptualisations as to how public institutions in the developing world respond to crime do not necessarily provide a thorough analytical background by which to mirror Chile. This latter body of work has accounted mostly for paradigmatic perspectives that have posited governing institutions, especially those in the developing world, as dysfunctional silos of inward-looking capabilities, due to internal weaknesses and external factors that include corruption and collusion with criminality. The case of Chile seems rather closer to other explanatory literature such as the scholarly work that introduced the so-called movement from government to governance. This rationale seems suitable for exploring the core idea that confronting crime necessitates a dynamic motion from hierarchic government to horizontal governance.

Take the following policy as an example. In late 2013, security officials from over two dozen institutions met in the Palacio La Moneda to launch the *Estrategia Nacional Contra el Lavado de Dinero y Financiamiento Terrorista* (ENLAFT), Chile's first national roadmap to counter money laundering from

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organised criminal activities. The policy highlighted an acute prognosis of various threats and risks in such matters. The main catalyst for the laundering was the drug trafficking occurring in the country, a causative trend common in Latin America. Besides unveiling a glimpse of the state of the art in the country's rule of law, for matters of political science, the ENLAFT revealed that Chile's response to organised crime was the product of particular patterns of governance between security institutions. It evidenced a wave of public effort, pushing for a governing style reliant on networked relationships of knowledge and resource exchange. The money laundering and the covert organised crime fuelling it appeared as a multifaceted phenomenon requiring joint action from public institutions. Such an appraisal of organised crime set up a puzzling question deserving closer attention: how did the ENLAFT become such a widespread policy effort if public security institutions had traditionally shown little empathy for working together? Following the 1990 redemocratisation landmark, only a couple of Chile's public bodies elaborated and executed security with little interdependence between them. Decades later, such governing processes had unmasked an unprecedented and continuing trend of institutional accommodation that allowed for a multitude of actors to break free from inward-looking rationales, eventually laying a common ground for cross-cutting and encompassing organised crime policy-making. I name such evolving security arrangements: the governance of organised crime. This approach depicts the relations that actors have engaged in, to purposefully detect, prevent and prosecute organised crime. Yet, it is the purpose of this book to explore *how these governing architectures have developed and what are the consequences for security policy-making after redemocratisation*.

From the late 1980s to the early 1990s, policy makers in the Ministry of the Interior publicly branded organised crime a low priority for security and executed policy through a secluded and administrative way. Until redemocratisation, no formal bureaucracy for confronting organised crime existed; in part, because the military dictatorship executed an iron-fist national security doctrine that exiled not only its political detractors, but also the threats capable of undermining the country's rule of law; these included drug trafficking and the organised crime that went unpunished up to the early 1970s. Once the army receded, the matter of organised crime was not seen as serious or with the same consequences for democracy, as it resulted in other regional countries such as those in the Andean region (Mares, 2009; Mainwaring, 2006). To the authorities, the phenomenon was merely associated with groups entering and distributing drugs through northern corridors connected to Peru and Bolivia, who were later caught (when possible) by police officials from either Carabineros, the militarised, uniformed branch or Investigaciones, the civilian investigative police.

Chile had little systematic knowledge about crime and public policy by the end of the twentieth century. The country's security institutions lacked deep knowledge of organised criminality, owned scarce resources and recruited poorly skilled agents. Any traces of inter-institutional governance processes were limited to associations among bureaucrats inside ministries or within sporadic

groups of the criminal justice sector. Such spontaneous and unsteady relationships meant policy makers could account for very few results in the fight against organised crime. The overall, somewhat blurry, understanding of complex criminality among security institutions helped paint a picture of it as an unlikely threat to Chile's nascent sociopolitical order. Such a rationale was caused in part because of the blind belief in market opportunities and profitable revenues being more attractive elsewhere in the region. The governing scenario was therefore characterised by a sum of institutions that barely knew how to tackle a shady criminal experience, with corporate rationales dictating one-sided policy action.

After over two decades of democracy, that approach evolved significantly and in 2000, the Public Ministry (the prosecutorial office, also known in Spanish as *Ministerio Público*, or simply *Fiscalía*) came to replace the old justice system. Its attorneys (*fiscales*) became expert prosecutors whom, shortly after, put forth collaboration agreements with other security actors. In 2003, the Financial Analysis Unit (*Unidad de Análisis Financiero*, UAF) was set up to prosecute money-laundering activities, later becoming the quintessential hub for policy between public and private institutions and eventually acting as the grand-coordinator for the ENLAFT. The government reformed the Interior's ministerial powers and created new bureaucracies. Meanwhile, the policing bodies set up specialised units to confront the critical aspects of organised crime such as drug trafficking and money laundering, including later those lesser known aspects of it, such as cybercrimes and human trafficking.

Along with a change in the axis of government in 2010 – passing from the centre-left coalition, the *Concertación de Partidos por la Democracia* (or simply, *Concertación*), to the centre-right's *Coalición por el Cambio* (or simply, *Coalición*) – the issue of transnational organised crime climbed into a more prominent place in the agendas of the institutional authorities. Sebastián Piñera (2010–2014) came to power with a provocative campaign to address criminality. Piñera promised restructuring and change for public institutions. Much of the organised crime self-awareness was in response to the transnationalisation of illicit activities that had placed new challenges on regional authorities in terms of facing the mobility of global networks of criminality (Tavares, 2014; Bagley and Rosen, 2015; Arias, 2017). Even though countries in Latin America did favour promoting their unilateral national security and sovereignty, they came to recognise that the transnational problems had a better chance of being solved through cooperation within the region as a whole, or within subsets of countries, according to geographical and issue areas (Mares, 2012; Shaw, 2014). Public opinion showed a growing feeling of anxiety towards criminal actors sucking up public and private resources to create illegal economies, corrupt state institutions and operating outside the social order (Zechmeister, 2014).

## **Organised Crime and Policy-making**

As Latin American societies grew uneven pathways to development since the late twentieth century, so did the opportunities for criminal activity. Chile moved

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fast towards an open market economy, at the cost of bringing down the deterrence to human and resources' mobility, thus soon joining what others have described as 'the map of the global criminal economy' (Varese, 2006). Criminal groups quickly adapted to the environment bought about by redemocratisation and its political, economic, legal and social junctures. Illegal organisations managed to make a deal out of every imaginable form of profitable business that in past decades had been technologically impossible. The drug trafficking, cigarette counterfeiting, arms smuggling and credit card cloning became just a sliver of the manifold skills carried out by these illicit and entrepreneurial criminal organisations. They also became more violent, gaining access to weapons, while corruption became one of their chosen means for evading or colluding with public officials. Back in Chile, these various forms of criminality had also become more evident, despite the political authorities offering a soothing discourse on public security (Dammert, 2012).

Narcotic dealers, for instance, have huge motivations for pursuing a criminal enterprise that translated into greater income. In August 2013, the police raided the biggest drug laboratory yet to be found in a farmhouse in central Chile. Here, local and foreign labourers were extracting half a ton of cocaine paste previously brought from Bolivia, a cargo with a market value of US\$15 million. In order to persuade foreign drug producers to send over enormous amounts of dope, drug-traffickers agreed to trade one of their relatives or personal friends as 'proof' that they would return the invested capital (Duarte, 2013). In late December 2012, Fabían Gálvez, the most wanted drug-trafficker in Santiago at that time, was captured. He was 31 years old and had grown up in Europe, operating as a thief. His estimated personal assets were over US\$2 million, a sum hard to put together since most of his money was scattered among property and belongings in the name of his family and acquaintances. He spent holidays in Spain, and in San Alfonso del Mar, a beach-side resort in Chile's central coast; as a fan of horse racing, his children were given five thoroughbred horses (Lezaeta, 2012). Most knowledge about the activities and characteristics of what has been described as 'organised crime' came as processed information once the criminal justice system had categorised it. The mainstream press also took on an important role in the dissemination of organised crime activities in the country. Through printed articles and TV coverage, other criminal organisations, such as the 'Cara de Jarro', the 'Los Gaete', and the 'Cara de Pelota', became widely known to the public. A month before the capture of Gálvez, the police pulled off its largest yet drug seizure from a warehouse near the Lo Valledor groceries market in southern Santiago. After six months of investigation, the police arrested an organisation made up of both Bolivian and Chilean citizens. They were using cargo trucks loaded with onions to hide over 1,700 kilos of drugs while moving it from the northern border, a trip of nearly 2,000 kilometres, using the country's main freeway (*La Segunda*, 2012).

At the same time that the Lo Valledor case was in the public eye, ten detectives were accused of threats, torture, illicit enrichment and providing protection for drug lords based in the working-class suburbs of Santiago. Soon after that,

the misdeeds of another criminal organisation, the so-called ‘Banda del Cabezón’, became public. Behind a sushi-food delivery façade, cocaine was being distributed among well-accommodated clients in eastern Santiago. A jailed convict, Leonardo Silva, led the band along with eight direct lieutenants. They managed their illicit business through various safe houses scattered across the city. In one of them, armed narco soldiers had a Japanese garden valued at US\$40,000 (Morales, 2012). Imprisoned drug lords had proven their ability to exert systemic infiltration and manage an important portion of the organised crime in Chile, a trend evidenced elsewhere in the region, such as, in Brazil and Mexico (Macaulay, 2007; Bailey, 2012). Law enforcement officers were seen to collaborate in both drug trafficking inside the penitentiary system and facilitating the coordination needed between the convicts and their criminal contacts on the outside.

Illegal cigarette trafficking has since become the fourth illegal type of commerce entry in the country, behind drugs, arms and human trafficking. Traffickers use the Los Libertadores crossing making their way from Mendoza, Argentina, a city at the other end of a route widely used for the transport and trade of goods. Two trucks can freight up to 800,000 falsified cigarette boxes worth US\$4 million. Cargos also arrive in the seaport of San Antonio, and through Chile’s Norte Grande, the desert region bordering Peru and Bolivia and where uncontrolled crossings abound. The smuggling includes the use of multiple people taking roles in shipment, transport, safekeeping, distribution and sales. Evidence collected by the Public Ministry suggests also that networks of corruption between traffickers, police and custom officials facilitates the entry of these and other illegal goods (Lezaeta and Rivera, 2013).

Across countries in the Americas, little is known about rates and trends for many of these ordinary type of offenses, including: cybercrime, environmental crime, tax-evasion and drug-trafficking. Although anecdotal and journalistic reports suggest that most of these behaviours are becoming common across the globe, for the Chilean authorities, there is some complexity in visualising the real extent and composition of the country’s organised crime. Particular issues associated with assessing organised crime have raised awareness about society taking a leading role in demanding services that mean a profitable business for illegal actors. Illegal and trafficked goods, ranging from cars to credit cards, are offered on black markets where most consumers are people who would regard themselves as honest and upright citizens. The feeling is that normal citizens have in part become the enablers of organised criminality. Indeed, organised crime cannot operate in a social vacuum. It relates to its social environment through constant and evolving interactions that blur the differences between consumers and suppliers in legal and illegal businesses (Kleemans, 2014, p. 38; Arias, 2006; Morselli, 2009). This point reflects a debate among criminology students as to whether organised crime should be dealt with as an external threat that endangers society and citizens, or whether it is the result of individual demands for illegal products and services (Finckenauer, 2011). The first understanding demands a full criminalisation response, while the second calls for

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tailor made solutions that address ‘the roots rather than the symptoms of the problem’ (Carrapiço, 2012, p. 27).

When compared with the rest of the region, Chile’s exposure to transnational organised crime can be depicted as twofold. On the one side, the country enjoys a distinguished position in the Americas’ Southern Cone, with enhanced political stability, burgeoning financial and commercial markets, and a consumerist living standard (Sehnbruch and Siavelis, 2014). The country also has one of the lowest homicide records, meanwhile, the victimisation of corruption and the perception of organised crime remain low when compared with the rest of the region (see Cohen *et al.*, 2017; Silva, 2016; UNODC, 2017). Additionally, the authorities have managed to maintain the political and security institutions partially clean from any serious permeation of organised criminality, while the society is only minimally supportive of informal conducts such as bribery or the collusion between criminal groups and law and security enforcers when compared regionally (Luna and Zechmeister, 2010).

On the other hand, once the dictatorship ended, the curtains that had shut out various critical areas of underdevelopment were opened for a criminality that laid its foundation in pockets of poverty, vulnerability and inequality (Frühling and Sandoval, 1997; Dammert and Malone, 2003; Bonner, 2013). As elsewhere in the region, Chile’s post-redemocratisation rule of order remained as one of the unresolved contending issues in the public debate agenda (Whitehead, 2002; Hinton, 2006; Dammert, 2013). Fear of crime has become widespread in social groups, leaving democratisers to react by extending resources for security institutions and publicising major plans to tackle criminality (Dammert, 2012). While political authorities have disregarded its presence, ground level security actors have shown great concern about organised crime growing so fast and so extensively (Góngora, 2007; IOM, 2008).

Taking this line, the question that drives additional examination is how organised crime is incubated in Chile and what fault lines have therefore been exposed among the institutions that confront it? In her study of Brazilian criminality, scholar Fiona Macaulay (2007) argued that Latin American countries have failed to address complex crime because of a lack of reliable knowledge regarding security institutions, as well as the unintended consequences of the ‘active’ or ‘passive’ policy choices made by decision makers. Macaulay suggests a reality which Chile, when compared with the rest of its neighbours, has yet to divert from, a: ‘lack of reliable empirical data (both quantitative and qualitative); police forces that are institutionally fragmented, perform poorly in terms of crime fighting, corruption and human rights protection and yet are resistant to change; and a neglected prison system’ (p. 629). When looked at against such a scenario, Chile remains a constant puzzle. It is a country with a relatively small population, almost 18 million inhabitants. The concentration around the metropolitan region of Santiago has favoured the management of the criminal justice sector, allowing it to be relatively well connected. The country has also been able to avoid issues of hierarchic and autonomous layers of security agencies because of its unified state nature rather than federal type such as in Argentina, Mexico, or

Brazil. What is more, and as has been evidenced elsewhere in the region, the challenge of complex criminality has motivated the growth of a diverse criminal policy community, including institutions from different levels of government as well from outside it and where recent policy consensus has enabled a complex response.

## **A Novel Approach to Governance**

In this book, I explore how Chile's public security actors have engaged in policy action to control organised crime. In order to understand such a puzzle, I introduce three explanatory frameworks: governance, policy networks and historical institutionalism. By combining these multiple approaches, my main argument will advance our knowledge in at least two ways. First, by merging three theoretical branches that tend to run in separate ways when doing political sciences, and second, by bridging them with the subject area of security policy-making. In my opinion, these lenses provide a useful theoretical background for reading the particularities of the governance of organised crime in Chile and to mirror the country's reality to other developing nations. The first ideas are introduced briefly in this section, with a greater echo and more thorough discussion in subsequent chapters of this book.

First, it seems necessary to conceptualise the thought that public actors have carved and exercised a particular governing motion, identified so far as the governance of organised crime. By using a modern, mostly Anglo-coined governance approach, meaning the study of formations, experiences and responses to governing dilemmas, the aim is to explain the engagement of inter-institutional relations between actors evidenced since the 1990 landmark onwards. Such an understanding is helpful as we explore how policy institutions relate within the context of policy-making. The term 'governance' is hereinafter understood as the steering processes, means and capacities for addressing the collective goals resulting from the interaction of different actors. Such governance is characterised by scattered and horizontal relations between participant members (Peters, 2014) and it refers mostly to the new practices of governing and the dilemmas under which they arise (Bevir, 2016). The patterns of these governing practices are characterised in the literature by being multi-jurisdictional and able to include people from different policy sectors. Chile's governing of criminal issues suggests that political, judicial and economic actors, among others, are constantly stressed to provide collaborative policies that confront drug trafficking, money laundering, violence, corruption and black markets, among other offences. In light of this empirical scenario, *how can the governance of organised crime be understood in the developing world?*

The governance literature would usefully suggest then that the governance of organised crime could be better studied by assuming the idea that groups of interdependent actors are contributing to the production of public governance occurring through networks engagements. When using the particular idea of network governance for policy-making, however, a few subtle appreciations are



called for. In terms of the governance of organised crime, for instance, in Chile, patterns of hybrid-style governing do not appear as strongly as the literature suggests when defining network governance since such an idea tends to also encompass the active role of both non-profit and private actors (Sørensen and Torfing, 2007; Torfing, 2012). To address this point, scholars have suggested using the governance approach in close relation to the particular role of the state. Most of the governance of organised crime in Chile is still largely *centralised* and controlled by agencies from the public sector, with limited and mostly consultancy interventions from non-state actors. This rationale thus drives away the argument that network governance can be a result of a decline in the hierarchic state (Rhodes, 2012; Matthews, 2012). What is more, the research in this book suggests that the governance of organised crime in Chile might even find a greater echo in the adaptation of the state as a way of reacting when delivering policy in light of societal complexities such as the one posed by organised crime (Lynn, 2012). This scenario departs from what occurs in the developed world, where security is legitimately *decentralised* and dispersed through the hands of public and private actors, with the network governance approach seeming to encounter fewer obstacles (Crawford, 2006; Wood and Dupont, 2006; Zedner, 2009; Bevir and Hall, 2013). The state centralising and decentralising approaches deserve additional exploration.

The network governance literature focuses on the engagement of institutions that are capable of making and implementing policy in the absence of a top-down authority. Thus, to talk about the governance of organised crime in Chile happening through networks seems to be theoretically inconsistent. Nevertheless, I build a different theoretical path by saying that even though the governance of organised crime happens under the umbrella of state authority, the multiplicity of members involved in it has broken the strict hierarchical processes that the literature emphasises, forming instead purposeful horizontal interactions. This motion is defined as *the movement from government to governance*.

Such an understanding of the idea of governance casts a new light on matters important to security studies. Criminologist Benoît Dupont (2004) calls a security network ‘a set of institutional, organisational, communal or individual agents or nodes that are interconnected in order to authorize and/or provide security to the benefit of internal or external stakeholders’ (p. 78). Even though multiple patterns of security networks can appear in the field of security governance, I find an echo in the institutional network type of governing as most representative for the Chilean case. Dupont explains that institutional networks for security are a form of governance that have as their explicit purpose ‘the facilitation of inter-institutional bureaucratic projects or the pooling of resources across government agencies’ (2004, p. 80). These networks feature a more inward-looking approach and are relatively closed to outside actors. In Chile’s case, the institutional network approach is a ground-level explanatory theory to start unravelling how the pre-existing institutional networks within government were limited and seldom linked; however, as democracy rooted they became able to combine their efforts in designing ‘new nodes’ through the circulation and

sharing of resources. Such ideas are similar to what Dupont observed in developed countries such as France and Australia, and what others have found in developing nations, for instance, South Africa (Cawthra, 2005). However, this approach is in part desirable since the cooperation between actors is not always as fluent as asserted by the literature.

Empirical evidence collected from the Chilean case indicates that institutions, especially security ones, are reluctant to share much information as they want to guard their resources, and in some cases, become belligerent, one with the other. In that vein, arranging policy through an institutional network type of governance seems to have created a paradox for public security actors. Chile's security actors tend to work more productively when their manner is inward rather than outward. Public security institutions are vertically large bureaucracies where the space for networked governance to happen is created mostly when institutional representatives are empowered with the legal and political powers to do so. A look at the governing reality, on the other hand, tells us that because of organised crime's manifold nature and the impossibility of it being confronted by a single state body, Chilean authorities and its larger political context were swiftly driven towards an institutional networked approach when trying to change ways to confront organised crime. This change in approach was viewed as the most appropriate motion as many actors across the state apparatus needed to be involved.

States do not have a unified set of interests but rather different institutions that proclaim multiple interests for developing policy. Institutions therefore can build relationships among themselves by overcoming their differences and conflicting interests. Conflicts of consensus and beliefs surrounding policy problems are normal because they are intrinsic to how each state institution advocates for a series of interests. The quintessential point, however, is the desire to find an agreement on which to hang a similar view of what policy issues to put forth.

### **Crime Policy: Contested and Complicated**

Regardless of there being many active institutions involved in the governance of security, there are also many kinds of crimes, ways to depict them, understand them, and mostly, different ways to deal with them (Tonry, 2011, p. 5). Organised crime sophistication and complexity makes such policy-making even more difficult (Finckenauer, 2011, p. 309). Thus, the challenge for organised crime governance is to eventually find a level of agreement between the many state institutions involved in its assessment. Such an endeavour poses a second leap in the theory: *how did a number of participants, whose values and consensus as to the outcome of the policy were different and disputed, arrange to interact in matters related to organised crime and its policy-making?*

The governance approach described so far finds an exploratory framework that overlaps with the policy networks literature in very enlightening ways (Blanco *et al.*, 2011; Griggs *et al.*, 2014). Policy networks are understood as the means by which to categorise the relationships between groups and the state.

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For the legitimacy of a certain outcome, institutions share resources and have basic relationships of exchange through a positive sum game of power (Marsh and Rhodes, 1992, p. 251). Martin J. Smith proposes that networks exist where there is some exchange of resources leading to 'the recognition that a group has an interest in a certain policy area' (1993, p. 56). Thus, by using a policy networks approach, I focused on those institutions that have, since redemocratisation, formed a very particular policy community to confront organised crime. Such actors are the ones prosecuting crime and include: the Ministry of the Interior, the Public Ministry, the policing institutions (Carabineros and Investigaciones), and the Financial Analysis Unit. The Ministry of the Interior elaborates and steers policy at the executive level, giving guidelines to the Carabineros and Investigaciones. The latter two are the ground level policing hands of the government, with their own corporate independence for determining and assessing plans to confront criminality. The UAF, another enforcing body, depends hierarchically on the Ministry of Finance; however, it is a semi-autonomous institution with ample legal powers in the making of economic intelligence. The Public Ministry is the sole criminal prosecution body with complete autonomy and independence from politics and any other societal actor. The rest of the scenario is joined from above by institutions such as regional multilateral institutions, international finance institutions and foreign governments; and from below, by those semi-autonomous overseeing institutions such as various superintendence for economic and financial matters, as well as groups from civil society.

To focus on the prosecution policy community helps with the study of at least two relevant but currently under-researched aspects of Chile's transition to democracy. First, its participants comprise the most resourced and equipped institutions that have come to assess organised crime. Despite their vital role, however, there has not been an updated account that explores how they have confronted organised crime, that is, in terms of setting up a policy network. Previous studies of these institutions have set their remits individually and are delimited, thus taking little consideration of the broader governance occurring among them and outside their jurisdictions. By scrutinising the institutions that represent the government, the criminal justice system, the enforcers of law and the financial overseeing sector, I combined different paths for how policy has been established, both within these policy sectors, and also in relation to their surrounding political setting. Also, for matters of future research, to focus on the prosecution policy community is advantageous since it sets a benchmark for inter-country analysis regarding similar governance patterns occurring elsewhere.

Because the governance and policy network approaches are providing with range (to explore the broad governing context of the redemocratisation), and scope (to study over two and a half decades of inter-institutional governing processes), it is still necessary to conceptualise the institutional features that have enabled the governance of organised crime to occur. As is shown in the subsequent empirical chapters, Chile's governance assembling responds, both in form, and in substance, to the country's very own set of established institutions,

and most importantly, the structures, rules, and proceedings that shape these institutions' autonomous political lives. To debate this point, I seek to particularly explore *how do institutions face the policy paradigm that countering organised crime poses for democratic governance?*

Academics have defined institutions both as formal common sense organisations such as legislatures or bureaucracies, but also as ideas that do not need to be corporeal nor embodied in a certain particular organisation (Lowndes and Roberts, 2013). Rather than thinking about Chile's security-related institutions only as fixed organisations, the research sheds light on the decision-making processes, the procedures, the formal and informal rules, as well as the conventions that deliver a more fine-grained and realistic picture of what motivates and constrains political behaviour and decision-making between security and other political institutions. Because it is evidenced empirically that the policy-making of organised crime in Chile includes the participation of various public security actors, theories of institutionalism helps us understand the relations among various branches of government and the state, and more specifically, their struggle for power, privileges and resources.

## **Defining Organised Crime**

This latter theoretical puzzle leads to another essential debate about how institutions move into policy action and thus approach organised crime. The evidence suggests that there is little consensus and much debate between policy makers and security enforcers about the real nature of organised crime (Zoutendijk, 2010). Chilean legislation does not provide a straightforward figure for organised crime in its criminal code. Rather, it delivers a definition for an 'illicit association', a legal framework that law enforcement agencies have used sparingly since redemocratisation. It is defined in the Criminal Code as: 'any association formed for the purpose of undermining the social order, against custom, against persons or property, is a crime that exists by the mere fact of organising' (Chile. Código Penal, 2013, p. 67). Even though the Chilean state is a signatory of binding international agreements, such as the United Nations (UN) Palermo Convention on drug trafficking and organised crime, countries tend to combat organised crime in different ways because their legislation for such matter responds to how domestic laws and policy initiatives have been configured (Sergi, 2015). In an unwanted paradox, countries are bound to their own national frameworks, whereas transnational organised crime finds less difficulty in moving across borders, taking advantage of inconsistencies and less risky jurisdictions (Wheatley, 2012, pp. 77–78). The lack of a clear-cut definition in Chile has meant that security actors take action on organised crime using a blurry notion of what complex criminality actually implies.

Chile's institutions have assumed that organised crime is a distinctive phenomenon that enjoys the figure of a leader, structure and the division of functions, as well as some continuity in time. They have moved into action taking such features as commonalities to consider when arranging policy. These

features (leadership, structure, continuity and others), are commonly found in the criminology literature (Allum and Siebert, 2003). Some authors have included other factors when defining it such as the threat and use of violence, ideology, restricted membership, as well as the use of extortion and corruption (see Von Lampe, 2016). However, as James Finckenauer (2005) explains, ‘how organised crime is viewed, perceived, and taken seriously, we should understand how countries shape efforts to combat it’ (p. 68).

For example, for conceptual purposes, others have defined organised crime broadly as the ‘continuing groups that monopolise illegal enterprise through violence and threats and enjoy immunity of operation through corruption’ (Hagan, 2006, p. 133). On the other hand, it must be said that rigid definitions for organised crime have long been problematic, not always reflecting how criminal phenomena may appear in any specific context. In fact, it has taken decades of effort for the academic world to reach a consensus regarding such a definition (Von Lampe, 2016). To better understand its governance, the phenomenon under study must remain in part free of a regimented notional approach. Thus, the use of a flexible perspective allows us to approach how, with an open mind, governance can be seen to be constructed from a series of different conceptualisations, for instance, regarding how it is framed in law, how its prosecution has been conducted, how research studies have been done and how mutual prosecution across national borders has developed over time (Finckenauer, 2005, p. 68).

In Chile and other modern states, because organised crime is believed to outdo day-to-day common criminality, it is seen as requiring strategic measures. However, because security institutions are constantly shaping their actions towards it more or less in response to their own conceptualisations of the issue, it is found that when relating to each other in a policy network, actors find using the same terms something of a challenge (see Hobbs and Antonopoulos, 2014, p. 98). Organised crime can be described, on the one hand, as a group of hierarchical organisations with allegiance and devotion between their members that resemble and even take advantage of kinship relations. On the other hand, it is depicted it as a grouping of horizontal and loose networks bounded only for a short time, that is, as much as the illegal activity requires. The truth is that criminal organisations do not necessarily match structured categorisations. Rather, they sit along a continuum more or less limited by both depictions (Bailey, 2012).

## **Mapping the Case of Chile**

This introductory chapter began by presenting a critical question regarding Chile’s institutional assessment of organised crime. By trying to answer such a query, I present a novel contribution to the academic scholarship in various ways. First, this book breaks with the current bulk of research on organised crime issues in Latin America. For obvious reasons, scholarly efforts have ultimately been focused on a handful of countries that expose high levels of violence and the breakdown of the democratic rule of law. Central and North

America have gained space in the political science and criminology literature because of the outbreak of killings, kidnappings, executions and extortions linked to organised crime that have put authorities and the civilian world under such stress. Mexico alone has captured some huge academic efforts in the past decade, following the so-called war on drugs against the drug trafficking cartels.

In contrast, Southern Cone scholarship on policy and organised crime has received scarce in-depth attention. Knowledge formulation framing the research through institutions based on security, as well as other criminal justice operators, appears limited in the sub-region. The analysis of security and organised crime in Chile, for example, is minimal and the topic rarely gets more than a few paragraphs; these are inside pieces about crimes that are generally better understood (see Gootenberg, 2009). Rectifying this will set a benchmark in the research of policy-making for organised crime by integrating Chile with the rest of the literature and making it available for a worldwide community of academics and practitioners.

Second, selecting Chile as a case study is an opportunity to explore new theoretical arguments. Chile is a deviant case in Latin America as it is one of the countries that over-perform in matters regarding security and governability. Many of the theoretical explanations regarding Latin American studies come from case studies with poorly evaluated socioeconomic, political and criminal-judiciary factors. In that vein, and as Gerring (2009) has mentioned, the essence of dealing with a deviant case is to explore for ‘new—but as yet unspecified—explanations’ (see also, Ragin, 1987; Sartori, 1991). This research thus sets the grounds for making some as yet unspecified explorations of countries that do not perform that way and consequently extrapolate such ideas to other possible deviant cases, for instance, Costa Rica or Uruguay, and to propose policy recommendations transferrable to developing states where policy networks have yet failed to come together. Even if it is argued that governance differs greatly within countries, this book attempts to release the study of politics from the limits of normative managerial governance, and thus question whom is steering polity and how this is happening. Such an answer will be diverse across countries. Nonetheless, the ensuing enlightenment would be much greater in terms of understanding policy-making.

Third, and in connection with the latter point, the book’s theoretical arguments aim to build upon the current understanding about governance seen across the developing world. Much of Latin America’s political science scholarship follows the line of governance research prioritising the ‘good governance’ approach. Scott Mainwaring and Timothy Scully, two renowned scholars of Latin American politics, refer to the term ‘governance’ as ‘the capacity of democratic governments to implement policies that enhance a country’s political, social, and economic welfare’, arguing that democratic governance ‘is mostly a top-down phenomenon concerned to how well democratic government and the state in a democratic regime are functioning’ (2008, p. 113). In a different sense, the approach the term ‘governance’ is given in this book follows the debate discussed in recent decades by a different set of political scientists (see, among

many others, Bevir, 2011, 2016; Levi-Faur, 2012; Peters, 2014). This book thus proposes to analyse democratic governance in terms of patterns, formations, experiences and responses to governing dilemmas and not in terms of indicators of performance. It privileges the overall understanding of the assemblages for governing, specifically in the formation of policy and governance networks. In doing so, it takes into consideration whether or not it is appropriate to extrapolate such a discussion to the developing world. One of the many arguments to do so is the need to update the lens used to learn about political processes in the global south following a line of thought highlighted recently by scholars (Zurbruggen, 2014; Solar, 2015a, 2015b, 2017). As mentioned, practitioners and students have given the idea of governance a ‘good’ or ‘democratic’ connotation, partly inherited in the developing world by the international financial institutions and their prospects of managerial responses to the affairs of the state (see, among an extensive literature, Fukuyama, 2013; Grindle, 2016). This book does not argue that this quality and measure-oriented trend of thought has been unhelpful in explaining functioning governments. While such theorising should be applauded, it is argued here that such an approach would ultimately undermine future in-depth research. I suggest more firmly the use of a theoretical push to study the broader processes of public services delivery that so far been ignored by the good governance approach.

Finally, the original emphasis of this book relies on explaining how the evolution of redemocratisation in Chile has affected the ways of doing security governance. To focus this project in the post-1990 political context helps account for the changing governance processes that have influenced the outcome of various counter-crime and organised crime policies performed by Chile’s institutions, such as the Ministry of the Interior, the policing bodies, the Public Ministry, the State Defence Council, the Financial Analysis Unit and the Courts of Justice. Security institutions have adapted to a crescendo type understanding of organised crime through the years and most importantly, evolving from a non-democratic era to a democratic government. The research therefore sets up a discussion of both the particular and the overall consequences that have gradually occurred through the years and which are currently defining the modern security governance scenario. As has happened elsewhere in the Americas, early democratisers in Chile did not fully appreciate the importance of crime and public security as they tried more enthusiastically to consolidate other democratic reforms, for example, constitutional issues, human rights, neoliberal reforms, and civil-military relations (Linz and Stepan, 1996; Garretón, 2003; Fukuyama, 2010).

## **Overview of the Book**

Chapter 2 begins by establishing that organised crime has put the state in a governance paradigm, not only in terms of resource coordination, but also by which means these resources are transformed into policy, and the consequences of the decisions. It offers a revision of the state centric and decentralising approaches

and it explains *the movement from government to governance* of security building from policy networks and institutionalism theories. This theoretical blueprint sets the ground for the subsequent empirical sections. Chapter 3 reviews organised crime's first accounts in Chile, passing to the leading events to the 1973 military coup and the return to democracy. It questions what happened to organised crime countering policies during the dictatorship and what led the security institutions in the country to break from one another leading to redemocratisation in separate tracks. From 1990 onward, the governance of organised crime suffered gradual changes and this is where current Chile's security networks find their roots. The key question through this chapter is what led the security actors to come together for operational action, and what identifiable roles started to appear as a handful of sub-units inside and outside the state took responsibility for deterring organised crime. Chapter 4 accounts from the twenty-first century onwards. The key question in this chapter is why the governance of organised crime was able to incorporate the newly-formed Public Ministry and the Financial Analysis Unit, and why both of them became so essential, even replacing the steering role of the government and the police. For policy purposes, this chapter explores how security networks rooted a culture of democratic responsibility (although not always fully anchored) and institutional performance based in mutual accords and joint policies on the ground. In Chapter 5, I explore the change in government from the *Concertación* to the *Coalición*, and account for the centre right-wing government aggressive policy action, including high profile and inclusive security programmes countering drug trafficking, human trafficking and money laundering. For policy purposes, the chapter asks what allows for security networks to pass (or not) the test of time in light of changing politics. Next, in Chapter 6, I return to the core questions explored through the book: how can the governance of organised crime be understood in the developing countries? How can silo and self-driven security actors turn into consensus-seeking institutions? What creates democratic practices when countering organised crime in light of Chile's case? Are these transferrable to other developing realities? Why, and why not? This concluding chapter provides arguments with which to debate comparable ideas with regard to what factors existing in Latin America hinder or promote the creation of security networks, and how ad hoc forms of domestic security governance affect national responses to global crime. The chapter offers a final set of policy recommendations taken from the case study of Chile valuable to other countries evidencing ongoing policy networks for security governance.

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