



Create a European FBI?

A Police Force to Fight Cross-border
International Crime

by Bill Newton Dunn MEP

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An MEP for 23 years, he is now 65. In 2000 he crossed the political floor to join the Liberal Democrats from the Conservative party because of its increasingly negative attitude to Britain playing a constructive role in Europe. Earlier he worked in industry, until elected as the first MEP for Lincolnshire for three terms. He lost the seat in 1994, but was returned for the East Midlands in 1999.

Over the years, he has written two biographies, a novel, and several political pamphlets. He believes he coined the widely-used phrase 'the democratic deficit' in a 1988 pamphlet. In the parliament he speaks working French, German, and Italian. In the last and the present parliament, he has the best attendance record of all Britain's MEPs.

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www.newton-dunn.com for his constituents

www.organisedcrime.info about organised crime in Europe

www.protectyourpersonaldata.eu how to check what data is held about you

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Create a European FBI?

A Police Force to Fight Cross-border International Crime

Cross-border crime is huge

It is growing. It is organised. It is unnoticed. If it were a country, it would be the fourth largest economy in the world. It feeds off western Europe because we are easy pickings.

Drug cartels are becoming more dangerous, and powerful. Afghanistan is growing record poppy crops. On our streets prices of drugs are low and quality is high, because supply is plentiful. Identity theft by phishing on the internet is growing. Carousel VAT fraud across European borders using phantom consignments is growing. Fake cheap copies of Western-designed goods flood our street markets. Romania and Bulgaria, both deeply corrupt, join the European Union in 2007. Little is done against these crimes by European national governments.

The public in Britain and in Europe know little about how international organised crime affects them. Our government in London says nothing about it, deliberately, for fear of creating public alarm. Westminster concentrates on winning favourable publicity for successes in the fight against terrorism.

Crime committed inside Britain is countered by eighty or more separate British police forces. The British public feels it has an idea of how the fight is going against local British criminals, through reports in the media and through some public accountability.

But much of local British crime is fuelled by international crime. The Home Office let slip an estimate that each kilo of heroin imported onto British streets causes over two hundred local street or house crimes.

Our government *could* reduce local crime in Britain if they fought imported cross-border crime more effectively. But they do not. Because there are no British police with cross-border powers, nor any anywhere in Europe. Instead, the many British police forces, and the hundreds of continental police forces, each do their best to co-operate with other foreign forces. But they do not trust each other, they are unwilling to reveal their sources to each other, they have no practice in cooperating together, and there is not even a central point where contact numbers and names of foreign police can be obtained quickly.

Meanwhile, international criminal gangs, mainly based to the east of the EU, cross the open frontiers in western Europe with total disregard, and steal from us unchecked and in uncounted ways.

How big is Organised Crime in Europe ?

Nobody knows. There are no statistics. Each of the 25 European Union member state collects statistics about crime in its own different way. Their statistics are incompatible with each other so there is no overall picture.

The EU Commission in Brussels (pushed by parliamentary questions from the author) has started an exercise to coordinate statistics about crime. But it will be several years before the true picture and therefore before any trends are measurable.

The clear impression, but without statistics, is that internet theft is growing, and so is VAT fraud, and so is the inward flow of hard drugs and of illegal immigrants and of fake imported goods and pharmaceutical drugs, and so on.

Who are the international criminal gangs ?

The gangs are based where law enforcement is weak and consequently the opportunity for corruption is strong. They work from countries such as Russia, Ukraine, Belarus, Turkey, and the Balkan states where, after the collapse of communism, new states with new laws have had to be created. And further afield in central Asia, Pakistan, Afghanistan, China, Nigeria, Brazil... everywhere where government is weak or failing.

Organised gangs flourish wherever there are clever people who have no opportunity to make a life from legitimate employment. Instead, they target where the money is, and steal from rich western Europe.

Globalisation has allowed the gangs to become increasingly powerful because of open borders, cheaper travel and improved communications.

The gangs are highly-organised, ruthless, cruel, and often made up of ethnic families. When one crime becomes less attractive for them, they switch their resources and networks quickly and easily to a different crime.

Some gangs use crime to finance political and terrorist activities. The Madrid 2004 bombers sold fake CDs and DVDs to help finance themselves. The IRA is an organised criminal and terrorist organisation; it committed Britain's then greatest bank robbery from the Northern Bank in Belfast in 2004.

Who the gangs are is a mystery to the public. They neither publish annual reports of their activities nor annual accounts of their profits.

The principal activities of the international criminal gangs are:

- a. **Drugs** : importing heroin from Afghanistan, cannabis from north Africa, and cocaine from Columbia, and exporting Ecstasy from Europe to the world.
- b. **Smuggling counterfeit goods** : made cheaply and of low quality – such as CDs and DVDs, imitation jeans and perfumes, but also dangerous items such as fake aircraft parts, car brakes, medicines, baby-foods, and condoms, and almost everything which has value. Each fake undermines the job of an honest EU worker and obliges European citizens to pay extra tax to compensate for lost government revenue.

Fake medicines are a particular concern. Fake denims may waste your money, but fake medicines can damage your health or cost you your life. Astonishingly, faking medicines is not a crime: merely a breach of the intellectual property right of the genuine manufacturer.

Russia is the main centre for manufacturing of fake medicines – which are sold on the black market in Europe. When Europeans donate drugs to Africa, it is known for corrupt African ministers to remove the real drugs from the genuine packets, replace them with fake Russian drugs which they supply to the local African population, while selling the genuine drugs back in Europe on the black market, with the proceeds going into Swiss bank accounts.

- c. **Identity theft**, mainly on the internet, using phishing, pharming, and other techniques to persuade gullible Europeans to voluntarily reveal their bank details, or their social security numbers, so that their money can be stolen.

- d. **Trafficking** into the EU of women for prostitution and slavery, of children for paedophilia, and of illegal immigrants in search of a better economic life.
- e. **Currency counterfeiting** which undermines our currencies - as described in the European Central Bank's study in 2005, 'Counterfeiting and Inflation'.
- f. **Theft of luxury cars for resale in eastern Europe.** A French insurance company recently noted that fifty examples of a particular car had been stolen in a short period in one corner of northern France. They discovered the cars were being taken to Russia. Further investigation showed that the cars are now used as an official fleet by a Russian police force.
- g. **Smuggling of cigarettes and alcohol** across borders, both from the Ukraine and between EU member states because of different local taxes. Britain is vulnerable because taxes on wine, spirits, and tobacco, are out-of-line with its neighbours.
- h. **Confidence-tricks** : such as "boiler-rooms" which sell shares in unknown companies, and false trade directories. A gang approaches you from an address in one EU member state. Your phone calls or letters to them are re-directed to another state, and their bank account into which you, the unsuspecting victim pays, is in a third state. It is unclear where the crime was committed, so a national police force loses interest in pursuing the villains across borders because they lack the power to do so.
- i. **Value Added Tax fraud** : in 2004 said to have cost European national treasuries a hundred billion euros. The problem lies in the "transitional" system whereby goods crossing frontiers are free of VAT until they reach their final point of delivery. Little progress has been achieved against it due to lack of trust in exchanging information between different tax authorities.

- j. **Money-laundering** to conceal the criminal origins of money : For example, the Mafia tried to buy banks in Latvia before that country joined in the EU in 2004, and the IRA sought to buy a Bulgarian bank before that state joins the EU in 2007.

How successful are Europeans in fighting against organised criminal gangs ?

The answer appears to be "very unsuccessful". The only details revealed to the public are during and after the trials of those who are caught.

Do border controls help

The external borders of the EU are wide open. To the east, our borders are the far side of the Baltic states, Poland, Slovakia, Slovenia, etc. These border posts are under-staffed with outdated and inadequate equipment. The guards are lowly paid and are open to bribes from criminal gangs who gladly pay for their lorries of contraband to pass unexamined into the EU.

To the south-east, our borders are the Balkans. A Slovenian minister told the author that there are three hundred border crossings in the mountains with their neighbour Croatia - and that all are unmanned.

To the south, a flow of small boats from Africa crosses the Mediterranean to Greece and Italy. Growing numbers of motor boats from Senegal and west Africa carry illegal immigrants without documents to the beaches of Spain's Canary Islands.

Internal borders between most EU member states are open to operate the Single Market. For businessmen and for individual travellers the Single Market and the open borders are a huge advantage. And they are for criminals too.

However, for Europe's police, the internal EU borders are not open. All police forces are restricted to action within their own national borders. Their officers cannot cross frontiers (except

for very short times and with different local rules for each border). Their efforts against organised gangs are thus severely constricted. To use a soccer analogy, the criminals play in the Premiership, while our police play in the lower leagues.

The UK continues to man its own external borders. Yet enormous amounts of drugs and of illegal immigrants continue to enter our country. There must be great doubt that British border controls are effective. Intelligence-led surveillance of the gangs would be a more effective use of tax-payers' resources.

Borders benefit criminals more than national law enforcement agencies. The criminals ignore the borders and exploit the different taxation rates between each side, on petroleum, alcohol, and cigarettes. But the borders prevent the police forces from pursuing the criminals.

How do Europeans try to fight Organised Crime ?

They fight it by ad-hoc cooperation between police forces in different countries, often based on intelligence gathered by EuroPol.

EuroPol is the EU's intelligence-coordinating centre at The Hague in the Netherlands. It acts as an information broker. National policemen and secret service operatives from the 25 EU member states and from the USA and elsewhere work under the same roof.

EuroPol officers have no power of arrest. Nor can EuroPol even force any national agency to take action when their research uncovers a multi-state crime.

Many EU national governments fail to give EuroPol proper backing : it was, disgracefully, left without a leader for many months in 2004-05 because of bickering between national governments in the EU Council of Ministers concerning the nationality of its next chief. Eventually they agreed that a German should succeed the outgoing German.

EuroPol is an EU agency. However, its budget is inter-governmental, being paid piecemeal by national governments. EU citizens have neither control nor insight over its spending and its resources. The proposed EU Constitution would have made it accountable to the European Parliament. But the UK Labour government has made no effort at all to sell the Constitution to the public, preferring inter-governmental secrecy to democratic accountability. Instead EuroPol is controlled by a Management board six times per year, by the Heads of national police units six times per year, by the Article 36 committee of the Council, by the Joint Supervisory Body, by the Security committee, by the Financial committee, and by its Joint Audit committee.

To investigate cross-border crimes, the EU national governments agreed to create Joint Investigation Teams, composed of policemen of different nationalities and advised by EuroPol. But there is no budget for them, and not all the EU national parliaments have ratified the legal protocols. So far, only bilateral teams have operated successfully - Anglo-Dutch on drugs, and Anglo-Spanish on terrorism.

What does EuroPol research ? An investigation is often triggered by a request from one EU member state. For example, an EU government asked whether recent assassinations of visiting Russian businessmen on its soil were exceptional. EuroPol asked the other member states, and found there had been a total of ninety separate assassinations across the EU of Russians who had ventured west without their full compliment of bodyguards.

EuroPol is sometimes confused with InterPol. They have different roles. InterPol, at Lyon in France, is a policemen's club which is financed by contributions from police forces around the world. InterPol coordinates international police activity outside the EU, and holds international databases about wanted people and stolen goods. None of its officers can make arrests either.

The relationship between EuroPol and InterPol has been ill-

fitting and there has been overlap. Each has assets which cannot be shared with the other because national governments have national rules which impede cooperation. At the end of 2006 an InterPol officer will be stationed at EuroPol.

EuroJust, also at The Hague, is the EU's office of national prosecutors from each of the member states. They work to facilitate prosecutions by the national authorities, and speed up contacts between judicial authorities. EuroJust cannot launch a prosecution itself.

Europe's problem is "lack of trust"

In the ceaseless struggle against the criminal gangs, Europeans have a serious problem. It is "lack of trust". between neighbouring police forces and between national governments. Just as the Americans discovered after "9/11", that the CIA and the FBI were not cooperating together but were behaving as rivals, so the same phenomenon exists in Europe - but on a greater scale.

Inside Britain there is less than perfect trust between our separate county police forces. The lack of trust across EU internal borders is much greater than within one country.

Why ? A person who is offered information wants to know its source in order to assess its quality. In the opaque world of policing and of secret services, people are reluctant to reveal who their sources are.

Consequently, information which has crossed a border cannot be easily trusted if its source has not been revealed. Cross-border cooperation is much less effective than it should be.

The small amount of cross-border police cooperation that does happen is done mainly on the basis of personal contacts. There is no centre where the contact numbers and names for police headquarters in all 25 member states can be quickly obtained.

Why do national politicians do nothing about this ?

Because fighting international crime is not high on their agendas.

National political leaders must know about international crime because they are briefed by their police chiefs. But they want to win national elections, not European elections which bring them no personal power.

National leaders keep their police resources for combating crimes within their own state, even though international crimes fuel local crimes.

National leaders fear they would win few extra votes from their public for diverting scarce police resources to fighting international crime.

The public does not know the extent of organised international crime, so fears it less than local crime, and therefore does not push the national leaders into allocating the resources to fight it. So, because the public is not told about the threat, resources are not allocated to fight it. It is a kind of Catch 22.

However hard - and they should try much harder - national politicians try to cobble together ad-hoc cooperation between national police forces across Europe, the truth is that they are failing citizens badly. The international organised criminal gangs which feed off us all are not being fought.

A few timid steps have been taken by the British government. They created SOCA, the Serious & Organised Crime Agency. Its role is to coordinate the fight against the criminals working *within* Britain. It is known popularly as the UK's new FBI but it has no power outside Britain.

The Westminster government, logically but clumsily, tried to amalgamate the many separate British county police forces into a smaller number of unified forces in order to improve cooperation, but it failed to listen to local concern and to explain.

At Tampere in Finland in 2006, the EU's 25 Interior or Home ministers were asked to improve their decision-making by voting whether to give up their national vetoes. They voted 14 to 11 against. So national vetoes and mutual distrust remain.

The Republic of Ireland deserves credit for being the first in Europe to create a Criminal Recovery Bureau in 1996. It seizes the assets of accused criminals, and only returns the assets if they are acquitted. Hitting the criminals in the pocket hurts them hardest. More EU member states should follow the Irish. Britain's Assets Recovery Agency is getting going, but only recovers assets *after* conviction.

There is a severe lack of transparency. The secret services of most EU countries, including Britain's, are involved in the fight against the gangs, with expanding budgets and work-forces. But nothing is known by the press or the public about what they do or how they spend tax-payers' money. Oversight by the Westminster parliament is perfunctory and very inadequate because government whips pressure backbenchers against asking uncomfortable questions, and because they all want to win national elections by fighting local crime.

Why should the public worry about the international gangs? Because they represent a state within a state. They can control territory. They can influence government and policies. They can acquire the authority of a state, like Cosa Nostra did in Sicily and as the IRA did in parts of Northern Ireland. The gangs' successes lead to public insecurity, and so to loss of economic investment and to the loss of jobs.

Organised crime is a threat to individual freedom and to the rule of law, which are the fundamental and essential bases of our democratic society.

What if nothing continues to be done against the gangs, and they continue to eat off our society and grow? As they grow stronger, it will be harder for the next generation of taxpayers to try to roll them back.

If Europe's voters knew the true picture, of the growing inroads and sophistication of organised criminal gangs, and of the failure of national governments to organise effective action at EU level - they would demand urgent action.

What can be done to push national governments into overdue action ?

Publicise the threat. If the public knew the scale of the danger, it would put the needed pressure on national leaders. An informal all-party group of MEPs in the European Parliament, organised by the author, has created a website – **www.organisedcrime.info** – which seeks to inform the public about the growing scale of international crime. Soon after it was created, it was attacked. It is back online.

The solution is to create an EU cross-border police force, and to make it a European crime - as it already is a Federal crime in the USA - to cross a border between states to escape from the original location of a crime.

The way to fight international organised crime is not to close down the Single Market in the EU and reintroduce border controls. The single market is hugely beneficial.

The solution is to strengthen the EU's external border controls, and to develop EuroPol into a European-wide police force which would fight the international gangs on their own terms. Just as the Americans were obliged to develop the FBI in the 1930s after Bonnie & Clyde robbed banks and carried the proceeds across state frontiers out of the reach of local state police.

Politicians in London must set a lead and overcome the public's fear that tabloid newspapers might scream "Didn't we fight the war to prevent Germans in uniform from arresting British people ?" We did. But that war ended sixty-one years ago. A new and different enemy is now inside our gates.

The logical step is to develop EuroPol into a FBI for the European Union. Give its officers 'operational' powers, so that they can cross borders and beat the gangs.

If national leaders continue to do nothing, we shall have to wait until the criminal gangs over-reach themselves with a "9/11" type of outrageous crime. For example, if several European banks are hacked simultaneously so that thousands of Europeans lose their savings, or if a new artificial drug kills thousands of teenagers across Europe in a single night, then overwhelming public demand for action would follow. Hopefully these earthquakes will never happen. And probably the gangs are too clever to trigger such public hostility.

Unless we grasp the nettle now, the pressures in five or ten years' time will have stretched our local police resources to breaking-point.

If not all 27 EU member states are willing to create a European FBI - and that is very unlikely since they recently voted to keep their national vetoes - then those countries that are willing to do it should go ahead. Such a development would be perfectly legal under the "enhanced co-operation procedure" of the EU Treaties.

Huxley's Frog

Our situation in Britain and in Europe is reminiscent of the scientist Huxley's experiment with a frog. He wished to measure the warmest water temperature which the frog would endure. He placed it in a container, and raised the temperature by half a degree each day, waiting for the frog to jump out.

The frog never jumped out, and finally was cooked. Presumably it thought that the changes were so small that everything would soon revert back to normal.

European Movement Policy Papers

Policy Papers are published from time to time by the European Movement to stimulate debate, both within the Movement and more broadly, on matters of current concern, with the objective of formulating clear proposals for action. The views expressed in European Movement Policy Papers are, however, solely those of their authors.

The European Movement (EM-UK) is an all-party, membership-based, non-governmental organisation with branches throughout the UK. It is part of a network of similar organisations across Europe, founded in 1948 at The Hague following a call by Sir Winston Churchill for increased co-operation and unity among European peoples and nations. EM-UK exists to put the case for constructive British engagement with Europe and to lead the debate on Britain's future role in Europe.



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