



*Practitioner's Insight*

# What are the Barriers to Gathering and Sharing Organised Crime Intelligence: An Australian Perspective

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**Abstract:** Australian organised crime is persistent and multi-faceted. It encompasses a myriad of complex activities including illicit drug importation, manufacture and distribution, cybercrime, money laundering, extortion and violence. It is widely accepted that illicit drugs have long been a significant aspect of organised criminal activity in Australia, and this is unlikely to change in the near future. The primary motivator for organised crime is profit and the price of drugs coupled with increasing demand will see Australia remain an ideal target for transnational organised crime groups. In addition, globalisation and technological changes have provided new opportunities and markets for organised crime groups to exploit. It is therefore necessary for law enforcement agencies to update our view of Australian organised crime. Law enforcement agencies need to understand the complex criminal environment to enable them to identify threats, determine priorities and develop response strategies. So what does organised crime in Australia look like? From a practitioner's view, what are the barriers to gathering and sharing organised crime intelligence? What challenges have practitioners faced and what future obstacles do law enforcement see?

**Keywords:** drug, methylamphetamine, Australia, organised crime, intelligence

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## **Introduction**

The term organised crime often conjures up stereotypical images of highly structured and hierarchical "mafia-type" networks or highly-visible outlaw motorcycle gangs (OMCGs) controlling large scale criminal activities (ACC, 2015e). During the 1980s and 1990s, this image expanded to include a number of Vietnamese criminal groups that came to law enforcement attention in Australia. This trend was most notable in Sydney, particularly in the Cabramatta area. The gang named "5T" became prominent in the distribution of heroin, systematic extortion, home invasion robberies and other offences. Its members were also frequently armed, either with knives or firearms (Australia 1995).

In an Australian context, the public image of organised crime over the decades has also been steeped in violence. For example, the well documented Melbourne gangland killings saw 36 members or associates from underworld groups killed during the 12-year period from 1998 to 2010. OMCGs also have a violent profile, stemming from events such as the Milperra Massacre in 1984, when a gun battle between the Comancheros and the Bandidos left seven dead. This included a child (QOCCI, 2015).

Whilst these depictions are still relevant, it has become clear the concept of organised crime has expanded to include a less visible face of organised crime that is harder to detect. Globalisation and technological advances have enabled crime to be committed remotely and at the same time, enabling entrepreneurial individuals to enter illicit markets that might once have been dominated by traditional organised crime groups (ACC, 2013b).

This piece seeks to review what is currently known about organised crime groups in Australia. In particular, what is their role in the illicit drug market and how is this changing? More importantly, what role do intelligence practitioners play in understanding the illicit drug market and what are the barriers to gathering and sharing organised crime intelligence?

## **Defining Organised Crime**

It has been estimated that serious and organised crime cost Australia \$36 billion AUD in 2013–14 (ACC, 2015b). Given the scale of organised criminal activity and the significant amount of health and criminal harms that can be attributed to this activity, it's important to have an understanding of organised crime.

There is no single or unique definition of organised crime, with definitions varying among countries and even between jurisdictions, law enforcement agencies and

research bodies. There are however broad concepts that are common to a number of definitions:

- the criminal activities are undertaken for financial or other gain
- the offences are serious
- the groups involve no less than two or three people, and
- the offending is planned and often ongoing, and is distinct from the offending of groups that are formed for the immediate or opportunistic commission of an offence (VLRC, 2015).

Although the issue of organised crime is not new, it can be seen to be evolving. As a result, the definition and nature of organised crime continues to be the subject of international debate (Paoli, 2014, Savona and Riccardi, 2015, UNODC, 2015, Europol, 2015). This changing nature is clearly evident in Australia. Organised crime groups in Australia were traditionally communally based, strongly hierarchical and easily defined by ethnicity. However, it has been noted by the NSW Police Force that traditional crime group allegiances are giving way to entrepreneurial networks formed around profit opportunities. Rather than organising hierarchically, they consist of many smaller interdependent and adaptable enterprises willing to share methodologies and expertise (Australia and Macdonald, 2007).

Until recently, the term organised crime has been defined as requiring the involvement of groups of offenders (ACC, 2015c). However, it has also been noted in Australia the emergence of the entrepreneurial individual as a key player in a number of significant illicit markets. For example, illicit drugs can now be purchased online from anywhere in the world, with drug sellers being able to operate individual online businesses, rather than being a part of an organised crime group (ACC, 2013b). The Australian Crime Commission therefore sees serious and organised crime as including all crime of an entrepreneurial nature and/or that committed to support a criminal enterprise, whether by a group or an individual (ACC, 2013c).

Organised crime is also taking on an increasingly transnational nature. With the ease at which people and goods can travel, coupled with the expansion of the Internet and telecommunications, the threat from organised crime within Australia extends far beyond its borders. Organised crime groups have proven themselves adept at identifying and exploiting new and emerging technologies to facilitate their crime, to expand their reach and to provide them with the anonymity and distance from their crime. This makes it difficult for law enforcement to detect and identify them (ACC, 2015e). They

are able to exploit multiple jurisdictions within and outside Australia (Australia and Macdonald, 2007). It is now estimated that around 70 per cent of Australia's serious and organised criminal threats are based offshore or have strong offshore links (ACC, 2015b).

Advancing technologies and the online environment have also presented new opportunities and markets for organised crime groups to exploit. This globalised market has progressed faster than its law enforcement counterparts, with legislation struggling to keep up. It is in this unregulated area that organised crime opportunities have grown (UNODC, 2010).

### **Organised Crime and the Illicit Drug Market**

It is widely accepted that illicit drugs have long been a significant aspect of organised criminal activity in Australia. In the 1970s, three royal commissions investigated organised crime and the drugs trade, finding substantial connections between the two (Australia and Macdonald, 2007). As demonstrated by the numbers, organised crime remains at the centre of the illicit drugs market in Australia. In 2014–15, law enforcement agencies recorded more than 105,800 illicit drug seizures, with a combined weight of 23.5 tonnes and more than 133,900 arrests. These figures are all the highest on record (ACC, 2016).

Cannabis remains the most commonly used illicit drug in Australia, with organised crime playing a fundamental role in its large-scale cultivation and distribution (ACC, 2015e). Methylamphetamine is the second most commonly used illicit drug in Australia. Despite being second, it poses the greatest risk to law enforcement. The risk relates to the associated violence, the harm it poses to users and the wider community, the involvement of organised crime groups and the dangers associated with suburban clandestine laboratories. Of all illicit drugs, the ACC assesses that methylamphetamine, and in particular crystal methylamphetamine, poses the highest risk to the Australian community and is of significant national concern (ACC, 2015a). Organised crime groups are also entrenched in this market.

Methylamphetamine enters the drug market through both domestic manufacture and importation. In Australia, it was previously widely accepted that domestic manufacture accounted for the majority of the methylamphetamine market and production levels had been adequate to supply a relatively stable user base. However, despite record levels of domestic manufacture, both the weight and number of methylamphetamine border detections have also continued to increase. Increases in

border detections of methylamphetamine indicate an increase in the involvement of transnational organised crime groups in the market.

This dual source of supply is a large part of the challenge for Australian law enforcement in reducing the supply of methylamphetamine and amphetamine type stimulants generally. These drugs are the only type both imported (as finished product and in various stages of manufacture) and manufactured domestically (using imported and locally sourced precursor chemicals and equipment). In addition, manufacture pathways are constantly changing.

This article is not intended to provide a comprehensive picture of the Australian illicit drug market. It aims to provide an overview of the involvement of overseas organised crime groups in the market.

There is significant organised crime involvement in the importation, manufacture and supply of methylamphetamine in Australia. More than 60 per cent of entities on the National Criminal Target List<sup>1</sup> are involved in the methylamphetamine and/or precursor markets, and of these more than 80 per cent are also involved in other drug markets (ACC, 2015e).

The majority of laboratories seized in the state of New South Wales (NSW) involved the production of methylamphetamine through the reduction of the precursor pseudoephedrine or ephedrine. These substances have a number of legitimate uses, and are commonly available from pharmacies. In Australia, such precursor chemicals are regulated by drug laws in both state and federal jurisdictions. These restrictions have created a lucrative black market which forces the importation of the majority of pseudoephedrine precursors. This necessitates the involvement of organised crime groups.

Some organised crime entities involved in the large scale production of methylamphetamine in NSW are involved in international sourcing and importation of precursors. Many of these groups have developed the capability to operate in countries where precursors are available and in most cases where there is large scale illicit production of methylamphetamine (ACC, 2011). Some of the organised crime entities who previously focused on domestic production may be exploiting the distribution network to import finished product as well as precursors.

Furthermore, a number of Australian OMCGs are aggressively expanding overseas, establishing networks beyond the jurisdiction of national law enforcement agencies. Many groups are opening chapters in strategic locations along drug

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<sup>1</sup> The National Criminal Target List is a national listing of currently active and nationally significant organised criminal groups operating in Australia, and is contributed to by Commonwealth, state and territory law enforcement agencies. The total number of entities listed is classified.

trafficking routes and developing strong links with OMCGs and other criminal gangs across South-East Asia, in the Pacific region and in Europe and North America. It is suspected some OMCGs are attracted to Southeast Asia because its proximity to China makes it an ideal place to source precursor chemicals for methylamphetamine trafficking (Olding and Gridneff, 2012). It is likely the expanding reach of these organised crime groups will contribute to increased levels of illicit drug and precursor trafficking into Australia.

The potential profit margins for both illicit drugs and precursors will see organised crime groups continue to target Australia. Some organised crime entities involved in the large-scale production of methylamphetamine in NSW, Australia are involved in international sourcing and importation of precursors. Many of these groups have developed the capability to operate in countries where precursors are available and in most cases where there is large-scale illicit production of methylamphetamine (ACC, 2011). In addition to those established Australian organised crime groups, organised crime groups based overseas pose a significant and growing threat to Australia.

So why is Australia such an attractive and lucrative market? Although Australia's geographic isolation provides some insulation against organised crime, as various illicit drugs and precursors have to be imported, there is also a downside. The country depends on high volumes of legitimate sea and air freight which illicit commodities can be concealed within. Australia's long and vulnerable coastline also provides opportunities for illicit goods to come into the country via small vessels or light aircraft (ACC, 2011).

Demand for a wide variety of illicit drugs is also continuing to grow. Statistics in the UN World Drug Report identified that Australia was leading the world in the use of MDMA (ecstasy), was third in the use of methylamphetamine and fourth in cocaine (UNODC, 2014). Furthermore, Australia's illicit drug culture is overwhelmingly one of poly drug use. This key feature is capitalised on by organised crime groups who can be seen to be diversifying. No longer trading in one drug or commodity, some groups have begun trafficking in a number of commodities, including multiple drug types in the same shipment (ACC, 2015e). This was clearly demonstrated in late November 2014 when members of the Joint Organised Crime Group<sup>2</sup> arrested six men in relation to the seizure of illicit drugs with an estimated street value of \$1.5 billion AUD. Almost 2 tonnes of MDMA and more than 800 kilograms of crystal methylamphetamine were

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<sup>2</sup> The JOCG comprises staff from the Australian Federal Police, the NSW Police Force, the Australian Customs & Border Protection Service, the NSW Crime Commission and the Australian Crime Commission.

hidden inside a mixed container-load of furniture and unmarked boxes shipped from Germany to Australia (ACC et al., 2014).

The illicit drug market is profit driven and Australian users pay a premium price compared to users in other countries, making importations to Australia attractive and profitable. For example, the typical wholesale price per kilogram of cocaine in Colombia is \$2,400 USD. In Mexico it is worth \$12,500 USD per kilogram and in the United States it is worth \$33,300 USD. However, if it makes its way into the Australian market it is worth \$220,000 AUD. While there are additional costs involved in importing cocaine to Australia, this represents a potential mark-up of over 9100 per cent<sup>3</sup> (ACC, 2012). Similar economies of scale are evident for other illicit drugs. According to the United Nations Office on Drugs and Crime, the average street price per gram of methylamphetamine in China is \$80 USD, where as in Australia it is \$500 USD. Wholesale prices in Australia have been recorded as ranging from \$90,000 AUD to \$325,000 AUD per kilogram (ACC, 2015a).

The price of drugs coupled with increasing demand will see Australia remain an ideal target for overseas organised crime groups. Although organised crime groups are often global in scale, law enforcement agencies are restricted to national (or state) jurisdictions.

The illicit drug market remains a significant aspect of organised criminal activity in Australia. For this reason, this paper will focus upon the extent to which intelligence assists in the fight against organised crime groups operating within the illicit drug market. However, many of the issues discussed within this article also apply to non-drug related organised crime contexts.

## **Overview of the Criminal Justice System in Australia**

The six Australian States are former British colonies that joined together in 1901 to form the nation now known as Australia. The legal system was developed at this time and was largely based on the British legal system. As a consequence, Australia mirrored a number of elements from the British legal system.

Almost everywhere in Australia there are three elected governments— Federal, State (or Territory) and Local. Each of these levels of government has its own powers, responsibilities and services. Federal parliament has the power to make laws for the whole country. This power is listed in the Constitution and covers issues such as

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<sup>3</sup> UNODC World Drug Report 2012 (2010 dated figures)—prices do not take into account purity and are indicative only as prices may vary within each country. Note, Mexico price is from 2007–2008 dated figures.

immigration, marriage, communications, taxation, defence and foreign affairs. The States and Territories have jurisdiction over the remaining issues, for example health, education, transport, emergency services and law and order. On some issues, federal and state parliaments both have the power to make laws. If federal and state laws conflict on these issues, then the federal law will override the state one.

The state and territory police forces are responsible for enforcing state law within their own states while the Australian Federal Police (AFP) are responsible for the investigation of crimes against Commonwealth law which occurs throughout the nation. This situation is further complicated by the involvement of a large number of State and federal agencies with various levels of interest in criminal matters.

The importation of a prohibited drug can be used to illustrate how complex some of these jurisdictional arrangements might become. For example, the importation of methylamphetamine through the Queensland coast which travels via Brisbane to New South Wales for distribution to South Australia. The initial importation is a breach of the *Customs Act* (Commonwealth law). The movement of trafficable quantities of drugs and the sale of the methylamphetamine breaches State law. If it is assumed the resultant profits from the sale in South Australia are sent off-shore then additional agencies would have some interest in the transaction. This could include the Australian Border Force, the Australian Federal Police, the Queensland Police, the New South Wales Police Force, the South Australian Police, the Queensland Crime Commission, the Australian Crime Commission, the Australian Taxation Office and AUSTRAC (Broome, 1999).

This situation is not unique and is comparable to the situation in many of the member states of the European Union. For example, law enforcement in the United Kingdom (UK) is organised separately in each of the legal systems of England and Wales, Scotland and Northern Ireland. Despite its relatively small geography, the UK has more than 40 constabularies within these jurisdictions which carry out the majority of the law enforcement. These regional forces are complemented by UK-wide agencies, such as the National Crime Agency and the British Transport Police. Similarly, each European Union Member State has its own law and legal system, but they are also bound by European Union and international law.

### **The Australian Intelligence Landscape**

The growth and development in the intelligence community has not solely been in response to tragic events such as 11 September 2001 (9/11) and the Bali bombings in 2002. Rather, these events highlighted to the Australian Government, and other

governments around the world, that globalisation had fundamentally changed the environment in which law enforcement agencies operate (ASIO, 2013).

The twenty first century has brought new opportunities and markets for organised crime groups to exploit. At the same time, it has also presented new challenges for law enforcement agencies, both in Australia and the world over. It is therefore essential for law enforcement agencies to adapt and evolve to meet the ever-changing circumstances in which they operate.

Intelligence reviews, both within Australia<sup>4</sup> and overseas, have repeatedly emphasised that information sharing, interoperability and strong coordination among agencies are critical elements of an effective intelligence response to complex, transnational challenges. These key principles have been the focus of intelligence reform within Australia's intelligence community (ASIO, 2013). There has been a wide range of initiatives introduced in the last decade, which has improved the intelligence community's ability to work together (ASIO, 2013). Many of these initiatives have been in response to complex, transnational security challenges.

However, it should be noted that the Australian Government also describes organised crime as a threat to national security. Combating organised crime has primarily been the responsibility of the states and territories in Australia. Then, during the former Prime Minister Kevin Rudd's inaugural National Security Statement to Federal Parliament in December 2008, organised crime was for the first time declared a security threat to the nation (Paoli, 2014). This is because it undermines Australia's economy and infringes border integrity (Connery et al., 2015).

To set the scene, the Australian intelligence landscape is comprised of state, territory and federal law enforcement agencies (including policy and regulatory agencies). These agencies operate within and across three separate but intersecting domains: national security; serious and organised crime; and policing and community safety. Criminal intelligence links all three domains and underpins law enforcement's ability to understand these complex criminal environments. The state, territory and federal governments have overlapping responsibilities with respect to how law enforcement agencies respond to criminal intelligence at local and national levels (Australia, 2012).

In delivering this response, all jurisdictions and the Commonwealth are dedicated to a nationally consistent methodology for the management of criminal intelligence. The Australian Criminal Intelligence Management Strategy 2012-2015 provides an agreed set of common standards, best practices and information sharing protocols. The

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<sup>4</sup> The Flood Review (2004), the Taylor Review (2005), the Street Review (2007) and the Smith Review (2008).

strategy is an initiative of the Australian Criminal Intelligence Forum, which comprises the Ministers and agency heads all state jurisdictions and the Australian Commonwealth (Australia, 2012).

This strategy offers a high level view of the Australian intelligence community and it is recognised that each jurisdiction will have different priorities and the approaches adopted by individual agencies will reflect local circumstances. However, the underpinning principles can be seen to be relevant to the day-to-day activities of an intelligence practitioner. Success is reliant on the intelligence community's ability to provide a collaborative culture for intelligence sharing with the appropriate underpinning technology, supportive policy and legislative frameworks.

### **The Role of Intelligence?**

Before a law enforcement agency can begin to respond to criminal threats, it must first understand them. Law enforcement agencies are expected to understand and effectively operate in a complex social, political and organisational environment (Casey and Mitchell, 2007). The demands on police are constant, and with many competing priorities, time and resources are often stretched. Identifying emerging issues and key trends is vital to ensure limited resources can be deployed for maximum impact. However, the identification of the issues will not automatically lead to an appropriate response. As identified by Murray (2000), it is essential for law enforcement agencies to have an understanding of the current environment to develop strategies and plans to meet the identified challenges.

This is where intelligence is needed. Each jurisdiction must have the capacity within their own law enforcement structures to collect, collate, analyse and disseminate information on criminals and the organisations within which they operate. Effective responses must be based on evidence as to the nature of organised crime and the extent to which organised crime groups affect a jurisdiction.

So from a practitioner's view, what is the role of intelligence in this ever-changing environment? How has their role changed to help law enforcement agencies meet the challenges?

### **The Holistic Nature of Criminal Intelligence**

The growing involvement of overseas organised crime groups in Australia's illicit drug market is one driver of the need for a more informed intelligence capability. As discussed earlier, law enforcement agencies are working in a globalised market and

many crimes now have international dimensions. Australia's legislation was never created with this borderless environment in mind and this poses many problems for law enforcement agencies. To overcome such obstacles, it is necessary to have an understanding of the entire illicit drug supply chain, not just domestically but internationally. It is therefore essential for intelligence practitioners to draw upon the skills, expertise and knowledge of our Commonwealth counterparts. This is the realm of the Australian Federal Police (AFP). Improved information and intelligence sharing between the AFP and state based jurisdictions will create a more accurate picture of organised crime in Australia. As would be expected, intelligence practitioners within state law enforcement agencies therefore need to develop and maintain networks with law enforcement agencies in other states, the Commonwealth and with international counterparts.

However, in recent times, these networks have expanded beyond other law enforcement agencies to include research bodies, other government agencies and private industry. This is due in part to the changing nature of the role of an intelligence analyst.

Traditionally, intelligence analysts reviewed great volumes of police data and information with the goal of identifying patterns as they emerge (Cope, 2004). The analysis of these trends, patterns and hot spots provided frontline officers with the "who, what, where, when, how and why" of emerging crime. The accompanying intelligence products focused upon a particular suspect, activity or new methodology.

Although this is still an essential part of criminal intelligence, as a senior intelligence practitioner today, it is important to have a holistic perspective of the illicit drug environment. Rather than policing the illicit drug market one investigation at a time and focussing on the investigation and arrest of a suspect, it is important to be able to view the threats and risks of the entire market and assess the social harm of the criminality. This may allow policing to prevent crime across a wide area rather than solve a single event that has already occurred (Ratcliffe, 2012).

For example, Australia's current drug policy is based on harm minimisation, which has guided the National Drug Strategy since its inception in 1985 (MCDS, 2011). The framework is underpinned by three strategies: supply reduction, demand reduction and harm reduction. As a law enforcement agency, the NSW Police Force is principally involved in supply reduction. While demand and harm reduction are primarily health responses, police have an important role to play in reducing the demand for illegal drugs and the harms associated with their use. Therefore any approach by the NSW Police Force needs to incorporate prevention, treatment and market disruption initiatives to reduce the demand and supply for illicit drugs. By having an understanding of both the

supply and demand side aspects of the illicit drug market, the NSW Police Force can identify the role the organisation can play at each stage and therefore design and implement appropriate law enforcement interventions.

To ensure that all illicit drug policies are informed by evidence, law enforcement agencies need to have access to quality research and data. For example, to address illicit drug use it is essential to have an understanding about why people use drugs, the patterns of use, supply routes and the impact of contact with police. However, to gather first-hand perceptions of current price, purity and availability of illicit drugs, in some instances research may discover illegal activity by participants (illicit drug taking for example). All employees of law enforcement agencies have an ethical responsibility to remove themselves from associating with illegal activity and therefore are not in a position to undertake this research. Furthermore, people who use drugs are unlikely to talk freely to law enforcement agencies. To maintain this holistic perspective of the environment, it is imperative for intelligence practitioners to develop and sustain a working relationship with relevant research bodies and other government agencies.

As identified by Wardlaw (2015: 123), the information and knowledge required for many contemporary intelligence issues lie in industry, non-government organisations and the academic community. Intelligence contact with these partners has increased substantially out of necessity but is still often hampered by old-fashioned notions of secrecy and by an intelligence agency attitude that treats partners just as sources.

### **Information Sharing**

The illicit drug market underpins the spectrum of crime in Australia. This spans from low-level users committing break and enters to organised crime groups who are involved in the importation, manufacture and large-scale distribution of illicit drugs. In addition, drugs are the currency of organised crime groups and this market cuts across a large proportion of the organised crime spectrum.

Within the Australian context, the workings of organised crime groups are increasingly mirroring those of legitimate businesses. Like legitimate businesses, organised crime groups are motivated by profit. They expand their operations quickly to exploit market vulnerabilities and to maintain comparative advantage over their rivals. They adopt legitimate business processes such as developing risk mitigation strategies, adopting a return on investment philosophy, engaging distribution networks, developing logistics planning and buying-in expertise (ACC 2013c). Organised crime is their “profession”; the key difference is that their activities and profits are illegal.

From an intelligence perspective, it is essential to maintain expertise not only on the illicit drug market in general, but also of particular groups. Intelligence sharing is therefore a vital component of policing organised crime.

A growing body of scholarly work has outlined the importance of information sharing. Even at a state law enforcement level, intelligence is reliant on effective working relationships. Prior to the events of 9/11, police intelligence rarely overlapped or intersected with national security. Since this time, a great amount of emphasis has been placed on improving intelligence and information sharing (Cordner and Scarborough, 2010). As a result, law enforcement agencies have significantly increased their intelligence capabilities in the last decade, both in size and sophistication.

To be successful, intelligence sharing goes beyond the sharing of information only. It is the ability to identify and draw upon a broad base of experts, to work together across jurisdictional boundaries, to bring together a combination of different skills, knowledge and expertise. In some circumstances, multi-disciplinary teams made up of intelligence analysts, financial investigators and secondees from other state and federal law enforcement agencies are established in a bid to counteract sophisticated and entrepreneurial organised criminal activity. These teams, like organised crime itself, must be flexible and adaptive. This involves establishing teams with the appropriate mix of skills and expertise, which may vary from investigation to investigation (Irwin, 2001).

A prime example of effective collaboration is the Joint Organised Crime Group (JOCG), a multi-agency, multidisciplinary unit comprising the Australian Federal Police, the NSW Police Force, the Australian Customs & Border Protection Service, the NSW Crime Commission and the Australian Crime Commission. The JOCG, based in Sydney, NSW, is staffed by investigators, analysts and interpreters and operates as a taskforce focusing on organised crime. In particular, the group investigates serious drug activities including international, border, interstate and intrastate drug trafficking.

Within Australia, this collaborative model has been applied within the intelligence community. The Australian Crime Commission-led National Criminal Intelligence Fusion Capability was formally established in July 2010 and supports a whole-of-government response to serious and organised crime. The Fusion Capability brings together subject matter experts, investigators and analysts, data and tools from more than 20 partner agencies to build the intelligence picture to respond to serious and organised criminal threats. The Fusion Capability provides law enforcement the opportunity to act on emerging threats before they become entrenched. The Capability shares criminal intelligence to enable more knowledgeable decisions about how to focus

combined resources to reduce the organised crime threats of most harm to the community.

Although there are a number of examples of effective collaboration and intelligence sharing, for many intelligence practitioners, it is not practical or possible to establish a multi-disciplinary team for each investigation. Furthermore, even though the working environment is described as a “community”, it is a collective term for a number of individual agencies, with unique cultures, that operate quite separately and have specific mandates and terms of reference. This combination sometimes put them at odds with each other, so change in the community can and does occur at different times and speeds, in different manners and with more or less success in different agencies (Wardlaw, 2015).

Although the environment in which law enforcement agencies work can sometimes be frustrating, an intelligence practitioner can still benefit from a collaborative culture for intelligence sharing. The same principles of a multi-disciplinary team can be applied to their daily tasks. It relies upon an intelligence practitioner developing their own strong and supportive working environment. By identifying and developing a network of different people with diverse expertise, it provides the opportunity to reach out, discuss and work together on a specific problem. Ultimately, the underlying principal is the sharing of information, but the additional combination of skills, knowledge and expertise is key for any successful outcome.

For those practitioners working in law enforcement, there are many long-standing and established networks with other law enforcement agencies that can be called upon. They are a phone call away, or a simple introduction from a colleague. Alternatively, practitioners will meet like-minded people at a conference or training day. Occasionally, practitioners have to proactively reach out with an introductory email and keep their fingers crossed that somebody will respond. However the initial connection is established, it is essential to spend time nurturing the relationship. These networks don't develop from a single meeting where business cards are exchanged. It's essential to keep in touch and gradually build professional relationships. The secret to this is to communicate and actively share information, without expecting anything in return.

### **Profile of an Analyst**

When determining whether intelligence is effective, many studies have explored the structural framework in which practitioners operate. However, an alternative approach to intelligence reform is to consider changing the analyst rather than the system (Bar-Joseph and McDermott, 2008).

This article does not intend to debate whether effective intelligence reform revolves around the intelligence framework or the intelligence practitioner; it is probably a combination of both. As observed by Wardlaw (2015: 118), adaptability is exactly the characteristic that intelligence needs to keep up with the changing environment. A review of the work undertaken by an intelligence practitioner shows more is expected than a decade ago. This would indicate that adaptability of the intelligence practitioner is important.

Several government studies have identified the ideal characteristics of an intelligence analyst (Krizan, 1999). According to these studies, the successful analyst:

- has knowledge and abilities (or high aptitude for acquiring them),
- will perform specific tasks associated with the job, and
- exhibits personality traits compatible with intelligence analysis work.

Quarmby (Quarmby and Young, 2010) goes on to expand upon this list and describes intelligence analysts as odd individuals who are often naturally inquisitive, voracious readers with a broad range of interests, tend to enjoy debating and are rarely willing to accept explanations that lack substance.

A review of the Internet will display a number of different characteristics of successful intelligence analysts, many of which are commonly classified using the Myer-Briggs Type indicator category. The ability to think outside the square is an essential characteristic and this trait is expressed diversely in practitioners in the field. Some analytical thinkers are sharp and fast, others ruminate over complex issues, but most will have those light bulb moments where they will embrace the nerd within.

It is no surprise there is no single “intelligence practitioner profile”. Adaptability and a breadth of skills and experience are important, with many intelligence practitioners dedicated to furthering their knowledge and expertise in the intelligence field.

However, some commentators support the view that the best intelligence analysts are born, not made (Peters, 2004). The implication here is that failing to hire individuals with the right characteristics may not be correctable at a later point in time (Quarmby and Young, 2010). While the right mindset is crucial to success, it is not the only requirement. It provides the foundation for formal training in the analytical tools and techniques used in intelligence. Furthermore, many of the key characteristics are not innate and can be developed and nurtured. This is clearly demonstrated by the exponential growth in intelligence training and education since 9/11.

Whichever school of thought you conform to, many agencies recognise that there is an intrinsic need to continually review and evolve education and training programs to meet the changing needs of the practitioner and the environment in which they operate. The training needs for an intelligence practitioner will vary greatly across the intelligence community. For instance, the training for deep subject matter experts would be very different from that of analysts who must be broadly knowledgeable in a range of current priority subjects. The intelligence community is dedicated to creating an analyst, with a greater skill set and trade craft than was expected a decade ago.

In comparison to their predecessors, practitioners have access to unlimited information. The development of larger networks, across agencies and non law enforcement sectors, means an intelligence practitioner now has the ability to share ideas, experiences and information globally. With the amount of collected data growing at an exponential rate, the challenges posed by the volume of data have been addressed in part by new developments in technology. However, this means an intelligence practitioner has to be adept with the ever-changing information management systems to be able to use this data.

In addition, intense competition among media outlets creates a 24/7 news culture that is always looking for a new story. An intelligence practitioner therefore has to remain on top of all stories, ready to answer any questions posed by management, the Commissioner or even the Minister.

In today's intelligence community, there is an increased appetite for analytical work, yet resources are often stretched and limited. This requires an intelligence practitioner to influence in an information rich environment, with more sophisticated products. Practitioners are required to provide accurate predictions against the benefit of hindsight. They are expected to share information constantly, which increases the need for faster work, whilst still maintaining accuracy. For all the appropriate emphasis on technologies, methodologies, tools, and infrastructure, people are the intelligence community's most precious resource. Whatever the changing paradigm for analysis, analysts remain at the centre (Treverton and Gabbard, 2008).

### **What Challenges Do Practitioners Face?**

As previously identified, success is reliant on the intelligence community's ability to provide a collaborative culture for intelligence sharing with the appropriate underpinning technology, supportive policy and legislative frameworks.

However, an inquiry into the gathering and use of criminal intelligence in Australia identified serious legislative, technological, resource and cultural impediments to the flow of intelligence which produce unequal intelligence holdings, an incomplete picture of criminal threats and undermine stakeholder confidence (Australia, 2013).

### ***Inconsistencies in the Legislative and Regulatory Framework***

In recent years, there has been substantial progress in improving intelligence, data and information sharing arrangements in Australia. This includes improving legislative provisions that relate to information sharing, such as the amendments made to the *Australian Crime Commission Act 2002* which allows the Australian Crime Commission to share information with private sector bodies in certain circumstances, as well as participation in ongoing cross-jurisdictional information sharing arrangements such as police-to-police partnerships and national taskforces (Australia, 2013).

Despite all jurisdictions and the Commonwealth endorsing the Australian Criminal Intelligence Management Strategy, all states and territories must comply with their own jurisdiction's legislative framework. Not only does this impact upon the free flow of intelligence and information among agencies, it also impedes investigations.

There are multiple legislative frameworks to comply with and no one agency has authority over all frameworks. States and territories must comply with their individual state/territory legislative frameworks and only have authority over their own jurisdiction. In addition, Commonwealth agencies must comply with a different set of Commonwealth legislative frameworks.

The inconsistencies in the legislative and regulatory framework are clearly evident in the investigation of illicit drugs. It is widely acknowledged the manufacture, supply and use of methylamphetamine is a significant concern for the Australian community. The manufacture of methylamphetamine within Australia is facilitated by the diversion of chemical precursors and equipment. At present, the recording of the sale of precursor chemicals and equipment presents a significant vulnerability.

While the majority of jurisdictions<sup>5</sup> across Australia have a legislative framework recording the sale of precursor chemicals and equipment by way of end user declarations (EUDs), there are a number of issues:

- It is not nationally consistent
- It is not real time

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<sup>5</sup> Tasmania, the ACT and Northern Territory excepted.

- Not all jurisdictions require mandatory submission of EUDs to police
- It is not electronic
- There is no opportunity for analysis of the information which is available.

While there is no national process recording sales, there is also no national coordination of legislative controls of various chemicals and equipment. The net effect is that some chemicals are controlled in some States and Territories and not in others. This creates a situation where, regardless of whatever national system might be implemented for recording sales, criminals may simply avoid detection by purchasing chemicals from a different state or territory.

A lack of coordination of State and Territory legislation with border controls is also a significant vulnerability. Border controls regarding the importation of precursor chemicals and equipment are not aligned to state and territory legislation and regulatory schedules. A clear example is hypophosphorous acid, a primary precursor, which at present can be imported without permit, may never pass through a point of sale bypassing any state based control, and be diverted to the manufacture of methylamphetamine.

In summary, there are many points along the supply chain at which chemicals and/or equipment intended for legitimate purposes can, and are, diverted into the manufacture of prohibited drugs. The effects and consequences are evident in that all jurisdictions are reporting or seeing methylamphetamine with greater availability, increased purity, greater use and increased levels of harm across the community.

The introduction of a nationally harmonised list of precursor chemicals, associated legislative controls and an electronic EUD system will increase the timely sharing and completeness of intelligence. For example, all jurisdictions will be monitoring the same precursor chemicals and equipment. Data matching could then be used to detect and link criminal groups involved in the importation of high-risk precursor chemicals. This could be achieved through linking data captured through importer documentation with information from an eEUD system to assist in identifying any anomalies between import and on-supply of precursors.

In response to these issues, the NSW Police Force currently chairs the electronic End User Declaration Working Party. This working was established in January 2014 to examine technical solutions to provide law enforcement with greater oversight of the sale of particular precursor chemicals. This includes examining the possibility of an electronic End User Declaration system for these chemicals (Attorney-General's, 2015).

### ***Outdated Information and Communications Technology***

The ability to collect information and intelligence is enormous, but the ability to effectively collate it is extremely challenging. Many law enforcement agencies face a broad range of technological challenges. For example, the legacy of outdated information and communications technology makes the storage, retrieval and sharing of intelligence difficult. These problems often occur within an agency as well as across jurisdictions (Walsh, 2015).

As identified during the inquiry into the gathering and use of criminal intelligence in Australia, each state jurisdiction and Commonwealth agency is at a different phase in terms of developing their information and communications technology. Some agencies have undergone a process of modernisation, for others, the overhaul of its intelligence processes, standards, practices and competencies are planned. This makes it unlikely that many agencies will have full compatible and interoperable systems (Australia, 2013).

At present, the Australian Law Enforcement Intelligence Net (ALEIN) serves as the gateway to Australian Criminal Intelligence Database (ACID), the national clandestine laboratory database and the violence and sexual crime database. It also provides a secure network for communications between agencies. However, it is important to note that ACID/ALEIN is 1980's technology and while the system is operational, it is not optimal (ACC, 2013a).

While there are numerous agencies involved in criminal intelligence, there is no single and complete "point-of-truth" for Australian criminal intelligence holdings or an automated process for searching across all systems simultaneously. Siloed access to agency databases has resulted in duplication of analytical effort and operational activity (Australia, 2013).

The need to continue to evolve information management systems to assess large data sets has been recognised by the Australian intelligence community. In response, it has been announced that the Australian Crime Commission will merge with Crimtrac (the national police information service) to create the first national criminal data system (Gartry, 2015).

The Australian Government has provided \$9.8 million AUD over two years from the Confiscated Assets Account to establish a new National Criminal Intelligence System (NCIS). The NCIS will redevelop Australia's criminal intelligence systems and database infrastructure, and strengthen information and intelligence sharing across law enforcement agencies and jurisdictions. This database will draw together information from more than 1,000 different systems, to give analysts' real-time access to interstate

intelligence. Therefore, when building a profile, an analyst will have access to the best possible information about who they are dealing with and who they are connected to.

It is clear that information technology will have a significant impact on the intelligence analysis workflow, skills, and organisation in the next couple of decades. In future, instead of ingesting information themselves, analysts will use a range of information tools to add value to data.

Not only is it essential for our information and communication technology to evolve, the intelligence practitioner also needs to keep up-to-date and use technology. In Treverton and Gabbard's (2008) report on the tradecraft of intelligence analysis, they concluded that the traditional approaches are not optimised either to take advantage of changing technology and methodologies or to keep pace with the threat environment. A review of current police intelligence in Australia would lead to similar conclusions; advanced analytical techniques are seldom employed and collaborative technologies not exploited (Wardlaw, 2015).

### ***Which Way Forward?***

Organised crime groups have embraced developments in the Internet, related technologies and the associated new tools. As a result, the illicit drug market has directly benefited from these technological developments. Consequently, law enforcement agencies face various challenges with many new technological threats arising. For example the development of Internet darknets and encrypted communications enables the crime to be carried out remotely and relatively anonymously, characteristics that are particularly attractive to organised crime, as they make the identification and prosecution of the offenders more difficult.

With traditional police procedures and methodologies, law enforcement agencies are restricted by geographical boundaries. In comparison, in the "virtual world", the size of the Internet and its lack of borders make it very challenging to police. Furthermore enhanced cyber investigation and intelligence gathering capacities are required to police within this arena. It is essential that police continue to adapt and respond to the ever-changing drug market and the challenges created by advancements in technology and the cyber world. This requires investment in training and technology for police and strong partnerships internally across commands and with national and international policing jurisdictions.

When investigating organised crime, disrupting any particular criminal organisation will not solve the problem. Incentives remain in place and others will rise. As identified by Bright and Ritter (2010), due to the ease at which drug dealers and

shipments appear to be replaced, seizures and arrests do not measure the extent to which law enforcement activities impact upon supply.

Law enforcement therefore requires a broader approach. As identified earlier, the primary motivator for organised crime is profit and the price of drugs coupled with increasing demand will see Australia remain an ideal target for transnational organised crime groups. Many law enforcement agencies are therefore focussing their attention on the profits and “following the money”.

As demonstrated by the case study, many of the offenders are able to separate themselves from the criminal activity, but cannot separate themselves from the profits. Law enforcement agencies are now hoping that by hurting the profits, they can in turn dismantle the organised crime groups.

### **Case Study: International Drug Importation Scheme<sup>6</sup>**

A law enforcement investigation identified a suspect, based in Australia, who used false identification to lease a number of privately owned mailboxes. Drugs were imported into Australia in letters and packages, addressed to false identities at these mailboxes.

Law enforcement enquiries revealed the packages containing drugs were sent from Brazil, Laos and France. Information provided by AUSTRAC revealed the suspect used multiple aliases to transfer funds overseas, via remittance service providers, with correlations between these money transfers and drug importations (Figure 1).

The information provided by AUSTRAC:

- Multiple International Funds Transfer Instructions (IFTIs), paid for in cash amounts below the \$10,000 AUD threshold for transaction reporting.
- Multiple IFTIs to countries of interest to authorities (for example, Brazil and Nigeria)
- Use of false identification to conduct multiple IFTIs on the same day
- An individual using multiple addresses and telephone numbers to conduct IFTIs.

The suspect also drove from Sydney to Brisbane to obtain a package from another individual. Upon returning to Sydney, law enforcement officers stopped and searched the individual’s vehicle, revealing a backpack hidden in the tyre well of the

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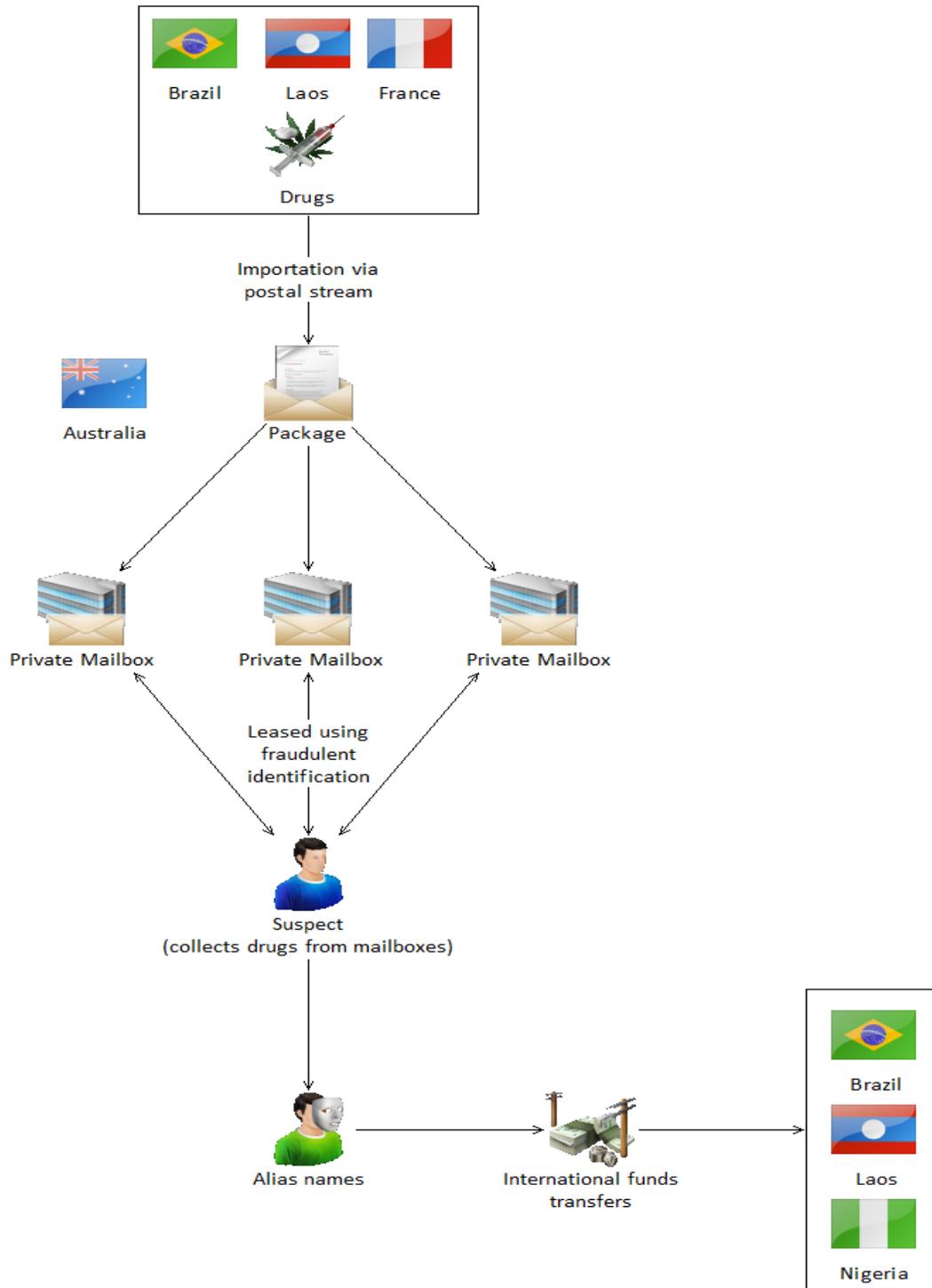
<sup>6</sup> <http://www.austrac.gov.au/case-studies/international-drug-importation-scheme-cracked-trafficker-convicted>

boot. The backpack contained pellets containing heroin with an estimated street value of between \$121,680 and \$162,250 AUD.

During the search of the suspect's residential property, law enforcement officers located \$61,150 AUD in cash and numerous mobile phones. Analysis of the individual's mobile phone SIM cards revealed the suspect had been in frequent contact with individuals in Nigeria, Brazil, Ghana and Suriname. The search also revealed a number of money transfer documents showing the suspect had used multiple aliases to transfer funds overseas via remittance service providers in various locations.

The suspect was sentenced to 10 and a half years imprisonment with a total non-parole period of six years and 10 months.

**Figure 1. International Drug Importation Scheme.**



Source: author's own figure.

## Conclusion

In conclusion, recent years have seen a marked increase in the range, diversity and complexity of issues in our intelligence environment. Intelligence managers and practitioners must also navigate the unprecedented pace and impact of technological advancements. Requirements have changed and demands and expectations have grown exponentially. Practitioners are wrestling with more complex problems than ever before, less time and greater uncertainty. Conversely, there is greater visibility of their advice and outputs, more clients and higher standards for accuracy and precision. While practitioners are faced with many constraints and challenges, there are also opportunities.

Many of the challenges practitioners face, such as globalisation and technological advances, require changes within the intelligence framework itself. Not only with the systems we use, but the way in which we collaborate within the intelligence community.

That said, despite the frustrations within the working environment, many intelligence practitioners actively seek to improve their own day to day activities. Practitioners identify and develop their own network of people with diverse expertise, both with other law enforcement agencies and industry, non-government organisations and the academic community. Not only does this allow practitioners access to an additional combination of skills, knowledge and expertise, it also ensures they can have a holistic view of their working environment. This helps to identify threats, determine priorities and develop response strategies. These individual networks are key for any successful outcome.

## Conflict of Interest Declaration

The author declares no potential conflicts of interest with respect to the research, authorship, and /or publication of this article. This article was prepared or accomplished by the author in his personal capacity. The opinions expressed in this article are the author's own and do not necessarily reflect the view of the New South Wales Police Force or the Government of Australia.

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