



## **SUBMISSION BY RESEARCH AND POLICY HOUSE TO THE PARLIAMENTARY CRIME CORRUPTION COMMITTEE IN RESPECT OF THE REVIEW OF THE CRIME AND CORRUPTION COMMISSION**

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**Prepared by:** Professor Grant Pitman, APM PhD., Mark Clark, BS (Sociology), MPPS (Hons.), M.A., Dip.C.M.

**Contact Details:** [researchandpolicyhouse@gmail.com](mailto:researchandpolicyhouse@gmail.com)



### **Research and Policy House**

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### **Submission Limitations**

The authors do not present the submission as a product of direct and knowledgeable research on the topic area. It is presented from knowledge gained from experience and conclusions drawn from secondary documentation.

It is intended to raise awareness of a threat potential and be indicative of what may occur if not addressed in public policy. It is highly recommended by the authors that more definitive research be undertaken as well as consultation with state and federal agencies.



## **Background**

The Parliamentary Crime and Corruption Committee is undertaking a review of the Crime and Corruption Commission's (CCC) performance for a report to the Queensland Parliament. RPH wants to take this opportunity to make comments on several functions in relation to the review of the CCC. It is recognised that any comment about certain functions may have a 'flow on' effect for others.

These functions are:

1. major crime function, including the investigation and prevention of major crime;
2. corruption function, including:
  - The application of the principles for performing its corruption functions, including the devolution principle,
  - The CCC's handling of, and reporting on, complaints of corruption,
  - and
  - The CCC's corruption prevention function,
3. Research and intelligence functions.

## **Contents and Recommendations.**

The argument presented in this paper is not constructed around the CCC's present performance but, rather, the changing environment of the threat dynamic and the need for an expanded and, perhaps, a differential approach to corruption and organised crime in



some aspects to the more traditional model. It has been well established that a certain state actor has been using overt funding and “grooming” to facilitate its business and political objectives within Australia and, thereby, Queensland, in respect of the body politic, business, and community affairs.

It may be expected that these activities may become covert and, perhaps, “ramped up” as international tensions rise. It is noted that the Australian Prime Minister has commented that Australia is now within the realm of uncertain security and has equated the present situation as akin to the 1930’s period of instability. Hostile state actors may simply move from overt to covert corruptive “grooming” and the undermining of interests contrary to their political, business, and military interests. It may present a slide in asymmetric warfare that incorporates a sophisticated use of organised crime to facilitate its objectives.

#### Definition of Asymmetric Warfare

Asymmetric warfare has been defined as incorporating a range of different modes of warfare, including conventional capabilities, irregular tactics and formations, terrorist acts including indiscriminate violence and coercion, and criminal disorder. These operations can be conducted by state and non-state actors alike, creating multimodal activities operationally and tactically directed and coordinated within the main battlespace to achieve synergistic effects in the physical and psychological dimension of the conflict<sup>1</sup>.

The conventional definition of war has now been hybridised and may include disputes that do not descend into direct military force but using third parties and technologies. Cyber

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<sup>1</sup> Bresinsky, Markus. On - line Journal Modelling the New Europe; Cluj-Napoca Iss. 21, (Dec 2016): 29-51



attacks are now accepted as falling within the hybridisation definition<sup>2</sup>. The use of Organised crime and other professional crime actors fall within the definition of asymmetric warfare in a hybridised approach. The notorious use of Organised Crime by state actors has a long history including the American use of the Mafia in World War Two, the use of the Union Corse by De Gaulle in the resistance against Nazi Germany and then in the post-war period, including Indo China. The Taliban's use of the opium crop to facilitate its military and political resistance in Afghanistan is a more current example. It is not remarkable that state actors should facilitate their hostilities with Australia by use of Organised Crime, and it would be considered in the realm of naivety to believe otherwise.

### The Existential Threat

Any usage of organised crime by foreign government actors can be expected to increase the sophistication of operation and organised crime effectiveness. It is a small "switch" from harnessing the profit motive of legitimate business to harnessing that of organised crime. The operation through a small Oceanic state that does not have sufficient resources or the will to deal with the issue is highly probable. The bulwarks of cultural, diplomatic, and economic barriers may present considerable protection from Australian surveillance of activities.

The question remains is how well is the CCC missioned, by legal powers and policy, and financed, equipped, and staffed to deal with corruption and crime strategically focussed and

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<sup>2</sup> Ibid.



initiated by a foreign actor, and then “piped into” the conduits established by Organised Crime into Australia. The level of sophistication may well be at a level above those experienced currently.

While it is accepted that the Australian Security and Intelligence Organisation is tasked to prevent and detect foreign actors from operating in Australia, the hybrid model of foreign actors, offshore, using the services of onshore Organised Crime may fall through a gap in the security blanket. It could be expected that the positioning of the CCC in respect of its now long-established relationship with Queensland governance and powers that it has through legislation may be a strategic benefit.

One vulnerability may be the “closed drug market.” While in the “open drug market”, users go to a place or venue to buy drugs, in the “closed drug market” the seller usually operates more covertly. It is a little like a high-class paedophile ring, where the user of the illicit services is introduced to the provider by the way of a trusted source. The Epstein inquiry in the United States has demonstrated how a trusted source can recruit highly influential people into a circle where illicit services can be provided. Of course, those recruited are forever compromised by the risk of exposure.

The use of high-end drugs, such as cocaine and oxycodone, are generally distributed through a similar method to the more funded elements in the community. These elements can reasonably be expected to have political or other influence within the Queensland community. A foreign actor by the funding and supply of high-end drugs to the Organised Crime operations can potentially skew or distort the governance and the economy. The



access to powerful influencers in society who use such drugs is also enhanced by the potential for extortion and exposure.

The Committee is encouraged to examine the tonnage of the seizure of cocaine by the Australian Border Force and then contrast the statistics for the use of cocaine obtained from prisoners in Australian prisons and watchhouses by the United Nations. It can immediately be seen that there is the prison intake is not representative of the class accessing cocaine and oxycodone. The Alcohol and Drug Foundation comments:” An estimated 65% of prison entrants in Australia had used illicit drugs in the past year, compared to about 16% among the general population. The most common drugs used were methamphetamine, cannabis, pain killers and sleeping pills.”<sup>3</sup> Australian Border Force has reported seizing 233 kilograms of cocaine in a single shipment from Mexico<sup>4</sup>. It would be incredulous to suggest that all shipments were being interdicted and begs the question of the size of those not interdicted.

The users of cocaine are not being placed within the prison system and, while the importers of the drug are subjected to occasional seizure, there is little evidence of the onshore supplier and/or the user of the drug being apprehended. It may be argued to an effective and efficient “closed network” of supply with a strong potential for corruption. This system

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<sup>3</sup> Alcohol and Drug Foundation. Prison, alcohol and drug use – a volatile combination, September 9, 2019 <https://adf.org.au/insights/prison-aod-use/> (last Accessed July 11, 2020)

<sup>4</sup> Australian Border Force. Two arrested, 233kg cocaine from Mexico seized. Joint Media release with AFP November 20,2019. <https://newsroom.abf.gov.au/releases/two-arrested-233kg-cocaine-from-mexico-seized-2> (last Accessed July 11, 2020)



may be accessed and supported for systemic corruption of Queensland State Agencies and Governance.

The Australian Criminal Intelligence Commission has commented,

- Serious and organised crime is expanding its reach globally, and we estimate that up to 70 per cent of serious and organised crime targets affecting Australians are either based offshore or have offshore links.
- It is constantly growing in sophistication and adopting new and advanced technologies to undertake illegal activities and generate illicit wealth.<sup>5</sup>

The threat is not unknown, but the existential threat of corruption has now been increased by the decreasing stability in foreign relations in the Pacific Region.

### Recommendations

1. That the potential of foreign influence being moved from “overt” to “covert” status by foreign state actors, and, doing so, to use the services of Organised Crime to project influence into Queensland, via corrupt networks, be recognised by the Parliamentary Committee.
2. That the Parliamentary Committee recommends that the government supply any necessary legislative changes and policy directives, finance, and resources to empower the mission status of the Crime and Corruption Commission to deal with corruption created by asymmetric warfare model by a foreign state.

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<sup>5</sup> Australian Criminal Intelligence Organisation, From state to federal to global crime issues. October 26, 2016. <https://www.acic.gov.au/media-centre/speeches/state-federal-global-crime-issues> (last accessed July 11, 2020)



3. That the Parliamentary Committee commits to ongoing funded research into the use of Organised Crime by foreign state actors, hostile to Queensland, therefore Australian, interests.