

BEHIND THE SMOKE SCREEN

THE ORGANISED CRIME BEHIND THE ILLICIT TOBACCO TRADE IN MALMÖ, SWEDEN

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TEASERS

- The illegal tobacco trade is organised
- Size does not matter – but money does
- The illegal tobacco trade is connected to other heavy crimes
- The organised crime operates on many different levels in the society

DISPOSITION

- Introduction
- Background
- Previous Research
- Methods
- Results
- Analysis and Discussion
- Conclusions
- Questions?

INTRODUCTION

- A collaboration between Malmö University and the Malmö Police department
- Purpose and Problem statements
 - Gain better understanding of the illegal tobacco trade and its connections to local organised crime
 - How does the structure and organised crime behind the illegal tobacco trade in Malmö function?
 - What indicators of involvement in local organised crime appears in tobacco-related government documents and court verdicts?

BACKGROUND

- The interest for tobacco related issues have changed and increased
 - The Swedish Police Department is now liable for supervisions according to Swedish law
 - A major loss in tax incomes
 - Losses of 1,6 billion SEK yearly
 - Profits of 600 million SEK yearly for illegal traders

BACKGROUND

- Public health issues
 - Yearly 12.000 tobacco related deaths
 - Extremely addictive
 - No control over the content in illegal tobacco products
- The use of tobacco has changed and decreased continuously
 - Occasionally buying adolescents
 - More female rather than male users
 - Users generally has lower socioeconomic status

PREVIOUS RESEARCH

- Shifted focus from narcotics to tobacco
 - Lower risks for illegal traders
 - Hard for authorities to regulate illegal trading with legal substances
 - Potential legal penalties are considerably shorter
- Warehousing and economic crime
 - Easier to import goods due to the EU-membership
 - Legal businesses as coverage for illegal activity
- Higher taxes as the main way to reduce tobacco use
 - Counterproductive?

METHODS

- Semi-structured interviews
 - Key informants representing authorities
 - Swedish Economic Crime Authority, Permission Unit at Malmö Stad & County Administrative Board Skåne
 - Complements the information from the content analysis
- Content analysis
 - Government documents
 - Court verdicts
 - 11 themes
 - Economic deviation, hookah (water pipe), gambling activities, law regulation, economic penalty, extent of tobacco, odd tobacco sales, membership, tobacco storage, other inconveniences, tobacco use

METHODS - CONTENT ANALYSIS

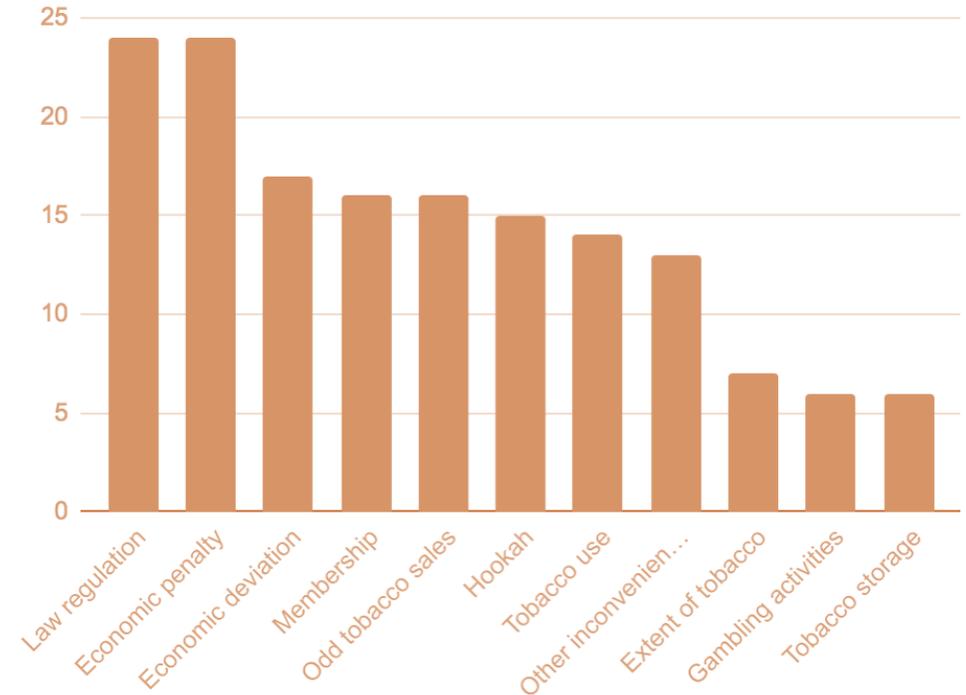
- 11 themes
 - Economic deviation, hookah (water pipe), gambling activities, law regulation, economic penalty, extent of tobacco, odd tobacco sales, membership, tobacco storage, other inconveniences, tobacco use
- Markers
 - In the text
 - Attached images
 - “pays no rent”
 - “100 heads for hookahs prepared with tobacco”
 - “6 year-old present in the room”
 - “storage of boxes with raw tobacco spill”
 - “cash in a jar next to the register”

RESULTS - INTERVIEWS

- The illegal tobacco trade is more extensive than research can show
 - Estimates 30 % of the generally used tobacco to be illegal
 - Presumably more in socially exposed areas
- Raw tobacco is the most imported tobacco product in Sweden
 - Should be used to manufacture snus as there are no legal cigarette production in Sweden
 - Exceeds the official snus manufacturing – where does it go?
- Economic criminals rather than “traditional” smugglers

RESULTS - CONTENT ANALYSIS

- 14 of 24 reviewed documents indicated an involvement in organised crime in local businesses
- 3 themes indicated a more liable connection to organised crime
 - Tobacco storage
 - Extent of tobacco
 - Gambling activities



RESULTS - CONTENT ANALYSIS



RESULTS - CONTENT ANALYSIS



RESULTS

- Countermeasures
 - Joint contributions from authorities
 - Limit the demand after cheap/illegal tobacco
 - Law proposal regarding sales authorizations in 2018

ANALYSIS AND DISCUSSION

- A lot of the tobacco products being sold in local businesses is not taxed for
- The competition on the tobacco market creates a vicious circle of illegal activity
- The imported amount of raw tobacco does not Match the legally produced tobacco products
 - Illegal cigarette factories
- Organised crime that strives for economic benefits
 - Locally, nationally and internationally

ANALYSIS AND DISCUSSION

- Government documents and court verdicts
 - Over half of the studied documents indicated on involvement in organised crime
 - The profits for illegal traders is very extensive
 - The studied businesses that indicated on other illegal activities, high extent of- and storage of tobacco were more often involved in organised crime
- Action proposals
 - Continued collaboration between authorities
 - Further investments in relevant social crime prevention measures
 - Evaluation of the new law proposal and a follow-up study on this thesis

CONCLUSIONS

- The structure behind the illegal tobacco trade is organised, complex and extensive
- Both larger and smaller businesses are involved
- Economical benefits is the main goal
- Major deviations among the analyzed businesses
- The current methods used by the Police are relevant
- Without limiting the demand for cheap tobacco the problem will most likely remain

QUESTIONS?

REFERENCES

R. Nykjaer E & Zarins C, (2018) *Behind the Smoke Screen - The Organised Crime behind the Illicit Tobacco Trade in Malmö, Sweden*. Malmö University: Malmö.