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# The Informal Economy: Threat and Opportunity in the City

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## PREFACE

JOANNA SHAPLAND

The genesis of this volume was our idea, back in 1996, that, though the informal economy itself was vital to an understanding of social structure of cities and of crime, research on the informal economy had remained isolated within disciplinary boundaries. The field then was characterised by important and pioneering contributions from economists, criminologists, sociologists and political scientists, but the informal economy was not the central focus of any of these disciplines. For economics, sociology and political science, the legitimate social world was the mainstream concern. For criminology, in contrast, though aspects concerned with the illegal economy, such as money laundering and organised crime, were becoming increasingly important, both politically and as objects of study, yet economic perspectives were still very much a minority interest.

As a result, we approached the European Science Foundation for a grant to bring together people who had looked at different aspects of the informal economy within their own discipline. Our idea was not just to tap into the work they had already done, through encouraging them to produce papers for joint discussion, but also to bring together expertise from all these different areas to design some pilot projects - to go out and look at the informal economy in one or two cities from an inter-disciplinary perspective. We are very grateful to the ESF for supporting this idea.

Since then, the centrality of the informal economy and its relevance to Europe have been reinforced. 'Following the money' is now the major detection method for much of organised crime. Legislation at both European and national levels is in place in relation to money laundering.

Fraud continues to be a major drain on businesses. The consequences of immigration and of trafficking in human beings, which we picked up in our pilot studies in terms of who is forced to participate in the informal economy, have become major pre-occupations of many governments in Europe. The papers in this volume are even more relevant now than when they were first prepared and discussed in 1997/8.

We believe also that the methodological issues we had to confront when the pilot studies were undertaken are those which continue to face today's researchers on the informal economy. We hope that our experiences will be of value to them. There is no one agency which is concerned with the different manifestations of the informal economy - drugs, fraud, evading employment legislation, smuggling people and goods, not paying tax. Unlike 'ordinary' crime, therefore, there is no single set of official statistics, no one official agency to interview. Those engaged in the informal economy are, by definition, keen not to be discovered. They are people on the margins of our traditional world of work, distrustful of officialdom. Finding out about the informal economy means noting the signs it leaves, hanging around and watching, talking to people who work with those on the margins. It is a far more difficult, yet more fascinating, task than looking at crime in general or at legitimate work.

There are signs that, as formal economies are changing, with increased out-sourcing and sub-contracting, with the growth of self-employment, and with the development of 'portfolio' employment, that the legitimate world of work is in fact coming to resemble more closely the informal economy. The papers in this volume and the pilot studies show how opportunities in the informal economy provide supplemental income and part-time working to contribute towards the individual's and the family's overall economic standing - a mirror of portfolio working. They show the importance of contacts, of social networks and of trust in business relations - all aspects which have also been highlighted for the aspiring high flyer in business or the professions.

Yet we should not be surprised at these resemblances between the informal and the formal worlds of work. Essentially, we would argue that the formal and the informal can be seen as symbiotic - and on occasions parasitic on each other. The formal, national tax system and the national economy create at the same time opportunities for tax evasion or non-payment and the economic advantages of so doing. Where, for example, tax on services is relatively high, 'cash in hand' work becomes more profitable for worker and employer alike. Economic boom and high

employment in the legitimate sector may create more opportunities and the need for those who cannot participate in that sector (such as illegal immigrants) to offer domestic services to allow others to go out to work. Very competitive sectors of business may encourage businesses to offer cheaper prices for their goods through employing workers in the informal economy without the official overheads created by tax and social security systems - but of course also without the protections those systems create. Looking at the informal economy can show up facets of the formal economy and the risks that different forms of economic development and employment create. Governments are now beginning to become interested in the criminogenic or crime preventative potential of their own legislation, to try to predict crime risks before the legislation is passed. In the economic and employment fields, this requires considering the potential effects of such legislation on the informal economy, as well as on more obvious forms of crime.

The papers and the pilot studies have also highlighted the social contexts in which the informal economy is developed and flourishes. Work is not merely an economic enterprise. It conveys status and develops skills for the individual and within the local area. It is related to and depends upon the social structures and networks within local communities. The informal economy, for its participants, has all these benefits and ties as well. Indeed, as the formal world of work becomes more global and less reliant on geographic factors, the same seems not to be so true of the informal economy. Because they are illegal, informal economy transactions seem to have greater personal and social ties. Informal economic work is hence intrinsically bound up with local communities and the opportunities they offer. Sometimes, its forms are strongly localised, as we found in one of our pilot areas. As is clear from other papers, however, sometimes the social bonds stretch trans-nationally across borders and between towns. Whichever is the case, it means that the informal economy is built into social networks and communities and is likely to touch, whether as participant or as observer, all those involved in that community or area. We hope that the work reported in this volume will spur further research into this subterranean, only partially visible, but crucial element of economic and social life.





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## Looking at Opportunities in the Informal Economy of Cities The Papers

JOANNA SHAPLAND

The informal economy is a constant, though only partially visible, undercurrent of social and economic life of European cities. Through its more romantic and touristic guises of street trading, markets and selling roses in restaurants, its seedier links with drugs and prostitution, and the economic toe-hold it provides for immigrants, young people and students, it links with the formal economy and with the forces of formal and informal social control. The history of research into the informal economy per se is, however, meagre. There is a plethora of research into its individual manifestations (into prostitution per se, or drug cultures, or the economy of drugs, or sweat-shops, or illegal dumping of waste), but a lack of concentration on the informal economy itself, its threat to formal social and economic order, its links with formal and informal social control and cultures, and its particular form in different cities (given their populations, opportunities and cultures).

The starting point for organising the seminars and research projects whose products are published in this volume was, hence, that the research field is not a tabula rasa, but one of scattered researchers concentrating in different countries on particular manifestations using different methods. The purpose of this exploratory project, funded by the European Science Foundation, was to bring together these researchers to consider the informal economy itself and its links with social order, economic or financial order, and crime, using an overarching theoretical framework. By counterposing the emergence of particular forms of the informal economy in different cities, and their differential impact, we hoped to provide an opportu-

nity to drive forward both an understanding of the informal economy itself, and, more importantly, its links with formal social and economic orders. By bringing together researchers who have been working in particular methodological and theoretical traditions typical of work on particular manifestations, we wanted to create new ways of looking at the forces encouraging the emergence and sustenance of the informal economy in different European cities with different means of formal social control.

This introductory paper sets out our framework, the activities which took place during 1997 as part of the project, and some preliminary thoughts about the theoretical and policy points which arose during the seminars and which we hope may influence future research on this topic.

## **The framework**

### *The informal economy as seen by individuals and social groups*

Our starting point in setting up this series of seminars was that, at the level of the city, there had been a considerable amount of research on certain aspects of the informal economy (for example, drugs or prostitution), but that the ways in which research had developed had tended to constrain that research within the parameters of those individual aspects. In essence, drugs researchers worked on different aspects of the drugs economy and who participates in it; prostitution researchers worked on prostitutes; and so on. However, just as things we label 'crime' or 'irregular employment' do not come ready shrink-wrapped and labelled as such, as in a supermarket, so equally I suspect that opportunities which individuals perceive and decide whether to act upon are not readily compartmentalised and set out for them in this clear sense of theft, or fraud, or drugs.

Similarly, we can go into a careers advisory office and pick up literature or a video on becoming a solicitor or a doctor or working in the retail trade. How-to-become-it guides are less obvious in relation to becoming a burglar, or using stolen cheque cards, or dealing in drugs, or working on a casual, seasonal, cash-in-your-hand-and-no-questions-asked basis. Yet thinking about how to live and how to get enough money to keep accommodation, or lifestyles are questions which confront individuals at several points in their lives. They are particularly pertinent to younger, more disadvantaged or more socially disadvantaged individuals.

Nor are such matters solely at the level of individual decision making. It is clear that the opportunities themselves, and how they are viewed, are socially constructed and are likely to be differentially open to different social groups. Their constrained choices sum up to contribute to the overall economy and to the overall ambience of that city. They impact on its social control problems. At the level of city governance and policing, they become transformed into social problems to be regulated, controlled or fought.

As Hans-Jörg Albrecht and I thought through this question, we realised that there was little literature of which we were aware which took this particular stance of considering the opportunities open to individuals and social groups in parts of cities. In some ways this is strange. The question was raised by some of the founding fathers of criminology - by Sutherland in relation to how people took to criminal work and what resources they needed to undertake that work; by Cloward and Ohlin in respect of their focus on access to illegal opportunities, as well as access to legal opportunities; by Matza and others in relation to how people become deviant. These were general theories and general ideas, intended to look at the whole criminal sphere. Since then, however, we seem to have compartmentalised and specialised our study of and work on criminality, or deviance, or work done in situations where official regulations are flouted. In fact, researchers have specialised so much that there are not even the English words to use to describe the sum of opportunities open across what are sometimes called the black, grey and white sectors of the economy.

### *What is the informal economy?*

We see the informal economy as interacting with three different forms of formal order: the financial/economic order (the formal economy), the social order (national and city politics) and the criminal justice system. In some areas there is no clear dividing line between formal and informal. Work typically done by students, young people and recent migrants in the tourist, catering and leisure sectors (in bars, cafes, etc.) is casual work, lowly paid, sometimes with the employer paying taxes and obeying health and safety or employment regulations (formal economy), sometimes not (informal economy). Equally, the dividing line between the informal economy (sometimes called the 'grey' economy) and the black (criminal)

economy is also often unclear. Street trading of counterfeit or stolen goods, prostitution and dealing in drugs straddle the line between informal work (part-time prostitution by housewives, supplying drugs to friends) and organised crime.

These fuzzy lines contribute to the difficulty there has been in providing adequate definitions and boundaries to the informal and black economies (and hence, the formal economy) which work across economic, sociological and social order/criminal justice discourses. Hence, perhaps, the tendency of researchers to stay within their own subject area. We wanted to make these boundaries themselves problematic and to ask why and how we categorise/label different forms of economic activity as formal, informal or black. More importantly, what are the consequences of doing so? What threats do these activities pose to the economic, social and criminal order? What opportunities do they provide for different segments of the population, particularly those which have difficulties finding a place in the formal economic order?

Even using the terms black, grey and white sectors will be controversial. Categorisation in this field is contentious and problematic. This is not surprising. Categorisation by and of itself expresses the point of view one is taking, the social and political stratum from which one is coming. Categorisation in the context of a European seminar is even harder, but perhaps liberating. Some work and activities which are deemed criminal (against the criminal law - a formal legal definition) in one country, will be against regulatory or administrative law in another, and not illegal in any sense in a third. Some countries represented in these seminars have a separate section of administrative law. Some put everything under the criminal law, but somehow regard breaches of some tax or social security or workplace regulations as less 'serious' than theft. A considerable number of our legally based classifications themselves have social class and social structure overtones. In Britain, for example, 'insider trading', though illegal, is slightly frowned upon, or seen as commercial practice, whereas tax fraud is more heinous and social security fraud results in major government efforts to root out the offenders.

Why am I suggesting this complexity is liberating? Because as we think across countries, we shall necessarily have not to be constrained solely within our own national preoccupations with what is illegal and what is criminal. It means that illegality per se can be seen as just one factor in explaining the kinds of opportunities which exist for different social groups

in cities, and one factor in people's decisions about the opportunities they perceive as existing for them or others in their neighbourhood and their city. There are likely to be other factors which are just as important.

### *Factors affecting the informal economy*

One may be the kinds of opportunities which the geographical and trade situation of that city has encouraged and so which are available to people. To take a simple example, seasonal casual work picking fruit and vegetables can only exist where there is such agriculture and for crops where mechanised picking is either difficult to develop or very expensive (for example, apples). Street robbery is not very profitable in villages or residential neighbourhoods where there are few strangers and little passing pedestrian traffic. Drugs trading routes lead from producers to distributors to consumers, like any other commodity.

Another factor is whether particular opportunities have been taken over by particular groups, to which entry is difficult. So, for example, the opportunities or the techniques may have been monopolised within ethnic groups, within cultural groups or by certain families. If we consider prostitution for example, prostitution on the street may be open to any women (though being economically successful at prostitution tends to require youth and either attractiveness or technique). However, prostitution tends to occur in certain areas in cities areas which remain red light areas for many years (even, as I noticed some years ago in Birmingham, despite redevelopment and the building of new middle-class estates - much to the chagrin of the new residents). Having a 'patch' of pavement from which to operate in a city may sometimes be difficult to acquire. The regulars may not look kindly on newcomers or there may be more or less organised attempts to secure particular patches for particular women. None the less, newcomers in English cities are usually able to start prostitution on the street (even though they may find it difficult to shake off the attentions of pimps). Prostitution from 'saunas', however, is a quite different matter. Working there requires the agreement and support of the owner of the sauna, who can choose to whom to give that opportunity.

Yet another factor is the extent to which seizing the opportunity requires acquiring skills and techniques and how these may be acquired. For example, some credit and cheque card fraud requires equipment and (limited)

skill - although much of this equipment is more available than many will realise. Other forms of fraud may require nerve or bravado, but hardly technical expertise. Equally, if your opportunity results in (non-legitimate) property, you will need to convert the property into cash or legitimately held property - the market for stolen goods. If it results in lots of illegitimately acquired cash, the authorities are increasingly looking out for you depositing suitcases of grubby notes - there is now a market for stolen cash as well, which requires more specialised knowledge.

In sum, the informal economy is a constant, though only partially visible, undercurrent of social and economic life of European cities. Who is dipping into it, how they perceive its opportunities, how large it is, what form it takes and what problems it may cause are the subjects which we tried to explore in the seminars.

### *The relation of the informal economy to the formal and social orders*

From a top-down perspective, that of the city and national policy makers, the informal economy poses considerable concerns and threats, which have been documented in some previous research. In relation to the *fiscal order*, informal activities do not contribute in tax. Should they be taxed (prostitution is currently one of the main problematic areas here)? In relation to income tax, or property taxes, or company taxes? Fiscal order, however, is not the same as *economic order*, with certain economic sectors being to some degree reliant on the low wages and lack of regulation characteristic of the informal economy. Fiscal preferences for taxing also immediately pose problems of whether so doing implies condoning the threats to the *social order* posed by the same activities, which breach city-wide policies for control of their symptoms and designed to promote social order (zoning, environmental policies, health and safety, employment law). Not only is there a regulatory question about the balance to be struck between tolerance and control (as well as one about the often conflicting demands between different population groups - for example, residents and curb crawlers), but also one about the *criminal justice order* and the extent of policing. The preventive approach adopted by regulators to the kinds of work places typical of the informal economy (trying to improve workers' conditions) comes up against the retributive approach of traditional policing



(prosecute them for currently illegal activity) and the exclusionary approach of immigration regulation (deportation etc.). We wanted to explore the different kinds of threats posed by different forms of the informal economy within different countries' regulatory and criminal justice frameworks and the effects of using different regulatory environments and operational practices.

From a bottom-up perspective of those seeking employment, however, the informal economy provides opportunities, albeit accompanied by potential threats (the impossibility of complaining about conditions, illegal activities etc.). It is important to explore the choices available in the employment market for different kinds of people in the city. These will be linked to the population groups, the raw materials available (tourists etc.), formal employment opportunities (minimum wage thresholds, etc), general economic conditions and cultural factors. This necessarily has to be a comparative study between different cities in order to draw out the most salient factors.

We see the city level as the most fruitful one at which to develop this formulation of the informal economy. Though the criminal justice order is often a national one (though there are often significant regional variations), social order is normally governed by city-wide policies for regulation, planning, community safety and economic regeneration. Those most likely to work in the informal economy tend to come from poorer sectors of the community and will see their employment opportunity horizons as city-wide, rather than national. Though informal social control operates at a much more localised level than cities (neighbourhoods, streets, clusters of houses, tenements), yet it is affected by city-wide policing cultures.

The framework for the exploratory work hence involves consideration of different forms of the informal economy, as seen in different European cities, and their links with the formal and black economies. Both threats and opportunities need to be taken into account, so that it is possible to consider both the control environment and employment structures. The field so far has been dominated by single topic studies (on drugs, or on pollution control, or on employment options for migrants). To look properly at the informal economy, however, it needs to be multi-disciplinary, comparative and European in focus.

We do not pretend that, by bringing together researchers and groups of researchers in seminars and workshops over 12 months, we can answer all

the questions set out above. We hope, however, we have made a start. We needed first to allow researchers looking at different parts of the informal economy in different countries to present their research and their ideas. Those papers are published in this volume.

### **Bringing together researchers and assessing the current research base**

The first task of the co-ordinating group (Professor Joanna Shapland and Professor Jason Ditton of Sheffield University, UK, Professor Hans-Jorg Albrecht of the Max Planck Institute, Germany and Dr Thierry Godefroy of CESDIP, France) was to identify researchers from relevant disciplines currently undertaking research on the informal economy throughout Europe. This was one of the main tasks of the planning meeting of co-ordinators held in Freiburg from 17-19 April 1997. Our initial view that there was no currently organised network or group of such researchers focusing on all aspects of the informal economy proved correct: the overall picture is of scattered researchers working on different empirical aspects, with connections to others working on their own particular topic (drugs, or stolen goods, or tax evasion, for example), but unable to look at the connections between different forms of the informal economy and how these relate to the country's fiscal structure, the city's economy and social policies, and the opportunities open to different social groups. There was a real 'buzz' of excitement at the seminars, as people started to be able to compare the links between, for example, drugs and prostitution, or young people's choices to participate in repairing cars, the market for stolen goods, and casual work in the area. It was indicative of an emerging new field. Most of the participants, even those from the same country, had not met each other before, largely because they were coming from different disciplines and traditions of research (economics, sociology, psychology, criminology).

The seminars were held from 12-14 June 1997 at the Centre for Criminological Research, University of Sheffield, UK and from 13-15 November 1997 at the Max Planck Institute, Freiburg-im-Breisgau, Germany (in both English and French). The list of participants at the seminars, the topics of the papers they gave and the seminars attended is:

*The participants*

- Professor Hans-Jörg Albrecht (Max Planck Institute, Freiburg, Germany) 'Perspectives of research on the informal economy' (June and November)
- Professor Jason Ditton (University of Sheffield and Scottish Centre for Criminology, Glasgow, UK) 'Drugs and the informal economy' (June)
- Professor Dominique Duprez (IFRESI, Lille, France) 'Careers in drug trafficking' (November)
- Dr Martin Gill (University of Leicester, UK) 'To what extent are businesses affected by crime? Understanding the impact of the informal economy' (June and November)
- Dr Thierry Godefroy (CESDIP, Guyancourt, France) 'Une étude au niveau local de l'économie informelle: Aulnay sous Bois' (June and November)
- Professor Patrick Hebberecht (Universitaet Gent, Belgium) 'Foreign drug scenes and informal economies in local drug scenes' (June and November)
- Dirk Korf (University of Amsterdam, The Netherlands) 'Drug trafficking and prostitution' (June)
- Professor Michael Levi (University of Cardiff, Wales, UK) 'Cheque and credit card fraudsters: the local and international economy' (June and November)
- Salvatore Palidda (Fondazione Cariplo-Usmu, Milan and Università di Parma, Italy) 'L'intégration des immigrés entre formel, informel et illégal dans les villes italiennes' (June and November)
- Letizia Paoli (Prato, Italy and Max Planck Institute, Freiburg-i-B, Germany) 'The boundaries of the informal economy and organised crime' (June and November)
- Professor Peter Reuter (University of Maryland, USA) Discussant on all November papers. (November)
- Professor Philippe Robert (GERN, Guyancourt, France) (June and November)
- Professor Vincenzo Ruggiero (Middlesex University, UK) 'The formal and informal in the city bazaar' (June and November)

Professor Fritz Sack (University of Hamburg, Germany) 'Perspectives of research on the informal economy' (November)

Michel Schiray (CIRED/MSH, Paris, France) 'Informal economic alternatives: insertion and survival strategies in the dual metropolis' (June and November)

Professor Joanna Shapland (University of Sheffield, UK) 'Opportunities in the city' (June and November)

Dr Jürgen Smettan (University of Dresden, Germany) 'Psychological aspects of the informal economy' and 'Shadow economy: results of an empirical study in Frankfurt, Germany' (June and November)

Dr Mike Sutton (Home Office Research and Statistics Directorate, UK) 'Stolen goods markets' (June and November)

Alain Tarrus (Prades, France) 'Ethnicisation des économies souterraines de produits d'usage licite et illicite en méditerranée: Maghrébins de Marseille, Noirs-africains et Gitans de Barcelone' (June and November)

Dr Richard Wild (University of Sheffield, UK) 'The story so far: the results of the literature search' (June and November)

### *The literature search: the state of research on the informal economy in Europe*

With the help of all the participants, Dr Richard Wild undertook a literature search of all English and French-language research on the informal economy and its substantive aspects over the last 20 years or so. Sources included the standard electronic databases (such as BIDS), the catalogues of the Max Planck Institute, the Institute of Criminology at Cambridge University, and the University of Sheffield (which is linked to the British Library), and the French CESDIP catalogue. The results have been standardised to provide a bibliography on disc in standard database format of nearly 1,000 articles and books<sup>1</sup>.

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<sup>1</sup> The disc can be obtained from Professor Shapland at the University of Sheffield. The bibliography can also be read in word processor format (Word etc), though searches will be slow.

The results of the literature search were illuminating. Research on the informal economy in Europe is far less advanced in terms of empirical studies than research in developing countries, where it has been a major topic for anthropologists and development economists. In developing countries, we have detailed anthropological studies of the way in which particular peoples or those living in particular regions are using the informal economy and how this interacts with the formal economy in those countries, as well as estimates of the economic effects. In Europe, our knowledge is far more fragmented. There are a considerable number of detailed studies of people undertaking particular criminal acts, which would fall within the informal economy (burglars, drug dealers, fences, robbers, those involved with stolen or forged credit cards), though much of this work is now quite old and it is doubtful whether it represents current criminal patterns of activity and organisation. The research is also strongly concentrated in Britain. At the other end of the scale, there are economic studies of the national extent of the informal economy, largely based on estimates drawn from official statistics (labour inspectorates, police figures for drugs seized, credit card company figures etc), though again much of this work stems from the 1980s and earlier. Recent governmental attempts (in 1997, but the same is true of European-wide attempts up to 2000) to estimate the size of the informal economy relative to GNP have concluded that only certain aspects can even be estimated, and that official figures are not a very good guide.

This lack of soundly-based analysis of the informal economy is not just a matter of academic interest. From our pilot studies, the social groups primarily participating in the informal economy are younger people in economically depressed areas and migrants. Tackling social exclusion means exploring why and how such groups need to take up these opportunities, and why they cannot find them in the formal economy. In addition, other major facets of the informal economy are the cross-national smuggling of goods (not just 'criminal' goods) and its relation to social and ethnic networks; the far more generic use of 'grey' economy services (building repair, household services) in countries where formal fiscal duties are high; and the high penetration of informal economic activity (and sometimes criminal organisations) in manufacturing in certain parts of Europe and certain sectors. These aspects impinge strongly upon national and European economic health and upon the willingness of citizens to support formal fiscal payments. We consider that it is extremely difficult for European

and national authorities to plan fiscal and criminal control measures without adequate information on these areas.

### **The pilot projects**

Two pilot projects were undertaken during summer 1997, one by a small team of researchers led by Dr Godefroy in Aulnay, north of Paris, and one by Dr Smettan in Bornheim, part of Frankfurt<sup>2</sup>. Both were designed, using a methodological prototype prepared by Professor Shapland and with the active participation of those attending the first seminar, to test possible methods for looking at the informal economy, as well as to provide a preliminary picture of the informal economy and those participating in it (and what they earned) in those places.

The methods tested were to undertake observations (on the street, in cafes, bars etc); to speak to those officials (and obtain official statistics where available) who might have knowledge of the informal economy (police, labour inspectorates, city officials etc); to look for visible signs (advertisements for casual labour, local newspapers); and to undertake interviews with young people and those active in the community (taxi drivers, market stall owners, youth leaders etc). All four methods were undertaken in each pilot, with 56 interviews being carried out in Aulnay and 28 in Bornheim. Although all the methods provided useful data and contributed to providing a picture of the different aspects of the informal economy in which different social groups were involved, the interviews provided the richest data and this particularly is what we suggest should be concentrated upon in future research.

### **Theoretical and policy issues arising from the seminars and pilot projects**

The pilot projects, papers and discussion brought up a substantial number of points relevant to both policy makers and to the theoretical development

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<sup>2</sup> See the papers in this volume.

of the subject. We set these out below<sup>3</sup>. Given that this was the first opportunity for some time to compare research across different activities and countries, we needed to grapple with the question of how to deal with the frameworks for viewing the informal economy which have arisen from different disciplinary and policy perspectives, and discern in what ways to pluck out the fascinating similarities between informal economic markets for different goods or services (for example, drugs and stolen goods).

### *Defining the informal economy: the economic and legal frameworks*

There are two different frameworks which have underpinned previous work on the informal economy: an economic framework which defines the informal sector as one which does not contribute to the fiscal revenue of the national economy, and a legal or criminological framework which creates a divide between legal work and illegal work (including work which involves manufacturing or distributing illegal goods or substances, or performing work which is in itself illegal)<sup>4</sup>. Sometimes there have been attempts to merge these two frameworks, as in distinguishing between the 'white' (legal, formal economic activity), 'grey' (legal, informal economic activity) and 'black' (illegal, informal economic activity) economies. However, the fiscal and economic factors which determine changes in the economic framework, and hence whether particular activities fall within the formal or informal economic sectors, do not necessarily march in step with the social and political factors which impact upon decisions to criminalise or decriminalise through the criminal or administrative law. Distinctions between formal/informal economic sectors and between legal/illegal sectors are a product of history, culture, time and place - and will necessarily vary between different parts of Europe. Moreover, illegal work such as fraud and some thefts is redistributive, in terms of the national economy,

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<sup>3</sup> References in this section to an author's name followed by (this volume) are to the paper in this volume and to the discussion generated by it during the seminars.

<sup>4</sup> Davies' work shows how problematic it has been to take an overview of work on the informal economy because of the competing definitions used by different disciplines: Davies, P. 'Women, crime and an informal economy: female offending and crime for gain'. Paper given at the British Criminology Conference, Belfast, 15-18 July 1997.

and so will not show up in national economic estimates of the informal economy<sup>5</sup>

The conclusion of the seminars was that it is necessary, in researching the informal economy, to work with both frameworks, rather than trying to combine them. Each creates different pressures on the individual considering entering or leaving the informal sector, because the control mechanisms (police, prosecution, compared to revenue investigations, fiscal penalties) are different. Moreover, the activities defining the informal fiscal economy are more heterogeneous than those within the informal illegal economy, because, as Paoli (this volume) indicates, the informal economic market is an artificial construct which only exists because of state effort to regulate taxation. Its segments relate directly to those of the formal economic market and there are likely to be parallels with each area of the formal market (though many of these have not yet been researched at all). The informal criminal market is composed of those activities which have been specifically proscribed by legislative initiative (drugs, smuggling, stolen goods, running brothels etc) and there may be no parallels with each part of the formal market. Hence the researcher needs to work with both an economic and a criminological framework to understand the opportunities and threats created by the informal economy.

We see recent developments in the labour market as being likely to increase the overall extent of the informal economic market. As salaried, life-long employment in one part of the formal economy becomes rarer (the death of the 'job for life') and as self-employment and casualisation increases, there will be increasing difficulty in distinguishing and controlling the informal sector. Indeed, our pilot studies indicated that young people may not be distinguishing between formal and informal employment, because both of these, for them, were likely to be very part-time, transitional 'jobs'. Equally, given the low-paid nature of much illegal work and service sector work (see below), much of it may be falling outside the taxation net in many European countries - and so outside the informal sector, if defined according to individuals' fiscal duties, though often not outside

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<sup>5</sup> Although it clearly involves distribution between different sectors of the formal economy. For example, the market for stolen goods is fuelled by theft (normally from retailers and other commercial premises), with the goods (now of reduced value) passing to the burglars/thieves and onwards to (normally) private individuals who buy them in pubs, bars etc., which benefit from this custom.



corporate (employers') fiscal duties. It will also add up to a considerable effect on the overall national economy.

Hence we need also to distinguish between work which falls in the informal economic sector because individuals engaged in it should be paying taxes, or not receiving benefit (benefit fraud), and work which falls within it because clients or employers should be paying dues (VAT or employers' taxation). As far as individuals are concerned, it was clear that, from the pilot studies, the kinds of people that were mostly involved were those who were deprived, young or socially excluded. The way in which we should be thinking about their economic opportunities was to compare the opportunities and threats offered by participating in the informal economy (legal or illegal) with their position if they did no work. Opportunities in the formal economy did not seem to be very available and, for migrants, state benefits may also be unavailable. Parts of the informal economy, for example the 'labour prostitution' in Bornheim (generally middle-aged men, who are often (illegal) migrants from Eastern Europe, who stand on the pavement of certain roads, waiting for cars to stop and offer them work), seem to be reserved for the modern 'outlaws' of European societies, who can acquire neither jobs in the formal economy nor benefits.

### *The involvement of the corporate sector and organised crime*

Both individuals and businesses are involved in the informal sector, though almost all the previous research has looked at individuals. At one extreme in the corporate sector, there is organised crime, whose operations are obviously illegal, though it operates both in the formal and informal fiscal economies (indeed, the essence of money laundering is its transformation into part of the formal economy).

At the other extreme, licit businesses may also cross the boundary between formal and informal economies for some of their work, particularly if the state fiscal regime is severe (the 'no bill' syndrome - Smettan this volume). The same networks and trade routes may be used for both licit and illicit goods (Tarrius' (this volume) work on smuggling of licit goods and drugs between France and Spain), with the licit route being established first. Business is often the source of goods which then form part of the informal economy (stolen goods, drugs money from shop theft and commercial burglary). The reaction of business to victimisation defines the alterna-

tive formal economy employment opportunities in the area, where small shops and industrial units can be forced out of high crime areas by burglary, threats and arson. The commercial regulation of methods of payment (credit, cheque and debit cards) can have social exclusion effects on both the formal and informal economies in deprived areas. The well-known effect is that residents of deprived areas may find it difficult to obtain cards, credit references etc, thus affecting their potential in the formal economy. Control initiatives such as putting photographs on credit cards, however, also differentially benefit the more organised end of the illegal economy, which will find it easier to find people with the right looks to duplicate the photograph and present a stolen card. In general, however, greater technological initiatives offer the possibility of mitigating the more generic social exclusion effects on areas, because it will be possible to target individuals, rather than discriminate against all residents in the area, or the house. Whether these will be seen as commercially viable, however, is likely to depend on whether customers, or governments, pursue the social benefits involved, rather than looking solely at the financial effects.

### *The importance of a European dimension to research on the informal economy*

The seminars concluded that it was vital to consider the informal economy at a European level. Previous work has not been able to look at the factors defining particular informal economy markets, because it has been constrained within national spectacles. Not only is there the necessity to compare the effects of different fiscal and social policies adopted by different countries and regions (see below), but many forms of the informal economy have, simultaneously, both local and international dimensions. Local markets in particular towns for stolen fashion clothes (Godefroy this volume), or decoders<sup>6</sup> or drugs (Tuteleers and Hebberecht this volume, Duprez this volume) or work in the informal sector are determined by both local and international factors, because both clients and suppliers are affected by trade routes, manufacturing and distribution requirements. If anything, increasing delocalisation of production through increasing sectoring of production (for example, in making fashion garments or shoes) and

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<sup>6</sup> Sutton, M. (1998) 'Netcrime', *British Journal of Criminology*, Summer 1998.

technological advances (for example, marijuana growing under artificial light) will increase these international effects, as Palidda (this volume) has shown in his analysis of the large informal economy sector in Northern Italy, based on small family units of production.

*The relationship of informal markets to national fiscal policy and its acceptability*

Preliminary indications from the pilot research projects suggest that national fiscal policies can have strong effects on the kinds of people who undertake particular kinds of informal economy or illegal work. In Germany, the prevalence of the 'no bill' system in the service sector (tradesmen and small companies doing work for cash without presenting the client with a bill, so avoiding tax) in relation to building, household work, tuition and care is seen by clients and small businesspeople as being justified because of the amount of tax that would be levied. In Aulnay, there was no similar practice, though it is highly likely that the car park motor mechanics would not be paying the right amount of tax to the authorities (given their lack of premises and use, on occasion, of stolen parts). However, clients were certainly not as involved as in Germany. We need to bear in mind, when considering the effects of fiscal policy, that, leaving aside for the moment organised crime, the pilot projects concur with the results of research on street distributors of drugs (Tuteleers and Hebberecht this volume, Duprez this volume) that, 'the wages of sin are below the legal minimum'. The participants are hence those who, for one reason or another, are not able to find greater rewards in the formal economy. The Aulnay research (Godefroy this volume) suggests that informal economic earnings are often supplemental to other sources for the overall family income, with many young people who are involved in the stolen goods market (doing 'business') still living at home with their parents.

The overall effect of tax evasion in the service sector is potentially to put up formal tax rates. In certain conditions, the informal economy can also have direct market effects on the formal economy - and the criminal economy. Palidda (this volume) suggests that the diminishing market for stolen goods in Northern Italy is because of the cheap supply of legitimate goods, which have been produced within the informal economy (non-tax paying) sector, i.e. that the informal economy can squeeze both the crimi-

nal and the legitimate markets if it becomes a significant part of the local regional economy.

The conditions for a significant growth in small-scale businesses (manufacturing or service sector) within the informal economy also seem to relate to the perceived acceptability of the national fiscal regime. In Italy, Ruggiero (this volume) considers that the relatively large distance between the state and the ways in which civil society operates, which has grown up over the last century for a variety of political reasons, has allowed the mushrooming of small firms which have been allowed to operate without significant fiscal controls. In parts of Germany, the relatively high fiscal levies are no longer popular, so that people feel they can justify participating in the 'no bill' culture.

### *The relationship of informal markets to national and city level social policies*

The particular forms of the informal economy which predominate in cities, or parts of cities, relate not only to fiscal policies but also to social policies. Some of these are national initiatives, but increasingly national social policy is to recognise the different social and crime prevention circumstances of regions and cities, and so we need to look at the city level (for example, in France, the UK, Belgium, the Netherlands). The pilot projects and the research reported in the seminars indicated a variety of effects on the informal economy (though much more work needs to be done in this area).

For example, in Aulnay the indications were that there was very little non-tax paying employment of young people (in markets, bars, factories, shops etc), because the subsidies given to employers of young people made it as cheap to employ them legitimately (Godefroy this volume). This didn't, however, stop the growth of the criminal sector (drugs, theft etc). In Amsterdam, Korf has found that the policy of opening 'coffee shops' where cannabis is sold openly has reduced significantly the openings for street sales. Young (early 20s) unemployed people who used to be involved in these street sales have lost these opportunities. Some opportunities exist in the coffee shops, but those with criminal records or who have heroin habits (and so greater financial needs) are not welcome there. The openings now

for those for whom no legitimate opportunities present themselves (especially migrants) may well be in prostitution.

### *Is participation in the informal economy a transitional stage?*

There is some evidence from the seminars that participation in the informal economy may be a transitional stage in people's lives. It may be that the informal economy is necessary for marginal groups, or to provide additional income where legitimate, casual work is very low paid. The pilot studies suggested that, for young people, being in the informal economy was seen as providing them with an identity, and skills, far superior to the dead-end life of being on benefits. By their mid-thirties, however, people in Aulnay were keen to move into 'regular' salaried jobs, even if these jobs were less well-paid, because they were more secure and offered more prospects, which tied up with their increasing family commitments. This needs confirmation, but it suggests that the informal economy is a young person's (or a migrant's) option, because the work is casual, bitty and constantly changing<sup>7</sup>. If so, then policies to wean the unemployed into work might be most profitably targeted at those in their late 20s and 30s, not just at young people.

### *The geographical dimension of the informal economy*

The informal economy, like the formal economy, ultimately involves trade and hence trade routes are important. They have both geographical and social dimensions. One major resource is labour - and it is clear that casual labour in the informal economy flourishes near entry points for migrants, especially illegal migrants, or larger cities with ethnic populations where they feel they can remain anonymous. In Aulnay, there was a flourishing

<sup>7</sup> The need to cope with constant change can be seen in the effects of fashion on the stolen goods market (Sutton this volume, Godefroy this volume), and in the disruptive effect on markets of control measures by the police or inspectorates (Ruggiero this volume). Levi indicates how fraudulent use of credit cards has to be done in a disciplined fashion, only using each card or method a few times, to escape detection. Korf has shown that homeless youths in Amsterdam relies on drug dealing, prostitution and theft and are unlikely to have the same sources of income all the time. However, the same bars and cafes are the sites for making all these contacts.

consumer goods and furnishings market (fuelled both legitimately and by theft/burglary) to supply the needs of new migrants who arrived and needed to set up house (Godefroy this volume). We have already referred to the 'labour prostitution' in Bornheim. Trade routes in the informal economy also involve the transport of goods. Here one problem is the checks provided by the need to cross national borders, so that markets may be constrained within national boundaries, with greater sophistication and specialisation required of those who take on the role of crossing borders (see Tuteleers and Hebberecht this volume and Tarrus this volume in relation to drug smuggling).

The major difficulty for the informal economy is to create the means for bringing together provider and purchaser, or the different stages of manufacture, or manufacturer and retailer. In the formal economy, this is accomplished by advertising and marketing, as well as by direct interaction through social networks. The informal economy cannot advertise in the same way, or it will attract the attention of control agents. Hence clients need to know where to go to obtain goods or services - and often transport stations provide both ease of access and the possibility for suppliers to disappear quickly if the police appear. The area immediately around subway stations was one obvious market for heroin dealing in Bornheim, for example (Smettan this volume)

### *The role of social networks in the informal economy*

The inability to advertise publicly means that the informal economy relies on word of mouth and trusted people, as well as particular sites. It is, therefore, almost certainly more dependent on social networks than the formal economy. The role of social networks dominated the work presented at the seminars.

Some networks, particularly client-supplier networks, are very local. The car repairing businesses in the car parks of tower blocks in Aulnay acquire their clients from the immediate area (Godefroy this volume). Drugs and stolen goods are largely sold within the quarters of Lille and the pattern is similar in Belgium (Duprez this volume, Tuteleers and Hebberecht this volume). The reasons for this local specificity are both the difficulty of informing potential clients about the goods or services, and cli-

ents' needs to assure themselves of the quality of the goods or services. It is difficult to complain if the job is done badly.

Other networks span the trade routes and may be cross-national. Here family, friendship or ethnic ties are crucial in providing the ability to trust people and the security for the business. Tarrus (this volume) has documented the ethnic and family ties involved in transporting and smuggling goods in the Mediterranean region. The home-based seamstress businesses in the informal economy in Aulnay exported their goods back to North Africa (Godefroy this volume). Palidda (this volume) shows that immigrants have only been able to penetrate the market for contraband cigarettes in the north of Italy, because indigenous Italians have cornered the market in the south, both through force (organised crime) and through the sheer scale of their economic activity in the region.

We suspect that the relative influence of geographical and social network factors in determining informal economy markets will depend upon the need to attract clients or participants in the next step in the chain who are strangers. Where strangers need to be involved (drugs, for example), then geographical features will predominate. Here, however, there is some evidence that a new element, mediators, appears. Mediators are used to attract the strangers (for example in drug tourism - Tuteleers and Hebberecht this volume), so decreasing the risk to the distributors.

A key element is the enforcement of contracts

Participants in the informal economy cannot resort to law if they are dissatisfied with the product or the deal (though they can, and do, sometimes resort to informing the control agencies). Enforcement of trade conditions and the quality of goods is hence a major problem in the informal economy. Essentially, those losing out need either to decide to bear their potential loss, or to resort to their own enforcement techniques, often involving violence. The ultimate expression of this is found with organised crime, where violence is used both to enforce and, more dangerously for the formal economy, to attempt to drive out legitimately trading competitors (Reuter, Paoli this volume).

### **Future research areas**

Of course, many of the points listed above need further elucidation and analysis through studies in different cities. There are three further un-

touched areas, however, where the seminars indicated an urgent need for research.

### *1. Differentiating markets within the informal economy*

The work on stolen goods (Sutton this volume) and drugs (Tuteleers and Hebberecht this volume) indicates an 'enterprise mix' of participants, with individuals, joint ventures, family enterprises, social networks and more organised groups. We need to start to differentiate the different aspects of markets in the informal economy, looking systematically at the *people* involved and their social status, the *nature of the markets* (economic size, locality, dominance), the *opportunities and threats* posed by the different activities present in cities (particularly at whether they have the potential to become a stable, uncontrollable presence), the *places* in which transactions occur, the *clients* involved, the *resources and skills* needed, the *communication patterns and networks* needed, the ways in which *coincidence* between clients and suppliers are created, and the effect of different kinds of *regulation*. In doing this, we should be examining the distinctions used between different sectors of the formal economy (manufacturing, distribution, service sector etc) to see whether they are helpful in relation to the informal economy.

### *2. The links with regulation and its effects*

The state's role and that of fiscal and social policy can be seen as defining the boundaries and profit parameters of the informal markets. Regulation and the activities of control agents, such as the police and inspectorates, was not a major focus of these seminars, largely because, until the nature of the markets is specified, it is difficult to judge the effectiveness of regulation. However, it was clear from the pilot studies that the current multiplicity of control agents, each dealing with only a small segment of the informal economy, does not allow regulators, governments and researchers to obtain any overall view of the extent and effects of the informal economy. The national statistics produced provide very partial estimates of specific activities on which that agency has concentrated. Equally, because agencies' priorities understandably focus on what they can do by them-



selves, they may not be targeting their efforts most effectively. The proposed research will look at agencies' current concerns and information at the city level. With information about the nature of markets there, it will then be possible to see how regulation and markets match up.

### *3. The link with business methods and business ethics*

Academically, economists have assumed a separation of political and economic functions, but work on the informal economy shows the importance of developing new methods which encompass both. In any part of a city, licit businesses and the informal economy are intertwined. Where the informal sector is relatively small and powerless, licit business is likely only to feature as a source of goods for the informal economy and as a place to do business. However, as business ethics and methods start resembling and becoming those of the informal economy ('no bills', poor conditions of employment, enforcement by violence, protection rackets, attempts to force out the uncooperative, attempts to create cartels), so the formal and informal economies will merge, and the informal economy will become no longer a transitional state for those unable to find work in the formal economy, but the normal form of employment. We think it is important to consider the ways in which business is done in each area and sector, and to start to document the ways in which ethics may change, or be controlled.



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## Careers in Drug Trafficking

DOMINIQUE DUPREZ

### Introduction

This paper is based on information collected within the framework of research on the activities related to drug trafficking in the North of France, in Seine St-Denis and in Les Hauts de Seine (both of which are Parisian suburbs). It aims to account for the relationship between the spatial and economical aspects of these activities in areas of social deprivation and for the views of the Police and Justice Departments<sup>1</sup>. First, we will briefly present this study and its geographical area, before dealing with three specific issues :

- the importance of drug trafficking in the North of France;
- the sociological profiles of drug users and dealers;
- the informal economy and drug trafficking.

### 1. Overview of the research

From a methodological point of view, we decided to start with a study of the legal process and, more precisely, the qualitative analysis of legal cases. The choice was intended to break with the current approaches to drug addiction used by the authorities in charge of treating drug addicts in France. We know the dominant place of the medicalizing approach, reinforced by the power of the physicians, especially in the political and expertise realms.

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<sup>1</sup> For a full account of the research, see Duprez et al. (1995).

In that respect, the model embodied by psychoanalysis is only a variation of that put forward by the 1970 Act in its health dimension with the aim of eradicating drug addiction. However, the medical and health sectors have to deal with a very particular population composed of the most addicted users. On the contrary, using the legal process allows us to reach a population with a sociologically more diversified profile. Moreover, it leads us towards finding new dimensions to drug trafficking and locates the research among the actors directly concerned with the drug issue. Although it allows us to deal with the social realities of drug trafficking, there are obviously biases to take into account, such as an institutional construction which undervalues the social dimension and favours a "punishment" logic, the limits of police investigations with respect to their capacity to reach back to the heads of the networks, and the effective disappearance of pure consumers. However, the diverse documents and expertises constitute very rich material (interviews, life stories, observations, etc.), which deserves to be qualitatively and thoroughly analysed. Nevertheless, the crucial element of our analysis is based on approximately 60 biographical accounts by persons implicated to different degrees in the trafficking of drugs.

Such an approach requires us to take into account the effect of context on the development of the actions and interactions of the various actors involved. It was our working hypothesis that the social aspects of drug phenomena result from the local configurations in which they are situated. The survey carried out in the South part of the Lille agglomeration was particularly significant in that respect<sup>2</sup>.

The main characteristic of the urban area of the Lille-Roubaix-Tourcoing agglomeration (600 000 inhabitants) is that it is scattered. As it has been particularly hit by the deindustrialization process, some of its sites are considered as "sensitive" by public policy. To this broken up urbanism is related a population far from being homogenous, with concentrations of poverty (the areas of social deprivation) side by side with rich neighbourhoods. This is also the case with criminality, with the amount occurring in this area accounting for one third of the offences registered at the regional level.

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<sup>2</sup> The area in which the study was effectively carried out includes the Lille-Sud neighbourhood to which are related, on the one hand, other neighbourhoods of Lille containing clear pockets of poverty, and on the other hand, small districts in the southern part of the agglomeration (Faches-Thumesnil, Ronchin, Loos, etc.). Taking such an ecological scale into account allows us to grasp the modes of delocation/relocation of trafficking and the increasing number of drug users in these areas.

From the actors' point of view, there are highly differentiated traditions, ways of working and networks within the area.

Within this area, the south part of the agglomeration, and more precisely the Lille-Sud neighbourhood, has a specific place. It combines all the features of "sensitive neighbourhoods" (overpopulation of youths, many destitute families, concentration of immigrated households, one-parent families, etc.). The comparison between these levels of the indicators and the levels in other sites at regional and national levels, indicates that Lille-Sud presents a critical situation particularly representative of urban marginalization processes.

Since 1993, this 23 000-inhabitant neighbourhood has got itself talked about on diverse occasions, for example, in relation to "dealer hunting" as it was called by the media, and then when a 25-year-old previous drug addict was killed. Although there is less in the media about what happens in the neighbouring districts, the "in brief" columns attest how drug addiction and trafficking are common in these areas. As recently as 1992, a study called *Banlieuscopies* pointed out the existence of an underground economy of drug (Saifi and Sahali 1992). This phenomenon is shown by the ways in which people express what they feel about the atmosphere in the neighbourhoods. In a 1994 poll taken by INSEE, the open-ended question "In your opinion, what is today the main danger for society?" was asked of 1 200 households in Lille-Sud. The main answer was drugs (43%), which was far ahead of unemployment (26%) and insecurity (9%); the percentage was even higher in the sub-neighbourhood of the new part of Lille-Sud (49%). These data can be compared with those obtained in other neighbourhoods which share similar characteristics, such as Lens, Liévin, or even agglomerations such as Marseilles or Toulouse. Indeed, despite differences in scale, drugs are mentioned after unemployment, and far ahead of insecurity and immigration (Duprez et al. 1996).

## **2. The importance of drug trafficking in the North of France**

The data on police arrests for drug use or trafficking allow us to explain this great sensibility of the population in the North of France to the problems related to drugs. At the regional scale, the number of arrests increased from 5583 in 1994 to 7155 in 1995 (among which were 5606 for drug use, 953 for use and dealing, 368 for local trafficking and 228 for international

trafficking). In Paris, this increase has been less important (from 4976 to 5246 arrests (among which 3389 were for drug use, 1131 for use and dealing, 615 for local trafficking and 111 for international trafficking); and other districts of the region of Paris such as the Hauts-de-Seine, and of the Rhône region such as the Bouches du Rhône come far behind (respectively 2476, 2433 and 2824 arrests in all categories taken together) (OCRTIS 1994; 1995).

Undoubtedly, the proximity of the Netherlands provides a very attractive market to this sector and makes the North a passageway. This explains why this district is the highest in France in terms of arrests (16,9%). If we take the seizures on the borders into account, two phenomena must be differentiated. On the one hand, there are huge quantities passing in transit to other regions and most often to other countries (Spain, Portugal). In terms of products, this is heroin two times out of three; next comes the new phenomenon of ecstasy. On the other hand, there are "multiple dealing networks" with the agglomeration of Lille working as the hub for these.

Let us consider the local market for heroin, which provides the most interest in terms of the informal economy. As Rotterdam is only two hours from Lille by car, it is quite possible to make the journey several times a week. This is so-called small-time dealer's trafficking. The way to proceed is relatively well documented. Once the necessary money has been found, "going up" implies first obtaining a car either through renting or through appealing to mere acquaintances; next going with several other persons to a recommended place which has become known (most often a flat), without appealing to the "beater" working on the highway; in order to buy and consume "on the spot" before going back during the night with small quantities (about ten grams). The interviews carried out with drug addicts describe the innumerable journeys, the collusion with a regular dealer, and the connection with the Moroccan community of Rotterdam presented as cornering the market in heroin and preferred to other ethnic groups (African, Sri-Lankan, Chinese, etc.). This "know-how-to-go-about" implies other modalities, especially in the case of more structured networks involving "smugglers", "tasters", "local addicts" and knowing all about the borders. However, it must be noticed that such practices, their forms and the populations involved have nothing to do with "narco-tourism". The differences in cost and quality of the products brought back allow there to be profits<sup>3</sup>. It-

<sup>3</sup> Brown heroin of superior quality, i.e. about 50 or 60% pure according to our informers, is sold FF150 a gram in Rotterdam. In Lille-Sud up to 1/10th gram is sold for

seems fairly easy to find people ready to buy, sometimes a few but daily customers, and easy to get one's money back and to finance one's own consumption completely. However, in addition to the consumers/dealers, there are two other categories: the consumers/non-dealers and the non-consumers/dealers. The former steal their resources and "wheel and deal"; the latter are closer to the category of "illegal workers" or even might be seen as "exploited proletarians".

Nevertheless, the geographical argument is far from being sufficient to explain why the Lille-Sud sector is a "nerve centre" of heroin trafficking where consumers come from the whole region and even from far away to be supplied. Thus, other factors must be put forward, relating to the changes which have taken place in the organisation of local trafficking since the early 90's.

### 3. Sociological profiles and careers

The consumption of heroin in French neighbourhoods may be considered as an endemic phenomenon, related to living conditions. This drug is a way to forget how realities of life can be tough in a stigmatised neighbourhood, poorly reputed and hit by unemployment (Duprez et al. 1996). In no case is using heroin referred to here as related to some specific cultural practices as is the case, for example, with the link between ecstasy and music. Trafficking is a way to make easy money, and in this way the same as any other form of delinquency. Drug traffickers had previously been robbers and burglars. Not all of them, however, were drug addicts in the neighbourhoods under study, where so-called small-time trafficking is dominant because the supply sources are very close (mainly Rotterdam for the North of France), and where most of the networks are composed of users-dealers.

Thus, this study has allowed us to have a clearer image of the profile and way of life of these users, their social (migratory, educational, professional) trajectories, their relationships to their neighbourhood and family and has

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FF100 in a dose more or less over cut. On this basis, it can be calculated that 10 grams bought for FF1.500 in The Netherlands should theoretically yield FF 10.000. However, in the case of users-resalers who are likely to consume at least half of what they bring back, it seems more accurate to think that they double or triple their outlay at best.

finally led us to qualify the stereotyped meanings which define them socially.

However, the research has also raised the following question: have activities related to the use of drugs to be construed as more or less social behaviour reliant on the environment previously described, or do they define a moment in a trajectory which must be considered in its entirety? In other words, the question is to know whether the use of drugs refers to a behavioural category or, on the contrary, to a temporal category. In the former case, the theoretical perspectives are posed in terms of social pathology with reference to the picture of the drug addict; and the issue will be to point out the characteristics of the social degradation associated with drug addiction, and whether it is due to the correlated effects of moralisation and being regarded in psychological terms. In the latter case, we would be pursuing a temporal analysis in terms of common trajectories in a given context, which *a posteriori* crystallise collective features; and the issue will be to underline the different phases (ways in, stabilisation, ways out) which punctuate "deviant careers" (Becker 1963), as "sequential models" resulting from the changes from one position to another according to events or circumstances defining every phase. The information collected leads us to favour this latter approach, but without neglecting the territorial dimensions which highly affect these careers.

This approach to careers can start from analysing the profiles of people arrested by the different police departments (OCRTIS 1994). Indeed, there are clear variations in drug use according to age. The number of drug users and dealers under 15 is insignificant, but it increases rapidly between 16 and 25, and decreases after 26, and especially after 31. More precisely, if one user out of five is between 16 and 20 years old, and one out of two between 21 and 25, there only remain one out of five between 26 and 30 and less than one out of ten after the age of 30. As for the other categories, the same discrepancy can be noticed between the 16 to 20 age range and the 21 to 25 age range: they go from 10.9% to 44.5% respectively of the users/dealers, and from 15.6% to 39.7% of the dealers, with this latter rate being 26.9% for the 26 to 30 age range and 17% for the 30 and over age range. As for the category of "traffickers", the discrepancy is even more important (from 7.2% to 49.3%).

These data are likely to qualify the alarming rumours about the juvenilization of drug use. However, when we consider the practices by age categories, we can see that 77.7% of those aged 16-20 are merely users, as



against 69.4% of those aged 21-25 and 64.9% of those aged 26-30. Here again, the age of 30 seems to be a turning point since 47.9% of those over 31 are users. As for dealing, it is observed that the rate of user-dealers for the 21 to 25 age range and the 26 to 30 age range fluctuates between 12 and 16%, while the rate of dealers constantly increases with age (from 11.3% for those aged 21 to 25 years old to 20.1% for those over 31).

The study of the case records is a second source of information. Some of these records clearly show identities in terms of career. Groups of young people undergo the same pattern of socialisation (school, social facilities, etc.). They first smoke cannabis together when they are about 17 or 18-years-old; very soon they start dealing in order to finance their own consumption before moving to heroin a few years later. Boys are more sensitive to group mimetism (challenge, lure of gain, burglary, etc.), while the entrance of girls in the drug process is more related to biographical breaks (separation, birth of the first child, etc.). Moreover, correspondences can be noticed between on the one hand periods of employment and unemployment and, on the other hand phases of abstinence, moderate consumption and excessive consumption. However, the peculiarities of individual biographies must not be hidden by these career identities. Indeed, the institutional construction of the "reality" at work in the different procedures (police reports, appearances, medico-psychological examination, etc.) tends to erase on the one hand the social and territorial specificities of the environment and, on the other hand, the successive phases which finally compose these trajectories.

In that respect, many lessons can be drawn from interviews with drug addicts in prison or those recently discharged. For example, moving from cannabis to heroin is far from an instantaneous process. As for heroin use, passing from inhalation to injection is the real critical point from a moral and health point of view. Concerning modes of supply, opportunities also evolve according to the mobilisation of various resources (burglary, concealing of stolen goods, street dealing, housing "contract" with illegal aliens) or to the role in the traffic (baler, smuggler, taster). Nevertheless, the whole significance of these internal phenomena can only be understood when articulated with phenomena external to drug use: the forms of drug addicts' careers vary with family and professional contexts, housing and social life.

The case records also allow us to a certain extent to define more precisely the profile of the persons involved. The population is composed of

93 persons, mostly men (four out of five), and mostly between 18 and 25 years old (two out of three). None of the individuals involved was under 18. The nationality distribution indicates an almost equal proportion of French (46.3%) and Algerians (41.9%, half of them in an irregular situation), while the Moroccans (8.6%) and the other nationalities (3.6%) were much less numerous. This is a lowly qualified population (primary education, 44.1% ; technical school certificate/vocational training certificate (BEP/CAP), 9% ; and technical school certificate/GCSE, 2%). They would be seen as destitute if we were to take the description in the records, given the proportions declared as "without occupation" (89.2%) and "without resources" (80.7%). As far as the legal past is concerned, more than six persons out of ten were "first offenders"; among those with two or more previous offences, one out of four was already charged with something other than drug offences, and less than one out of ten with this specific charge (7.5%).

Therefore, this population under study is highly marginalized. But is it necessarily "representative" of drug users? We cannot be sure because, as in the case of populations from treatment institutions, it can be seen that the legal system has to deal with a specific population, due to its pronounced involvement in deviant careers significantly related to three elements: heroin, burglary and prison. This specificity is also attested by the distribution of drug use and dealing by product. Out of 83 cases, the users, users/dealers and dealers of hashish formed respectively 4.8%, 6% and 1.2%, while in the case of heroin, they were respectively 19.3%, 14.5% and 37.5%. Thus, from our sample, it appears that the dealers/non consumers of heroin were by far the most numerous.

A further issue is to know what the common way of life is for this population. In that respect, we learned from the interviews carried out that as a way of life, it is a very unstable existence, with interviewees using expressions of such as roaming, uncertainty and programmed fall. Some interviews show clearly the alternative good and black periods:

"When you have money, it's super ... When after you're flat broke, you realise what you had let yourself in for!"

and what could be called "strategies of expenses":

"The RMI (minimum income of integration), you get it, you invest, you go up (to the Netherlands), you have a high, afterward, you have a hassle for the whole month, but well ..." (François, 22, French).

This is also the image socially built up by the actors and the media. And yet, this social experience has its own rules and codes. It supposes specific learning, organisation and know-how, which are masked by the sordid social discourse on drug addiction. In this way, access to information (the "good plan", the time and place for supply, etc.) constitutes a central challenge for the functioning of the networks of supply and sociability. It is possible to speak of a professionalization of competencies of users who put demanders and suppliers in touch. Similarly, the sometimes thorough description of illegal aliens' activities shows part of this "other world" which seems to be out of the actors' sight.

#### 4. Informal economy and drug trafficking

Illegal drugs are neither specific to the most disadvantaged population nor confined in neighbourhood territories. However, in our survey, we have noticed that the police have gradually settled a logic of public order which leads them to drive dealers out of the city centres and commercial spaces, hile they feel secure in the poorer areas. The heroin trade in the city centres and in the intermediate places constitutes a sub-market where the products often are more expensive, of a worse quality and where risks are higher. They are often places allotted to illegal aliens. On the contrary, the markets in cities are relatively open; when the police pressure becomes too high in Lille-Sud, the dealers of this neighbourhood are welcome in Boulevard de Belfort, and *vice versa*. Illegal migrants are never welcome, although they come from the same country.

The question of drugs cannot be disassociated from the trajectories taken by those who use them and those who make a living from them. The fact that these drugs are prohibited means they are implicated in an illegal economy where various forms of trafficking, delinquency and "dirty" dealing coexist.

Whilst I may not be a staunch advocate of typological analyses, which tend to underestimate biographical events and their influence upon the trajectories taken by individuals, I will nevertheless present below several archetypal cases which came forth from our interviews.

A classic trajectory is the one in which the user becomes trafficker. Thus, two brothers, Bernard and Frederic spent their youth in a part of Lille near a deprived area. Both parents have jobs, their father notably works in a drug rehabilitation clinic. Both have B-tech equivalent professional qualifi-

cations; one in office work, the other as a cook. They discovered hashish at school and heroin during their military service. By becoming drug traffickers they gained access to the life of their dreams, a lifestyle which seemed incredible to these youths from the tough neighbourhood estates. For several years the drug-related business enabled them to enjoy a great life, revolving around night clubs, restaurants and beautiful girls.

Others do not have the stature of a drug dealer, and so are forced to look elsewhere for a living. One such example is Pierre, who is socially and professionally integrated (thanks to his qualification as a tiler which leads to well-paid work). Nevertheless, after his military service he strayed onto the heroin conveyor belt. He explains how he is unable to steal when not in the grip of heroin. In particular he shoplifts, for example luxury suits which he passes on to his clandestine heroin suppliers or to people from his neighbourhood.

Kader's story is entirely different. He is a professional trafficker, and one of the four original dealers to introduce heroin into Lille-Sud in the early 1980s. Aged twenty-four at the time of the interview, he was born in the Biscottes, an archetypal rundown neighbourhood with a terrible reputation. For this reason, in addition to his Algerian origins and lack of qualifications, he seemed predestined to find his place in the informal economy. He chose to buy heroin directly in Rotterdam from a defined, Moroccan, supplier and to sell on to a limited circle of dependable local clients. For several years, he lived in the lap of luxury, frequented the best restaurants, went to the Avoriaz and Cannes festivals, had skiing holidays, bought new cars and paid for the best lawyers to defend him in court cases. But afterwards, this began to turn sour, as he became a heroin user himself. Although he managed to keep on top of his illicit business interests, he lost a taste for all things, including even music.

One of the questions we could ask at this point is to what extent the family and local entourage of the dealer are affected by trafficking? All the indicators would suggest that families of cannabis dealers obtain considerable benefits - as shown by research in Hem of a neighbourhood specialised in the sale of hashish (Duprez 1994), benefits such as the weekly supermarket shopping, a pair of Nike trainers for the little brother, a new car for big sister. However the same cannot be said for the families of heroin dealers, in particular as in the majority of cases the dealers are users too. Addicts often begin by stealing the bank card of a family member. Families who have a heroin trafficker within them often suffer difficult material consequences.

Nevertheless, in those periods when the trafficker is leading the "good life", which is one phase of a dealer's career, families can reap indirect rewards. Thus, Bernard, one of the aforementioned cases, spoke of the marginal help offered to his parents:

"I used to go and see my parents because they didn't have a car, I would do the shopping for them, try and help. I had a laugh every day, we went to the beach, to Belgium for nights out. We had money, it was great, loads of friends and contacts. Life's fun".

The drug-based economy revolves largely around the receiving, possessing and passing on of stolen goods. Stolen objects circulate around neighbourhood, and residents explain in interviews that knocks on the door are followed by the propositions concerning such and such a hi-fi, or such and such a television (Duprez et al. 1996). These reports are corroborated in the interviews with individuals involved in trafficking. Michel, for example, explained he used to sell door-to-door, with the stolen goods receiver waiting in the stairway harbouring the object. When agreement was reached with a purchaser, Michel would knock up the price in order to increase his commission from the supplier. Each position in the informal economy implies specific qualities, therefore specialisation. The drug-based economic set-up is not limited to deprived social housing estates: it has links with local businesses.

In conclusion, our research into the spheres of drugs and the informal economy leads to the assertion that the economic system based around drugs is not simply an economic system involving the poor and miserable. The symbolic dimension of activities linked to drugs and the adjacent informal economy must not be underestimated. Certainly, it is an economic system of survival, but also of resistance: resistance to the growing ethnicisation of menial tasks according to the American model, resistance to forms (such as music) of cultural domination which produces a search for alternatives, and resistance to those in power or with money (police, politicians).

The symbolic dimensions of the informal economy also reside in an intertwining social complicity, in the interactions existing within an underground world which has its own forms of solidarity, where everyone knows everyone, where learning curves are steep and there is a deep attachment to the neighbourhood. In these areas, the informal economy is merely the prolongation of help-thy-neighbour solidarity which marks the working-classes in times of social crisis.

One of the questions we asked ourselves was in relation to North African immigrants, who, whilst not solely concerned, it must be admitted play an important role in drug trafficking in the North of France. The question was if Reldinger (1975) has shown that the Mexican immigrant population of the USA is involved in these illegal activities as merely a stepping stone in an upwardly-mobile social trajectory, must North African migrants find themselves confined for long periods to such an evolution within the informal economy?

Bearing in mind my recent fieldwork research and also the work conducted by Ph. Bataille into discriminatory practices in the domain of employment access for immigrants, and the difficulty in profiting from qualifications obtained, this would lead one to fear that the least-qualified elements on the immigrant population are likely for relatively long periods to constitute an integral part of what M. Joubert has called the "illicit milieu".

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## Drogues, Communautés d'Étrangers, Chômage des Jeunes et Renouveau des Civilités dans une Ville moyenne française<sup>1</sup>

ALAIN TARRIUS

### Introduction

Une longue recherche, sur les initiatives de migrants à partir de Marseille et de sa région<sup>2</sup>, a permis à l'auteur de mettre en évidence l'éthique sociale inhérente aux échanges supportés par les économies souterraines de produits d'usage licite (voitures, pièces de rechange, matériels électroniques divers, habillement, nourriture, etc.) dans leur mouvement de mondialisation. Pour le dire rapidement : ces économies, longtemps limitées à un tête à tête franco-algérien, à l'organisation d'un mode substitutif d'approvisionnement de l'Algérie en diverses fournitures peu diffusées par les régimes en place, se sont brusquement déployées dans les années 1987 - 1991 dans l'ensemble du Bassin Méditerranéen, dans les nations de l'Europe de l'Est, vers l'Afrique subsaharienne, et se sont connectées aux réseaux américains, à partir de Miami. L'éthique qui permet de donner sa parole, puisqu'aucun échange n'est garanti par un contrat écrit, s'est singulièrement complexifiée, car il s'agissait dès lors de « passer contrat » entre Algériens, Marocains, Tunisiens, Libanais, Turcs, Italiens, Polonais, Sénégalais : nécessairement civilisatrice, puisqu'elle implique des échanges avec de nou-

<sup>1</sup> D'après l'ouvrage : *Fin de siècle incertaine à Perpignan*, édité octobre 1997 : Ed. du Trabucaïre. Perpignan. Ed. en français et en catalan.

<sup>2</sup> Menée de 1984 à 1996. Voir : A. Tarrius et L. Missaoui : *Arabes de France dans l'économie souterraine mondiale*. Editions de l'Aube. 1995.

veaux « Autres », d'incessants dépassements des différences pour faire parole, morale intermédiaire et unique, cette forme d'échange a produit des réseaux particulièrement contrôlés, très « visibles et lisibles » dès lors que l'on participe aux mobilisations, aux circulations qui déploient de façon souterraine d'immenses richesses.

En 1993 Alain Tarrius fit l'hypothèse que ces échanges de produits d'usage licite étaient de nature (formes des réseaux, modalités du contrôle social, types de transaction) si différente de ceux de produits d'usage illicite (psychotropes plus particulièrement) que l'on se trouvait devant deux formes économiques et sociales antagoniques, contrairement aux amalgames du sens commun et des exploitations idéologiques médiatiquement entretenues à l'encontre des étrangers permis par la subterranéité des deux formes. Tarrius entreprit alors une recherche sur un « segment » des espaces de circulations qu'il avait identifiés lors de ses premières investigations ; il le choisit en fonction d'informations émanant de divers services d'Etat français et espagnols qui désignaient la zone frontalière entre Barcelone et Perpignan comme axe de circulation des psychotropes, mais aussi en fonction des informations locales donnant Perpignan comme « laboratoire social » remarquable : les toxicomanies d'héroïne chez les Gitans Catalans, qui résident en sédentaires de part et d'autre de cette frontière, étaient signalées à hauteur de 25% environ des hommes de 25 à 45 ans, et des formations communautaires de Marocains étaient désignées comme très actives dans les économies souterraines de biens de consommation licite mais aussi de cannabis. Enfin, Perpignan, ville moyenne, est un exemple de ces situations de basculement hors des voies de notre entendement démocratique, hors des desseins de nos stabilités républicaines : les indicateurs sociaux et économiques, tous excessivement alarmants signalent une ville en rupture des destins collectifs urbains français. Les jeunes en déshérence, de plus en plus nombreux (42% des 16- 25 ans sans emplois ni perspectives professionnelles), l'afflux de la pauvreté des autres villes ou régions, provoquent là l'apparition d'un milieu nouveau fédérant et densifiant différentes populations désignées comme « à la marge », créant un vaste espace, en expansion, d'une centralité de la pauvreté.

Sa démarche avait donc pour but la connaissance des populations en marge, Gitans, Marocains, jeunes sans emploi, et des échanges dont ils vivent, de produits licites chez les uns, de drogue chez les autres, mais procurant à tous des revenus, créant des interactions et suscitant des interdépendances. Pour conduire cette enquête de trois années, Tarrius effectua des



dénombrements, des observations quantifiées, mais aussi des *immersions* parmi ces populations à Perpignan et à Barcelone, et des accompagnements entre Marseille et Marrakech.

## **Marocains, de Marseille à Marrakech - Economie souterraine et naissance d'une communauté**

### *Le dispositif commercial et ses réseaux*

Dans les réseaux de l'économie souterraine des produits d'usage licite, les échanges, qui se nourrissent des écarts de richesse entre nations, court-circuitent les normes, les règlements, les contrôles et toute la rationalité de nos hiérarchies internationales de la richesse. Fondés sur le respect de la parole, ils se déroulent sans formalités administratives et sans écrits. Ils relient des villes de plus en plus éloignées, sans que s'atténuent les liens sociaux et les modes de reconnaissance de ceux qui les entreprennent.

Parmi les populations maghrébines concernées, il faut distinguer d'abord les plus pauvres «qui donnent couleur au quartier mais qui s'impliquent rarement dans les activités des commerçants». Ils vivent de travail saisonnier et au noir, mais ne sont acteurs ni dans le réseau maghrébin, ni dans la société officielle.. On repère ensuite un petit nombre de familles commerçantes (les épiciers arabes) en voie d'intégration dans la classe moyenne française, puis les entrepreneurs commerciaux. qui, eux, gèrent les flux d'hommes et de marchandises: à Perpignan, étape entre Marseille et le Maghreb, ils sont une vingtaine qui animent une population de milliers de «fourmis» qui, au volant de leurs chargements de camionnettes, assurent les transports vers l'Algérie ou le Maroc. A Marseille il y a enfin les clients qui font escale, immigrés vivant en Europe ou habitants du Maghreb, autres « fourmis » qui achètent et emportent les marchandises dans leurs bagages : de 400.000 à 700.000 chaque année de passage dans le centre historique, le quartier Belsunce, transitent entre le Maghreb et l'Europe, créant un chiffre d'affaire de l'ordre de 5 milliards de francs français.

Pour caractériser les modes de vie de ces populations, on peut distinguer diaspora, nomadisme et errance. Le diasporique, tout en restant fidèle aux liens créés dans ses antécédents migratoires, se place en posture d'intégration dans la société qui l'accueille. Le nomade se caractérise par la fidélité à son lieu d'origine, l'absence de complémentarité professionnelle par rapport aux populations autochtones et la mise à distance des perspectives d'inté-

gration. Son génie réside dans le savoir circuler et le savoir faire circuler en ignorant ou en contournant tout ce qui fait frontière. Quant à l'errance, elle est coupure avec la société d'origine et distance avec la société d'accueil : elle peut être temps de préparation et d'apprentissage du savoir circuler. Les modes de vie correspondant à ces trois situations sont à forte distance des économies et des normes officielles. Ils s'inscrivent dans des logiques et des stratégies de sédentarisation différentes de celles des aménageurs, des élus et de tous les décideurs officiels, pour lesquels ils sont illisibles. En particulier, aux centralités historiques, économiques et politiques locales se superposent des centralités de réseau définies dans les vastes *territoires circulatoires* des échanges évoqués.

### *Une centralité Marocaine à Perpignan*

A Perpignan, la communauté Marocaine se regroupe en partie dans un quartier central dégradé (Saint Jacques) où sont implantées 7 boutiques organisatrices de l'étape perpignanaise des réseaux de l'économie souterraine des produits d'usage licite. Le chiffre d'affaires (environ 6, 5 millions de francs français) de chaque boutique, située dans le quartier de plus grande pauvreté de Perpignan, ne lèse de commerçant local, car les clientèles des uns ne fréquentent pas les établissements des autres.

Une autre concentration Marocaine est située dans un quartier HLM de la périphérie, avec l'apparition d'un mode de vie communautaire redevable de la situation migratoire, et source d'une éthique de la « visibilité sociale » favorable à l'intégration dans les territoires circulatoires des échanges de produits d'usage licite. C'est là que se recrutent les passeurs et les « fourmis ».

A l'occasion d'une série d'allers et retours entre Perpignan et le Maroc où Tarrius accompagna des passeurs lui permit d'observer qu'à Perpignan le contrôle visant à tenir les échanges à l'écart du trafic de drogue est moins efficace que celui instauré dans le lieu de centralité commerciale de Marseille. Malgré les interdictions « de toucher à la drogue et aux armes », les passeurs ramènent un peu de cannabis qu'ils revendent à Barcelone. Les jeunes en particulier, qui accompagnent leurs aînés, considèrent qu'il s'agit de leur « argent de poche » : « *Tu comprends notre petit paquet d'herbe, c'est un passeport pour la liberté et la tranquillité, pour se faire à Barcelone, en remontant, puis à Perpignan, quand on arrive, plein de copains en donnant quelques grammes par-ci et par-là, pour trouver un boulot, des*

*cafés cools où on fume entre nous, comme des jeunes* ». Ces transits leur confèrent une grande influence sur les jeunes perpignanais, surtout parmi les jeunes chômeurs de plus en plus nombreux dans les rues du centre-ville.

## **Gitans, de Perpignan à Barcelone - Le difficile cheminement vers de nouvelles formes communautaires**

Les Gitans Catalans sont depuis le XV<sup>ème</sup> siècle, « *les étrangers de l'intérieur* ». Manipulés par les politiciens locaux, depuis la perte de leurs métiers traditionnels et donc de leur autonomie économique dans les années 1950 - 1960, ils forment une main d'oeuvre prête à tout pour leurs besoins électoraux. Ainsi sont apparus des « médiateurs Gitans », accrédités par des élus locaux, mais utilisant cette protection pour toutes sortes de compromissions. Depuis le début des années 1980, la drogue est devenue d'usage courant, chez les jeunes d'abord, puis dans l'ensemble de la population masculine. Il en est résulté un taux élevé de contamination par le VIH et surtout une rumeur évaluant jusqu'à 80% la proportion de gitans porteurs. Il y a environ 5000 gitans sur une population de 110.000 habitants à Perpignan et 200.000 dans l'agglomération, mais il n'existe aucun recensement qui permette de les isoler chez les porteurs de VIH. Une enquête menée auprès de 96 familles, nous a permis d'estimer la proportion réelle entre 1 et 4,5% : proportion importante bien sûr, mais très loin de celle colportée par la rumeur stigmatisante. Mais de cette rumeur et de cette réalité résulte un système complexe de relations avec la municipalité actuelle et les services sociaux, mélange de préjugés, d'assistance, de clientélisme et aussi de cynisme inconscient. La communauté s'enfoncé dans la déchéance, consommant la drogue qui arrive de Barcelone par des réseaux Sénégalais et Marocains. Les Gitans entrent dans ces trafics comme comparses d'économies locales de survie et en masquent la nature et la réalité. Le taux de chômage des hommes de 20 à 55 ans est de 73% et leur avenir ne présente d'espoir qu'à partir de l'action déterminée des femmes pour un changement. En effet, aux interdits machistes traditionnels sur la sexualité, s'ajoutent ceux sur l'usage de l'héroïne : un mouvement lent, dissimulé, mais certain d'émancipation s'affirme depuis deux décennies. C'est ainsi que des femmes, séparées en nombre plus important année après année de leurs époux Gitans qui se droguent ou les battent, s'installent seules ou avec des non-Gitans, en dehors des territoires communautaires. C'est ainsi encore que les adolescentes, enfreignant les interdits coutumiers, parcou-

rent en petits groupes les lieux centraux, les espaces les plus publics de la ville, dans les situations de plus grande mixité.

Les « femmes en noir », c'est à dire les veuves ou mères qui ont perdu un proche par suite d'overdose d'héroïne ou de SIDA, ont pris l'initiative d'un mouvement de prise en charge de divers aspects sanitaires de leur communauté. Ce mouvement est non seulement riche de promesses en matière d'initiatives de santé, et les pouvoirs politiques locaux, le Maire mais encore des députés et conseillers généraux l'encouragent en même temps que les divers services de l'Etat, mais encore provoque une mise à distance de ces femmes et de bien d'autres de règles coutumières qui aliénaient leurs initiatives. Les « femmes en noir » portent sur elles leurs morts et sont considérées comme tabous : de cette situation elles interpellent durement les hommes qui « vendent » la communauté aux appétits de divers intérêts troubles qui entourent ces populations. Tout en se réclamant de leur Gitanéité, elles expriment enfin au grand jour leur rôle moteur dans les changements à venir dans la communauté.

## **Jeunes sans emplois dans l'espace public perpignanais**

La crise se prolongeant, les actions publiques de lutte contre le chômage apparaissent de moins en moins crédibles. Le discours économique rationnel perd toute signification s'il n'ouvre aux jeunes aucune perspective d'accès à une vie adulte qui leur assure ordre et harmonie. Les responsables auxquels échoient la construction du destin des Cités et des Etats ont perdu leur rôle fondateur et ce qu'ils disent ou font a peu de pertinence par rapport au déroulement quotidien de la vie des jeunes sans emplois. Rejetés en marge de la société et devenus trop nombreux pour se suffire de leurs cloisonnements communautaires, ils constituent, avec tous ceux qui sentent que leurs dures conditions de vie s'appellent pauvreté ... ou misère, *un nouveau milieu social* qui délimite ses propres territoires et efface les frontières nées des désignations stigmatisantes de chaque groupe « marginal ».

### *Entrer dans la vie. entrer dans la ville*

Autrefois les jeunes quittaient Perpignan dès la fin de leur scolarité et montaient chercher un emploi à Toulouse ou à Paris. Mais cela ne marche plus. Maintenant ils restent à Perpignan où le taux de chômage des 16/20 ans,

qui est en moyenne de 34%, atteint 63% dans les quartiers pauvres du centre ou de la périphérie. Ce même chômage atteint tous les actifs à hauteur de 22% (double du taux français) et plus de 8% de la population (quadruple du taux français) dépendent d'aides sociales (Revenu Minimum d'Insertion) dans l'agglomération de Perpignan.

Alain Tarrus, Lamia Missaoui<sup>3</sup> et Paul Mignon<sup>4</sup> ont questionné 180 familles de milieux modestes mais de vieille implantation catalane sur les itinéraires d'entrées dans la vie active des différentes générations. Dans la génération des grands parents, la moitié quittaient le département et les trois quarts celle des parents, mais ils n'étaient plus que 37% à le faire parmi ceux ayant eu entre 19 et 28 ans en 1987, 23% en 1990 et 16% en 1993.

Ils ont encore questionné des familles de souches maghrébines, et des familles nucléaires françaises installées depuis peu à Perpignan : chez les maghrébins, 74% des jeunes sont partis en 1993, mais 85% des jeunes femmes. Chez les Français, seulement 11,5% des jeunes sont partis, mais ce sont presque uniquement des filles. En somme, le mouvement d'absorption des jeunes par les centralités nationales françaises est interrompu à Perpignan, à l'exception des jeunes Maghrébins et des jeunes femmes.

### *Sauve qui peut les filles: pauvreté et machisme*

C'est entre 1990 et 1993 que, chez les maghrébins, les départs féminins ont commencé à dépasser ceux des hommes. La mobilité des uns comme des autres s'est trouvée facilitée par la forte cohésion des branches familiales dispersées sur le territoire national : les familles étendues dispersées sur le territoire national, voire européen, considérées comme archaïques, sont en réalité les plus adaptées à la situation de crise économique contemporaine..

Les femmes sont plus efficaces que les hommes dans la recherche d'un emploi. Le « modèle de féminité » commun à tous les groupes sociaux, mélange d'acharnement à faire de bonnes études, de capacité d'accomplir les démarches familiales très tôt à la place de leurs parents, surtout chez les jeunes Maghrébines maintenues dans l'espace familial, et finalement de détermination à trouver un emploi, s'oppose à l'attitude de la plupart des

<sup>3</sup> Allocataire de Recherche programme CNRS 'Mobilité Européenne', chargée de cours à l'Université de Perpignan et co auteur d' *Arabes de France ...* voir note 2.

<sup>4</sup> Chargé d'enseignement de sociologie à l'université de Perpignan.

garçons qui attendent qu'on s'occupe d'eux tout en définissant des espaces de liberté spécifiques dans l'espace public. Sortis beaucoup plus tôt de la famille, « ils demeurent au-dehors des espaces institutionnels », et ceux qui s'obstinent à se préparer à l'emploi se voient traiter de filles. La reproduction culturelle dans l'éducation des adolescents Maghrébins (filles à l'intérieur, garçons dans l'espace public) produit cet effet paradoxal de favoriser l'insertion des jeunes femmes, leur aisance dans les rapports aux institutions, et en somme leur liberté nouvelle.

Le rôle des garçons n'est pourtant pas à négliger : ils densifient leur présence dans le centre de la ville et, exclus de l'économie marchande des loisirs, provoquent une revitalisation des espaces publics, de la rue.

### **Routards, néo-ruraux Sénégalais. Gitans catalans: lorsque les marges subvertissent le centre**

L'aire de mobilité de ces populations dépasse très largement l'agglomération. Elle inclut les implantations de néo-ruraux qui, dans les années 70, se sont installés dans les collines du piémont pyrénéen. Tenus à l'écart par les populations indigènes, ils ont gardé leurs réseaux de relations, français, allemands, ... et reçoivent parents, proches, jeunes en rupture ou non, mais aussi personnes sans logis, vagabonds, routards. Vivant chichement de leurs activités agricoles, ils descendent jusqu'à Perpignan et se retrouvent dans les squats du quartier Saint Mathieu, où ils rencontrent des Sénégalais, des Maliens et des Marocains qui viennent de Barcelone, des Gitans et des femmes gitanes de Perpignan, des jeunes de tous les quartiers. Les exils, les économies souterraines, les diverses initiatives de la misère les fédèrent en un milieu qui fait centralité bien au-delà des limites de la ville et du département. C'est ainsi que le mouvement d'absorption des jeunes perpignais par les centralités françaises est non seulement éteint, comme nous l'avons signalé, mais encore inversé : Perpignan devient centralité de la pauvreté.

Le cannabis constitue le bien d'échange à la fois symbolique et matériel du quartier. A l'opposé de la violence des commerces d'héroïne aux lisières de quartiers ethniques de Perpignan, le cannabis, qui s'obtient là dans des conditions très avantageuses, est le support d'échanges qui signifient la nature paisible des civilités nouvelles, la conquête d'un espace pour soi ... , marquant le quartier d'une fonction de centralité de la pauvreté. De nombreuses soirées réunissent des jeunes dans divers squats dans de petites

maisons du centre ville où passent des dizaines de jeunes pour apporter un objet, une nouvelle, chercher un copain, faire un plan de travail noir, demander une adresse à Barcelone, signaler un incident, mettre en garde contre tel ou tel un peu trop bien avec la police locale, .... Le cannabis se vend: « je suis pauvre, tu paies, je suis riche, c'est gratuit ». Une grande civilité marque ces échanges qui s'opposent au caractère violent des « deal » dans la rue où circule l'héroïne.

### **Communautés et Société: la fusion des héritages**

Au confluent entre communauté et société, soulignons l'apparition d'un milieu social nouveau amalgamant des individus désignés à la marge, parmi lesquels des gitans « étrangers de l'intérieur », des arabes et des africains « étrangers de l'extérieur », enfin « étrangers de partout », les jeunes laissés pour compte de la crise. Ce milieu, qui est celui de la quotidienneté, du savoir être là, ensemble, et produire un milieu apaisé, n'a aucune perspective de trajectoire sociale ni de lointain avenir. Il est coupé de tout contact avec la société en place, car il n'existe plus d'itinéraire qui permette à ces jeunes d'y accéder. Et pourtant quelles capacités de mobilisation, de reconnaissance et de résolution immédiates des petits, nombreux, essentiels problèmes que chacun rencontre : l'exclusion est au rendez-vous, mais certainement pas l'anomie.

Les catégories usuelles de l'analyse sociale s'appliquent mal ici : les notions d'acteurs, d'intentionnalité, de stratégie, de trajectoire, y apparaissent peu opportunes. Un discours sur les tendances fait défaut dans ce cas. Tous les possibles sont là, dans la confrontation proche entre ceux qui, trop pleins de certitudes, ne concèdent rien de leurs appétits de pouvoir et ceux, en-deçà et au-delà, qui contournent les volontarismes et les mobilisations d'appareillages économiques, politiques et sociaux. L'avenir de Perpignan, c'est-à-dire les formes mêmes du devenir démocratique de nous tous, dans toutes les villes de France, est bien incertain en cette fin de siècle.

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# **Drug Tourism and Drugs Smuggling to the Drug Market and Drug Scene of Rotterdam as Part of the Illegal Economy in the Local Scenes of the Cities of Antwerp and Lille**

PASCAL TUTELEERS AND PATRICK HEBBERECHT

## **Introduction**

In this contribution we provide a preliminary report on some exploratory research on drug tourism and drugs smuggling activities from the local scenes of Antwerp and Lille to the drug market and scene of Rotterdam.<sup>1</sup> The tourism and the drugs smuggling activities between the cities that we studied mostly related to heroin and cocaine.

The local drug markets in these three cities we see as types of local criminal economies (Henry and Brown 1990, pp. 337-8). The local drug scenes are considered as hidden subeconomies with different alternative trading systems of goods, services and money, with informal relationships and with their own language, regularity, motives and rationality. The drug tourism and drug smuggling activities are studied as specific types of illegal informal economic activities.

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<sup>1</sup> Part of the material on which this chapter is based was collected for the purpose of research into drug tourism in Europe under the authority of the European Forum for Urban Security.

In this chapter we describe first the different drug markets that can be seen in Rotterdam. Secondly, we analyse the push and pull factors that bring the members of the local drug scenes of Antwerp and Lille to the drug market of Rotterdam in order to supply and/or to consume drugs.

### **The Rotterdam drug markets and drug scenes where French and Belgian 'drug tourists' can provide for themselves**

The Rotterdam drug markets and drug scenes do not have a homogeneous character. Roughly speaking, five types of markets can be discerned: the street, the heroin dealing houses, the horeca, the cocaine dealing houses and delivery at home (de Bie and Bieleman 1994). Each type of market has its own characteristics in respect of accessibility, the assortment of drugs supplied, the selling of a required minimum amount and the house rules.

The street market is the most visible and for outsiders and novices most accessible market. The transactions on this market often happen chaotically and have to be settled quickly because of the threat of police action. Users scarcely have any possibility of checking what they have bought. A huge drugs assortment is supplied on this market, usually in small quantities because the buyers on this market mostly have little money. Moreover, packing in small amounts allows people to swallow the packed drugs in case of a police search or raid. Through the selling of small quantities of drugs, many transactions can be settled in a short time in this market.

Next to dealing on the street, dealing from within cars also happens in this market. At fixed hours the dealer drives by fixed routes. Users knowing these routes and their stops enter the car as inconspicuously as possible, with the transaction taking place in the moving car. The dealer only allows known users into his or her car.

For instance, we assume that drug scenes function as places where informal trade in substances considered illegal takes place. The study of 'perron nul' and its visitors (the Rotterdam Drug Monitoring System of 1994), carried out by the Rotterdam Institute for Research into Addiction (IVO, Instituut voor Verslavingsonderzoek) in 1994 showed that the activities most reported to take place in this 'open drug scene' (open in a way that police surveillance and action was considerably milder than in other parts of Rotterdam and that there was free trade in substances) were the buying (85%) and using (80%) of drugs (Blanken et al. 1994). For a majority of visitors these were the main reasons for attending 'perron nul'.

Involved in one or more activities at Perron Nul	%
buying drugs	85
using drugs	80
selling drugs	19
hanging around	63
meeting friends/ acquaintances	70
begging	15
exchanging needles	19
ripping	5
selling stolen commodities	22
involvement in fights	14
visiting methadone bus	22
others	36

It was remarkable that most of the visitors to 'perron nul' bought their substances exclusively there and not in private houses. It appears this could be ascribed to the low prices of substances at 'perron nul'.

The previous table from Blanken et al (1994) shows that dealing in (small quantities of) drugs is an important activity. It shows also that, based on the remarks of the former visitors to 'Perron Nul' concerning the 'other activities' in which they were involved, the most quoted activity was mediation between 'clients' and 'buyers'. This mediation was aimed at receiving small quantities of drugs in order to supply for personal consumption. Besides these tolerated illegal activities, the visitors tried to obtain means to supply their own needs of drugs. A minority of the visitors also tried to divest others of their money, drugs or other valuable goods. Another part begged for (small quantities of) drugs or tried to sell or exchange stolen goods. Meeting friends and relatives and hanging around were also mostly aimed at the acquisition or sharing of incomes and drugs. The social contacts themselves were nevertheless important in order to prevent occasional criminal activity. This list of activities shows that the spot was 'full of activities'. In most cases it concerned little deals, or deals between visitors, in which drugs and the means to get drugs played an important role. According to the researchers the scene was comparable with a sell-out market.

Just like the street market, the market of heroin dealing houses is mainly visited by poly-drug users. This market is relatively accessible, although the transactions are less visible. An unknown buyer can be allowed into the house via an introduction by known buyers. In these houses drugs are traded in small quantities, mainly because the buyers do not have huge amounts of money. The assortment of drugs offered differs between the houses. Consuming bought drugs on the spot is not allowed everywhere.

The horeca market consists both of houses where heroin as well as cocaine are offered and of houses where only cocaine is sold. The former tend to be ordinary pubs. Depending on the particular house, the buyer goes to a room lying behind the bar where s/he buys heroin or cocaine from a dealer or s/he places an order with a dealer who later returns with the commodities asked for. In these houses the drugs are traded in larger amounts. These pubs are quite accessible, although introduction by a known buyer is necessary. Mostly these pubs have a front door policy. The other houses where only cocaine is traded are quite easily accessible, at least when the buyer looks well off and immaculately dressed. If not the buyers are not allowed to enter by the porter.

The market of cocaine dealing houses consists partly of real dealing houses where cocaine is traded in huge quantities and partly of houses where only a limited group of friends and acquaintances can buy.

Finally there is the market of delivery at home, which is only accessible for the initiated who are well off and have good contacts with certain dealers. On this market the most modern telecommunication means are used, such as answering machines, portable telephones, semadigits, semaphones etc. Dealers peddle at home in a way which is relatively safe for them. New customers are only supplied after being introduced by already known and trusted clients. This trade doesn't catch the eye and provides no nuisance.

On these drugs markets 'drugs runners' are active in some drug scenes. Here we can discern runners or 'mediators' whose main aim are the 'open' street scenes and runners who exploit dealing houses. The latter category of drugs runners are also called 'frontmen'. The frontmen have four types of activities. They supply dealers, deliver drugs, recruit customers on and besides motorways, and wait for drug tourists and smugglers on strategic spots in town (Van der Torre and Gerz 1996). Here we will focus on customers recruited on motorways, on and around railways and in the city because drug tourists heading to Rotterdam mostly do this.

In case of customer recruitment on motorways, runners recruit them on or besides the motorway. Sometimes the place where the experienced

drugs runners and the traffickers will meet is arranged beforehand. In other cases there is a particular place besides the road where runners can wait for clients for a particular period. Other runners act from more or less steady locations. In these cases it was common that a runner would get into the car with the drug tourists and guide them to a dealing house. A second category of drugs runners searched for clients on and around motorways in a more striking way. They approached foreigners on parking and in motorway restaurants. Sometimes they informed other road users of their presence through signs.

Where customers were recruited in and around railway stations, drugs runners were active there. Experienced runners acted very conspicuously compared to other 'self-employed' (young) runners. The latter often got on a train a stop before their actual working area to look for drug clients. Runners with accomplices in the station only intended to screen customers and made only slight contact on the train. In the railway station itself they tried to approach the screened drug tourists quickly and conspicuously together with their accomplices.

In relation to customer recruitment in the city, runners looked for drugs clients on the streets in or just outside the town. Some runners recruited by foot or on a scooter (often with a car radio). They positioned themselves in streets and at cross-roads in areas with many dealing houses or on approach roads. Older runners sometimes used a car. Sometimes they picked up steady customers for 'their' dealer. They often met in a quiet part of the city or just outside it and took the clients to a dealing house. In this way they tried to evade the police and angry inhabitants of 'problematic neighbourhoods'.

Runners in an open scene can be active as a customer recruiter, as an mediator, as a peddler or as a delivery boy. Customers recruiters try to convince clients to buy from a particular street dealer. Mediators look for drug tourists who are new or unfamiliar to Rotterdam. They often wanted to buy an amount which the street dealers could not supply immediately. Peddlers for street dealers kept the drugs while the dealer negotiated a deal with a customer 'safely', that is without drugs on him or her. Sometimes mediators were used to collect drugs elsewhere in town. Delivery boys ('hossels' in Dutch) have a minor significance on the scene. They also fulfil other positions between handy street dealers and clients: they sell pills or small quantities of drugs. When these runners gain the trust of a street dealer they can be promoted to straw men: assistant dealers who receive small amounts which they can sell. So they have to resist the seduction of

consuming the drugs themselves because otherwise tense conflicts with the street dealer can emerge (Van der Torre and Gerz 1996).

### **Factors which push drug tourists and drugs smugglers from the illegal economy of French and Belgian local scenes to the local scene of the city of Rotterdam**

Finally we shall look at which factors influence drug tourism and drugs smuggling to an external drug scene as an informal illegal economic activity on behalf of the native scene. We shall only try to point out those factors which might influence the extent and the nature of drugs smuggling. First, we shall ask ourselves which factors shape the form and the organisation of the local drug traffic and secondly, we shall ask ourselves to which extent those factors have an influence on the motives of foreigners buying drugs.

Since we consider the different income generating activities at a scene, drug tourism and drugs smuggling activity as part of the informal economy because they cross the legal thresholds which determine the formal features of these activities, it is necessary to consider the national formal legal frameworks of the countries first. We assume that the legal framework determines which products one can consume, possess or trade in each area. The legal framework also determines which quantities of those products may be tolerated (or not) in police practice and in the justice system concerning the consumption, possession, sale and import and export of these narcotics. Within this framework, changes can be produced due to the fact that governments may problematise certain features of the drug consumption and drug trade (this includes drug tourism and drugs smuggling). Further, we must also take a look at local policies in the different cities. Local policy makers 'translate' the legal definitions and priorities in their own cities produce the local particular situation. These local priorities need to be looked at with regard to the local security policy, local justice and police practices and local welfare policies.

In relation to local security policy, policy makers can take different measures which may be preventive or corrective towards local drug scenes. A preventive policy is aimed at the general (pro-active) prevention of 'open drug scenes', or, in case a scene occasionally might have emerged, at the disruption of such a scene. A corrective policy is a policy which aims at

the regulation of 'open scenes' and the reduction of nuisance caused by the scene. Bless et al (1995) conceptualise 'open drug scenes' as : 'all situations where citizens are publicly confronted with drug use and drug dealing. This means that we put more emphasis on the qualitative, interactive aspect of confrontation than on the quantitative aspect of concentration of numbers of users. Feelings of confrontation will depend on subjective attitudes and perceptions to objective dimensions of the visibility, size and site of drug scenes' (p. 130). Depending on the chosen policy, attitudes towards the general public and towards addicts will differ and different solutions will be proposed.

strategy	Attitude towards general public	Attitude towards addicts	Ideal solution
Preventive	You will be protected	Your activities are illegal	Drug free society
	Illegal activities of addicts will be punished	You can get help if you stop using drugs	
	You will be protected	Your activities are illegal	Harm reduction
	The police will act in situations causing a nuisance	You can get help if you change your life-style	
Corrective	We cannot solve the problem	Addiction cannot be expelled totally	Drugs on prescription
	We are trying to minimise nuisance	You can get help to minimise risks	

Source : Bless et al (1995), p. 134.

In a preventive strategy the interests of the general public have precedence, whereas in a corrective strategy the interests of drug users are of primary importance. The public is expected to accommodate to the existence of drug problems in the society.

As a consequence, preventive control strategies emphasise law enforcement interventions (by the police and justice system) whereas social and health interventions dominate in corrective control strategies.

Choosing priorities also happens within justice and police practice. On the one hand this is a result of the chosen control strategy, on the other hand it reflects local justice and police policy towards traffickers and addicts. More precisely local police practice is one of the greatest determinants of the organisation and appearance of the illegal drug scene in a situation of drug prohibition.

We would also like to emphasise the importance of local social and health strategies. According to the chosen control strategy, cities will develop more or less pronounced harm reduction initiatives. In particular, it is logical for those cities who apply corrective strategies to open drug scenes to offer low-threshold facilities to improve the health and living conditions of drug users (like, for instance, needle exchange programmes, methadone programmes, street corner work, low-threshold relief centres, etc.). In cities where preventive policies dominate, attention focuses on information, treatment and assistance to motivated addicts. The choice of a certain control strategy will at the same time include the development of a particular management policy of the urban and social environment. Correctional strategies will attempt to prevent certain urban areas becoming attractive for the development of drug scenes through combining the existing police and judicial policy with a correctional treatment policy.

The development of local welfare and health policy has to aim at co-ordination of other local policies. For instance, it is possible to develop harm reducing activities, like trading needles, but the effectiveness of those activities for users can be entirely countered by active police policies which claim the possession of clean needles to be evidence of the possession of illegal substances and therefore prosecute anyone with clean needles.

We have assumed the following hypotheses:

The illegality of drug consumption, possession and trade arises as a consequence of national legal framework. Together with relevant local policy this will entail an illegal scene arising concerning these products. In this context of illegality, drug traffic will develop as an attractive source of income, which withdraws partially from the control of the legal structures and which is only to a certain extent manageable, in the sense of controllable. One of the consequences this has is that the price as well as the quality, the relationship between price and quality, and availability are susceptible to fluctuations. Drug tourism and drugs smuggling activities can also



be understood as a source of income in which on the one hand we distinguish receiving scenes and on the other ejecting scenes (Korf 1996).

Concerning the factors which influence the shape and the nature of the illegal drug trade, we assume that a unilateral repressive police policy against trafficking from dealing houses and against such consumers will lead to a more prominent organisation and shape of the illegal drug scene in the streets (Blanken and Adriaans 1993). As a consequence, drug users who are confronted with the fact that their usual dealing houses are closed due to the actions of the police, will be obliged to search for new houses or even new markets. Specific action taken against dealing houses that cause nuisance, without available alternatives, meaning other apt dealing houses, will lead to a growth in the street market: that is, a market with a more obscure and chaotic character (De Bie and Bieleman 1994, p. 36). More people will be involved, including people who serve as lookouts on the corner in order to distract the police when they intervene, and to keep the drugs securely when they are traded (Blanken and Adriaans 1993). The number of 'wheeling and dealing' activities will rise, as will the nuisance: people will be move around more, the noise level will rise and every 'wheeling and dealing' transaction will be a source of dispute between users. Although many factors can influence the extent and nature of the wheeling and dealing (such as a repressive police policy and the organisation and shape of the traffic itself), it was in fact the rise of 'crack' cocaine which played an accelerating role in the intense activities that could be seen among certain groups of drug users and networks (Blanken et al 1996, p. 3)<sup>2</sup>.

The relationship between price and quality will fluctuate more. Drug transactions will be shorter because the trade wants to reduce the risks, so the user will have less control over the quality of the drugs being bought. Generally spoken, a street scene will result in other behaviours of a certain part of the user group (Blanken and Adriaans 1993, p. 3).

The research by Intraval on the quality of cocaine in Rotterdam has pointed out that as a result of the decrease in the number of dealing houses, the supply of 'boiled' cocaine as a ready made product will rise. One needs a smaller amount of money to buy a small quantity of 'boiled' coke. As a result of the high frequency of buying and consuming, the risk that an in-

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<sup>2</sup> This was also confirmed by some field experts of the city of Antwerp during our own research for the European Forum of Urban Security.

dividual user will consume more coke is relevant when he is confronted with that kind of supply (De Bie and Bieleman 1994, p. 36).

These changes in the organisation and shape of the local drug scene will in their turn influence the nature of drug tourism and smuggling practices. We need to ask how the appearance and organisation of the local drug scene will exercise a push factor in relation to those who travel towards foreign drug scenes only to buy drugs and to partake of them in the local scene, regardless of the fact that the drugs are imported for personal consumption or the fact that the traffic is oriented towards retail or mass selling. Giving an answer to that kind of question means giving answers as to why other external scenes are in fact attractive for drug tourists. This implies that we must provide hypotheses concerning the motivation of local drug users to go to these other external drug scenes. We shall take into consideration, as does Professor Dirk Korf (1996: 228-9), the following motives: drug specific pull-factors, non-drug specific pull-factors, drug specific push-factors and non-drug specific pull-factors. Drug specific pull-factors are the price, quality and availability of drugs. These are the main motives for people going to these external drug scenes in order to buy illegal drugs.

Availability, especially the accessibility of the different external drug markets for drugs smugglers, would, according to certain field experts of the cities of Lille and Antwerp, only affect the consumption pattern of less experienced drug tourists to a certain degree. They would not have established personal relationships with dealers and sellers of the dealing houses. More severe police and local policies regarding the trade and consumption of drugs would lead to a more tightened front door policy at the local dealing houses. As a result of this, only the more experienced or those persons who are accompanied by people known in the scene ('introduced') will be granted permission to enter the house. The less experienced tourists or foreign buyers would as a consequence be to a higher degree dependent on sellers on the street market and changes in that market. The street market is the most accessible market but the price-quality relationship is inferior and fluctuates more. The chance of being 'ripped off' is also greater on the street market because one doesn't have the opportunity to taste the drugs.

Also the kind of products that are bought determine consumption patterns. Certain field experts, questioned in our own research, have related to this the impression that French and Belgian drug tourists and small scale smugglers nevertheless import heroin from Rotterdam, but that the bought (boiled-base) coke is consumed on the spot.

The remaining 'habitual' drug tourists would not be oriented towards 'the scene' but they would possess more specific individual addresses<sup>3</sup>. Considering the fact that most (known) dealing houses are only accessible for those who are 'known' implies a growing importance of the social networks between drug tourists themselves. It appears that there would also be differentiation according to the amount of money that can be spent. The 'RAMOLA-case', in which a Moroccan drugs gang from Rotterdam was rounded up, which was only oriented towards foreign drug tourists, confirms more or less the distinction between dealing houses for foreign buyers. The gang had four kinds of dealing houses: the expensive house, the 'hit and run' house, safe houses and stores. In the expensive house, deals were closed of more than 2,000 guilders per client. At this house, 'commercial' tourists and drugs peddlers were received. They mostly bought heroin. Some of them were regular clients and made appointments in advance. The gang sold, besides heroin, also smaller amounts of cocaine to a small number of customers. The heroin was sold for 55 guilder per gram. The expensive house rarely caused any nuisance, as the number of clients was relatively small, the clients were dressed neatly and behave in a civilised manner. As a precaution, the expensive house was replaced several times a year.

At the hit and run houses, the deals rarely rose above the 1,000 guilders per client level. To this house came 'drug refugees', 'addicted' tourists, 'criminal' tourists and local addicts. The price in this house was approximately 60 guilder per gram heroin or cocaine. At certain times of year, a spare house was opened. Guards tried to maintain order around the house and were attentive to so called 'ripdeals', meaning a robbery of the house.

In relation to stores, the gang assured themselves that a rejected dealing house was not occupied by someone else. This would only imply competition. Sometimes, a guard took over a dealing house and the group supplied the hard drugs. The profit margins of the guardians were small for the drug traffickers (Van der Torre and Gerz 1996, pp. 101-2).

We should hence assume that there were two kinds of markets where the wheeling and dealing between drug tourists and dealers takes place: the street market where the drugs runners operate and eventually lead the 'naive' drug tourists to addresses, and the market of the dealing houses themselves where the drug tourists have already established a bond with their (steady) dealer and where they can eventually introduce their friends. The

<sup>3</sup> Interview with drugs expert of the Rotterdam area police force.

price, quality, availability and the minimum sale price differ between these two markets.

Our previous account also provides the answer as to what are the drug specific push-factors: the higher price, inferior quality and availability on the native drug scene. Drug smugglers, whether they consume or not, can achieve a double advantage. As a result of the superior quality and the cheaper price, they can cut the drugs in order to maximise their profit. Certain street corner workers of Liege estimated that the purchase of 5 grams of heroin in Maastricht would be sufficient for the local addicts of Liege to provide for one's consumption. The five grams is a courier quantity bought in Maastricht by the small scale tourists of Liege. A part would be used for personal consumption, the other part cut and destined to be sold in the streets of Liege or amongst friends. That kind of money also implies that a street dealer cannot always provide that kind of quantity, depending on the external market.

Problems with the police and justice systems are specific push-factors but they must, according to us, be seen in relation to the length of a person's stay in the external scene. A person can stay for a short or a long period in an external scene and his stay can be interrupted. This is not always the case. Problems with police and justice would on the other hand affect the nature and the frequency of the commuting pattern. Field experts of the city of Lille had the general impression that small scale drug tourists took the tolerated quantities by the border police in consideration. They only imported the unofficially tolerated quantity (approximately two grams of hard drugs).

In relation to non-drugs specific pull-factors, we have the impression that the media and the 'stories' that users tell each other from mouth to mouth play an important role. The representation of certain cities created by the media, as is the case with Rotterdam which is represented as a 'commercial' city where the dope is good and cheap, plays a specific role. Certain people said that 'the more negative publicity is created by the media about Rotterdam, the more the drug tourists are convinced to the contrary'. Stories about certain low threshold relief centres could contribute to this representation in the sense that people could think that 'if we take the risk and it turns out differently, we can at least appeal to these centres'. We can therefore assume that these subjective presumptions play a more important role than the objective distance between two scenes. One gains a lot of prestige if one possesses 'coke from Rotterdam', for instance.

For non-drug specific push-factors, we need to discuss the financial and economic situation of the drug tourists and smugglers. First, we must make a distinction between the addicted commuter and the non-addicted commuter. The first will commute in order to supply his or her own personal consumption and will try to make a living with the profit gained by selling the remaining dope. The second group, the non-addicted commuters, will rather commute for personal economic profit or personal enrichment.

Secondly, much depends also on the money one (temporarily) possesses (which will also determine the market on which one can and wishes to buy) and the means of living. In other words, people have to be able to put enough money aside to buy larger quantities. By doing so, the smuggling of small quantities can contribute to one's means of sustaining life. This means that one has to show a certain discipline and one has to be able not to touch the dope. Money problems could sometimes mean the end of a small scale smuggling practice. Some do not have the discipline and consume the dope and are therefore obliged to stay a certain period in the external scene (Van der Torre and Gerz 1996, p. 32). Some will, for instance, try to combine these. Certain field experts pointed out to us that some people prostituted themselves in a foreign scene, also due to the available facilities in the scene and the available drugs of good quality.

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## "New" Drugs, Crime, and the Informal Economy<sup>1</sup>

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I come at this from a peculiarly eccentric angle, given an early history of heavy involvement in research into what is now known as the informal economy,<sup>2</sup> a wild and disjointed research career thereafter, and a sudden and recent return to the informal economy for reasons which surprise even me. If it were not for the unwelcomely egocentric connotations of "bright" and "star", I would liken this to the trajectory of Halley or Hale Bop.

My early involvement in research into the informal economy was initially also relatively accidental. Working in a factory, looking for a thesis topic, I stumbled on systematic pilfering and fiddling by employees (Ditton 1977a, 1977b, 1977c, 1979).<sup>3</sup> I fully intended to continue this research, and even did some work at the policy level (Ditton et al 1978). Yet, in early 1980, as I sat in my elegant Victorian study at Glasgow University gravely contemplating such arcane matters as the size of the Italian "black"

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<sup>1</sup> This chapter reports, in part, data collected with funds provided by the Chief Scientist Office at the Scottish Office. The chapter was written by Jason Ditton, but Richard Hammersley has been assisting with the general analysis of the data, has specifically contributed data from his analysis of the prevalence of drug use in the Scottish population derived from the 1993 Scottish Crime Survey, and has helped prepared the tables included herein. Iain Smith was co-grant holder (with Jason Ditton) of the Chief Scientist Office research grant. Correspondence to the first author.

<sup>2</sup> It was then, and we are talking early 1970s here, better known as the "hidden" economy or the "black" economy, and by many other names.

<sup>3</sup> I also considered this in a more historical vein (Ditton 1977d) and etymologically (Ditton 1996).

economy (Ditton 1980, 1981), Glasgow's bleak public housing estates were swept by an unparalleled and unexpected tide of black market heroin. So we had a look at that, in a scare mongering sort of way (Ditton and Speirits 1981, 1982, 1983), and with research funds more available to study what Geoffrey Pearson (1987) was later to dub the "new heroin users", than to study the informal economy, embarked on a series of studies of working-class Scottish opiate injectors.

These included looking at drug use in prison (Rahman et al. 1989; Kennedy et al. 1991), at the drug agency response in Scotland (Ditton and Taylor 1990, 1993) and setting up computerised data recording systems in both drug agencies and needle exchanges (Coster et al. 1990). If the 1980s were characterised by illegal drug use moving from restricted middle class circles to widespread working class use, the 1990s - at least in Scotland - saw another shift: this time to younger and younger age groups. So we had a look at that, too (Hammersley et al. 1997).

At the same time, "new" drugs were beginning to appear - ecstasy, GHB, ketamine -and were seemingly consumed in ways that crossed earlier class and age boundaries. In the late 1980s, it began to seem as if the 1990s might become the "decade of the stimulants" (Davies and Ditton 1990). Cocaine threatened to be the "big" coming drug, and also threatened to provide a bridge between the existing opiate users and the newer stimulant users. A loose consortium drawn from the expanding numbers of drug researchers and drug agency workers was organised, and conducted a community study of cocaine use (Ditton et al. 1991, 1993; Ditton and Hammersley 1994, 1996; Hammersley and Ditton 1994).

Other drug-related research strands continued (into drug policy (Haw and Ditton 1995) and into the use of drugs by members of ethnic minority groups in Scotland (Khan et al. 1998; Khan and Ditton 1998), but research into the use of ecstasy<sup>4</sup> posed the most interesting challenge. An agenda was carefully laid out (Pearson et al. 1991a, 1991b), some small studies conducted (Ditton et al. 1995; Elliott et al. 1998) and a substantial research grant eventually secured. The informal economy? I'll come to that. First, some detail on ecstasy itself.

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<sup>4</sup> Technically, 3,4-Methylenedioxyamphetamine (MDMA).



## The background to ecstasy use

The rationale for the substantial grant-funded project was to test the salience of various "harms" that have, putatively, been linked with ecstasy use. Collective harm might be significant as it is estimated that upwards of half a million Britons use the drug each weekend (Abbott and Concar 1992, p. 30). More locally, a stratified quota sample of 200 Scottish 16-30 year olds in early 1992 indicated that 21.5% had taken ecstasy (Anderson 1994), although prevalence rates in the Scottish general population are lower (Hammersley 1994). There was a slight indication of ecstasy related death in Glasgow in early 1990s (Harries and De Silva 1992) and there have been subsequent indications that Glasgow drug injectors were starting to inject ecstasy (Green et al. 1995).

Animal studies indicate possible human toxicity from ecstasy use<sup>5</sup> and small-scale human clinical investigation has indicated various physical problems, including chronic paranoid psychosis (Brown and Osterloh 1987; Fischer et al. 1995; Hayner and McKinney 1986; McGuire and Fahy 1991; Winstock 1991), flashbacks (McGuire and Fahy 1992; Creighton et al. 1991), general psychiatric problems (McGuire et al. 1994), chronic atypical psychosis (Schifano 1991), acute psychosis (Huckle et al. 1991), hyponatraemia and catatonic stupor (Smilkstein et al. 1987; Maxwell et al. 1993), severe depression (Benazzi and Mazzoli 1991) and panic attacks (Pallanti and Mazzi 1992). The medical literature has been extensively reviewed by Steele et al. (1994).

Ecstasy-related death has been noted by many,<sup>6</sup> but adequate analytic confirmation is often missing.<sup>7</sup> Short-term mental effects have been noted

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<sup>5</sup> Davis *et al.* 1987 (with rats) offers "substantial evidence that this drug causes widespread and long-lasting degeneration of serotonin neurons in brain ... the severity of lesion by ecstasy is dependent on both the dose and the frequency of drug administration ... the neurodegenerative effects are long-lasting (up to one year) with respect to structural recovery, while functional recovery may be permanently impaired". See also Battaglia et al. 1990; Schmidt and Taylor 1990; and Schmidt et al. 1990.

<sup>6</sup> See Black et al. (1992), Bost (1988), Campkin and Davies (1992), Chadwick et al. (1991), Dowling et al. (1987), Dowling (1990), Henry (1992), Henry et al. (1992), Milroy et al. (1996), O'Connor (1994), Randall (1992) and Suarez and Riemersma (1988).

<sup>7</sup> For example, in relation to the "ecstasy deaths" reported in Harries and De Silva (1992). When I telephoned one of the authors to check, I was told that there was no

by Curran and Travill (1996), Concar (1997) and McCann et al. (1994), whilst other studies indicate a possible longer term effect on memory (Morgan et al. 1996; Krystal et al. 1992). It has to be said that there is no evidence of long-term risk (Sanders 1996).

Apart from a number of relatively small-scale studies,<sup>8</sup> there was no large scale study of ecstasy use in the community until the one which is reported here.

And the informal economy? That will become apparent shortly. First of all, however, it is necessary to describe the Scottish ecstasy research project.

### **The Scottish ecstasy research project**

The aim of this project was to recruit 225 ecstasy users from non-clinical settings, and discover as much as possible about the effect that ecstasy use has on psychiatric state, general medical health, criminological involvement, and drug consumption patterns, whilst attempting to ensure (via forensic and toxicological analysis) that respondents actually were ecstasy users. All respondents were also invited to donate a hair sample, some a substance sample, and fewer a urine sample. These were later examined for the presence or absence of ecstasy.<sup>9</sup>

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analytic confirmation of ecstasy use, but that friends of the deceased claimed that ecstasy might have been used prior to death.

<sup>8</sup> Downing (1986) interviewed 21 volunteers; Buffum and Moser (1986) interviewed 29 patients, mostly about sexual effects; Greer and Tolbert (1986) interviewed a further 29 patients; the Harris polling organisation, Harris Research Centre (1992), polled 693 young people, of whom 33% (228) had ever taken drugs, of whom 70 (31%) had used ecstasy; Peroutka (1987) gave questionnaires to 369 Stanford University students (of whom 39% had taken ecstasy) - see for detail Peroutka et al. (1987); Peroutka et al. (1988) conducted follow up interviews with 100 of the 143 from Peroutka (1987); Siegel (1986) contacted 44 users; Solowij et al. (1992) analysed postal questionnaire responses from 100 Australian users; Turek et al. (1974) talked to 10 subjects; Winstock (1990, 1991) analysed 89 self completed questionnaires; McCann et al. (1994) interviewed 30 ecstasy users and 28 controls; Price et al. (1989) researched 9 ecstasy users and 9 controls; Liester et al. (1992) talked to 20 psychiatrists.

<sup>9</sup> All three forensic sources indicated that subjects were indeed using ecstasy, and not imposter drugs.

Respondents were recruited over an extended 20-month period beginning in early August 1993 and ending at the end of May 1995. All respondents were initially interviewed using a lengthy sociological/criminological questionnaire. At the end of this part of the initial interview, respondents completed various well-established psychiatric scales to test for depression, anxiety and so on. Those who were rated as particularly depressed or anxious were invited for a full interview with a research psychiatrist. Thirty-eight respondents did so.

Although studies conducted elsewhere have indicated that ecstasy use can have a short-term effect on mood, this study found no medium-term effects, although the study was unable to assess the possible long-term effects that some experts have predicted.

Ecstasy appears to have no effect on general health or on HIV-risk behaviour, and there is no evidence of any pattern of drug dependence with it. In short, there are no major problems traceable to ecstasy use, and there are no indications of an emerging need to begin to cater for a cohort of ecstasy-fuelled depressives. Some detail from the project has been reported (Forsyth 1995, 1996a, 1996b; Forsyth et al. 1997), but this is otherwise the first of many anticipated publications.

## Drugs and crime

In the early 1980s, in Britain, it was hard to convince anybody that a "new" pattern of opiate consumption was becoming fashionable. The country had gained some world-wide recognition, even envy, for its historic opiate "maintenance" prescribing system - although the system itself had fallen apart in the early 1970s - and the stereotypical opiate user was believed to be a middle-class employed male in his late 20s or early 30s, who lived in London, and whose only distinguishing feature was his frequent trips to the chemist shop.

The "new" heroin user of the 1980s was, by contrast, a younger working-class unemployed individual, typically living on a barren public housing estate, injecting adulterated black-market-provided heroin, with money provided (for males) by shoplifting and housebreaking, or, for females, by shoplifting and prostitution.<sup>10</sup> In turn, this thumbnail sketch of the "typi-

<sup>10</sup> See Pearson (1987) for males; Taylor (1993) for females.

cal" user(s) became entrenched as the stereotype, and is now proving as resistant to removal as was the earlier version.

Visible and problematic "drug users", in general then, are viewed as having a specific, and highly negative relationship to the criminal justice system, and no relationship at all - let alone a positive one - to the world, however informal, of "work". This is exemplified by the latest of several scholarly and informative reviews of the literature on drug misuse and the criminal justice system (Hough 1996). Let me quote from the first part of the executive summary of that report. It is entitled, "Links between drug use and crime":

- Illegal drug use is very widespread, and most drug users are not drawn into other forms of crime as a result of drug misuse.
- A significant minority of crime is drug-related (where the proceeds of the offence happen to be spent on drugs) but a smaller proportion is drug-driven (where the offence is committed solely to pay for drugs).
- A small minority of those who take illegal drugs have serious problems of dependency, and these need substantial sums of money to finance their drug use. Figures can run to several hundred pounds a week for dependent heroin users, and higher figures still have been reported for some crack users.
- Dependent users and others with very heavy use finance drug purchase from a variety of sources, including income, benefits, gifts, loans, selling property, theft, prostitution and drug dealing.
- Whilst research in this country is sketchy, large minorities (and sometimes majorities) of dependent drug misusers report financing at least part of their drug misuse through acquisitive crime. Research from elsewhere suggests that a large minority of dependent drug users' aggregate income is derived from crime.
- Significant minorities of known offenders have serious problems associated with drug misuse. Probation officers assess that in the region of a fifth of those on probation fall into this category. A tenth of convicted male prisoners and a quarter of convicted female prisoners have been assessed as drug-dependent on admission.
- The costs sustained by victims of drug-related crime are substantial: crimes committed by dependent heroin users alone may involve losses of between £58 million and £864 million annually.

- The costs to the criminal justice system of dealing with drug misusers are similarly substantial: if drug-related crime absorbed 5 per cent of criminal justice resources, this would cost about £500 million."

Such is the tone of this summary (the text is, of course, more subtle) that it is hard to remember, by the end of the list, that the first sentence concluded with the words, "most drug users are not drawn into other forms of crime as a result of drug misuse." Talk is all of "drug-driven" crime; of the need for "substantial sums of money to finance their drug use. Figures can run to several hundred pounds a week"; of "theft, prostitution and drug dealing"; that "drug misusers report financing at least part of their drug misuse through acquisitive crime"; and that the "costs sustained by victims of drug-related crime are substantial".

In contrast to this technical elaboration of the 1980s stereotype is Parker's "normalisation" thesis which asserts that use of illegal drugs is now so prevalent that, in some age groups, non-users are best viewed as deviant, and users as "normal" (Measham et al. 1994).<sup>11</sup> How do such normal drug users "finance" their "habits"? To answer such questions, the search for specific mono-directional links between drugs and "crime" has to be abandoned in favour of a more general confrontation of the nature of the relationship between drugs and "resources".

## Ecstasy and the informal economy

Because of the relatively novel design of the main questionnaire used in our substantial ecstasy research project (far more questions were asked about issues with no apparent relationship to drug use, than about drug use itself), the resulting data can illuminate precisely this intersection between drug use and the informal economy.

Users are classified in Table 1 in terms of their ecstasy tablet consumption in the past 12 months. Eight users had not used in the past year, and so are grouped with the 20 controls. The "light" users had consumed between ¼ and 11 tablets in the previous year (broadly speaking, their averaged

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<sup>11</sup> Hammersley et al. (1997) offers some confirmation of this insofar as this school-based survey showed that a majority of, for example, girls aged 15 had used an illegal drug.

consumption was 'less than monthly'); the "medium" users had consumed between 11 and 47 tablets in the previous year (similarly, their averaged consumption was 'more than monthly but less than weekly'); the "heavy" users had consumed 48 or more tablets in the previous year (their averaged consumption was 'more than monthly but less than weekly').

If drug use is "normal", then drug-using sub-populations (such as this snowball-recruited community sample) should begin, in aggregate, to look "normal". They do. Table 1 shows that the male/female ratio approaches parity and there are fewer differences than one might have expected, from Hough's summary, between controls and users (and between light, medium and heavy users) in terms of either educational attainment or current employment status.

*Table 1: Sample demographics (% of each group)*

	<b>Controls &amp; ex- users n=28</b>	<b>Light users (&lt;11 tabs) n=83</b>	<b>Medium users (11-47 tabs) n=73</b>	<b>Heavy users (48+ tabs) n=45</b>	<b>Total n=229</b>
Female	57	43	44	38	44
14-19	18	18	21	24	20
20-24	46	47	51	51	49
25+	36	35	29	24	31
Single	71	87	91	80	83
Urban	70	81	77	58	74
Suburb	22	12	16	18	16
Country	7	7	7	24	11
O levels	14	23	29	33	26
A levels	39	50	48	58	50
University	46	27	23	9	25
Work	25	28	40	44	35
Unem- ployed	50	40	45	40	43
Study	25	33	15	16	23

Table 2 records the mean days of use of various drugs for each group for the year prior to interview. Two points are clear from this. The first is that everybody used drugs (even

*Table 2 : Mean days drug use past year*

	<b>Controls &amp; ex- users n=28</b>	<b>Light users (&lt;11 tabs) n=83</b>	<b>Medium users (11-47 tabs) n=73</b>	<b>Heavy users (48+ tabs) n=45</b>	<b>Total n=229</b>
Alcohol	106	130	118	121	122
Tobacco	189	225	243	280	237
Cannabis	107	186	203	198	184
Ampheta- mines	3	10	12	23	12
Cocaine	-	2	6	9	4
LSD	2	4	14	15	9
Temazepan	1	2	14	14	8
Poppers	-	2	4	4	3
Mushrooms	-	-	2	-	1
Ketamine	-	-	-	1	-
Other Ben- zodiazapan	-	2	2	4	2
Solvents	-	-	-	-	-
Opiates	-	-	6	3	3
Heroin	-	-	2	2	1
Bupren	-	-	-	-	-

the "controls").<sup>12</sup> Secondly, general drug use increased with specific drug use (that is, some people used a few drugs sometimes, others used a lot of drugs more often).

<sup>12</sup> Determined efforts were made to discover people in the local Glaswegian dance scene who did not take drugs. This was unsuccessful. Only 20 controls could be found, and all used other drugs. Determined efforts were also made to discover people whose only illegal drug of choice was ecstasy. We could find nobody who fitted this description.

Offending was almost equally ubiquitous. All were asked the following questions (first whether or not they had ever done the activities; then whether or not they had done each one in the past 12 months):

1. Travelled on a bus, tube or train without a ticket or having paid too low a fare ("ticket").
2. Driven a car on a public road without a licence ("licence").
3. Taken a bicycle with no intention of putting it back ("bike").
4. Taken money or something else from someone outside the family by using force or threats ("mug").
5. Fiddled an insurance claim ("fiddle").
6. Deliberately damaged property such as a phone box, a car, a window or a street light (but without stealing anything) ("vandal").
7. Taken things from shops or stores without paying ("shoplift").
8. Carried a weapon for self-protection or in case it was needed in a fight ("weapon").
9. Bought or accepted things thought to be stolen ("stolen").
10. Been involved in a physical fight with someone outside the family ("fight").
11. Been involved in the sex industry ("sex").
12. Sold drugs (other than ecstasy) ("deal").

Table 3 shows their responses, whilst Table 4 compares these responses with the responses to the same set of questions obtained from a larger sample of 16-44 year old respondents questioned in the 1993 Scottish Crime Survey (Hammersley 1994).<sup>13</sup> Notice for both groups of ecstasy users (in Table 4) the high level of conventional low-level offending (fare evasion, vehicle licence evasion, even vandalism and carrying offensive weapons), and the markedly high levels of shoplifting and buying stolen goods. For the project recruited (rather than Scottish Crime Survey interviewed) ecstasy users, note also the high levels of dealing in drugs other than ecstasy.

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<sup>13</sup> Data contributed in this form by Richard Hammersley.



Table 3: Crimes committed since age 15 (% of each group)

	<b>Controls &amp; ex- users n=28</b>	<b>Light us- ers (&lt;11 tabs) n=83</b>	<b>Medium users (11- 47 tabs) n=73</b>	<b>Heavy users (48+ tabs) n=45</b>	<b>Total n=229</b>
Ticket	89	87	81	84	85
Licence	29	28	26	36	29
Bicycle	4	6	4	14	7
Mug	4	2	1	7	3
Fiddle	14	25	18	16	20
Vandal	21	40	29	46	35
Shoplift	43	60	58	52	56
Weapon	18	22	14	25	19
Stolen	54	58	59	75	61
Fight	32	52	52	52	50
Sex	4	2	1	2	2
Deal	21	52	50	55	48
<b>NONE</b>	<b>4</b>	<b>2</b>	<b>6</b>	<b>2</b>	<b>4</b>

Table 4: Crimes committed ever (% of each group)

	<b>All Ecstasy users n=229</b>	<b>All Scottish Crime Sur- vey (16-44) n=2175</b>	<b>Scottish Crime Sur- vey Ecstasy users n=62</b>	<b>Scottish Crime Survey Ecstasy non- users n=2114</b>
Ticket	85	24	60	23
Licence	29	8	32	7
Bicycle	7	1	-	1
Mug	3	1	1	1

	All Ecstasy users n=229	All Scottish Crime Survey (16-44) n=2175	Scottish Crime Survey Ecstasy users n=62	Scottish Crime Survey Ecstasy non-users n=2114
Fiddle	20	2	1	2
Vandal	35	4	18	3
Shoplift	56	5	35	4
Weapon	19	4	27	4
Stolen	61	10	49	9
Fight	50	17	53	16

Previous year offending rates (Tables 5 and 6) also showed relatively high levels of fare evasion, but otherwise it is again the frequency of confession to buying stolen goods that is most striking.

*Table 5: Crimes committed in the past 12 months (% of each group)*

	Controls & ex-users n=28	Light users (<11 tabs) n=83	Medium users (11-47 tabs) n=73	Heavy users (48+ tabs) n=45	Total n=229
Ticket	57	55	59	52	56
Licence	4	11	7	16	10
Bicycle	-	2	-	4	2
Mug	-	2	-	2	1
Fiddle	4	10	4	7	7
Vandal	14	22	8	18	16
Shoplift	11	28	29	27	26
Weapon	4	12	11	16	11
Stolen	25	33	38	59	39
Fight	11	27	27	23	24
Sex	4	-	-	-	-
Deal	19	41	42	48	40
NONE	26	13	13	11	14

Table 6: Crimes committed in the past year (% of each group)

	All Ecstasy users n=229	All Scottish Crime Survey (16-44) n=2175	Scottish Crime Survey Ecstasy users n=62	Scottish Crime Survey Ecstasy non-users n=2114
Ticket	56	8	22	7
Li- cence	10	2	7	2
Bicy- cle	2	-	4	-
Mug	1	1	4	-
Fiddle	7	1	4	-
Vandal	16	1	3	1
Shop- lift	26	1	1	1
Weapo n	11	3	20	2
Stolen	39	3	25	3
Fight	24	5	23	5

Negative involvement in the criminal justice system is also relatively high, as is shown in Table 7. Nearly half our sample had been arrested, a quarter convicted and a third fined.<sup>14</sup> Remember, these are "normal" people - at least, in educational and other terms - and they don't seem to fit the usual stereotypes of "criminals". Yet perhaps the most interesting data of all is

<sup>14</sup> The fact that more said they had been fined than convicted (logically impossible) is probably accounted for by the fact that some people think that a fine means that they haven't been convicted.

Table 7: Criminal justice system involvement (% of each group)

	<b>Controls &amp; ex-users n=28</b>	<b>Light users (&lt;11 tabs) n=83</b>	<b>Medium users (11-47 tabs) n=73</b>	<b>Heavy users (48+ tabs) n=45</b>	<b>Total n=229</b>
ever arrested	36	42	47	52	45
ever convicted	7	18	32	29	23
ever fined	18	24	38	32	29
ever in prison	-	7	1	4	4
charges pending	11	5	11	18	10

contained in Tables 8, 9 and 10. From Table 8, it can be seen that nearly 30 per cent of the sample claimed to have some level of illegal income each week (for about half of them, this amounted to more than £50 a week), but the vast majority, over 85 per cent, seemed to be buying in the illegal economy on a weekly basis, even if this involved only a small amount for most.

Table 8: Illegal transactions per week (% of each group)

	<b>Controls &amp; ex-users n=28</b>	<b>Light users (&lt;11 tabs) n=83</b>	<b>Medium users (11-47 tabs) n=73</b>	<b>Heavy users (48+ tabs) n=45</b>	<b>Total n=229</b>
no illegal income	68	77	70	61	71
£1-£49 illegal income	21	17	10	15	15
£50+ illegal income	11	6	21	24	15
no illegal spend	54	11	7	9	14
£1-£49 illegal spend	46	86	82	67	76
£50+ illegal spend	-	4	11	24	10

Tables 9 and 10 present the same data controlled for self-reported income and expenditure. From Table 9, it can be seen that, considering those with an illegal income (about 30 per cent of the total), for two-thirds this accounted for more than a quarter of their income. From Table 10, it is clear that, looking at the far greater number who made some purchases in the illegal economy, this formed only a small proportion for most, but still amounted to over one quarter of total expenditure for nearly 25 per cent of the total.

*Table 9: Illegal income as % of total income (% of each group)*

	<b>Controls &amp; ex- users n=28</b>	<b>Light users (&lt;11 tabs) n=83</b>	<b>Medium users (11- 47 tabs) n=73</b>	<b>Heavy users (48+ tabs) n=45</b>	<b>Total n=229</b>
none	68	77	70	61	71
0-25%	11	9	7	5	8
26%+	21	15	24	34	22

*Table 10: Illegal spend as % of total spend (% of each group)*

	<b>Controls &amp; ex- users n=28</b>	<b>Light users (&lt;11 tabs) n=83</b>	<b>Medium users (11- 47 tabs) n=73</b>	<b>Heavy users (48+ tabs) n=45</b>	<b>Total n=229</b>
none	54	11	7	9	14
0-25%	43	66	63	62	61
26%+	4	23	30	29	24

In sum, what appears most interesting about this data is first, the inevitable involvement of all in the informal economy (at least to buy illegal drugs); second, the large numbers who sell illegal drugs to others; and third, the

surprisingly large numbers who confess to buying things knowing them to be stolen.<sup>15</sup>

## Conclusion

To recapitulate, I had never expected when I "left" the field of informal economy research for what, at the time, seemed the more pressing need to research the explosion of "new" opiate use in the early 1980s, that I would ever return to it. Indeed, until researching for this chapter, my mind still kept the two fields firmly apart. It was only when I began to look at some of the data from our major ecstasy research project, as a way of getting a toe-hold back into informal economy studies - something which seemed independently desirable given the growth of the informal economy in Europe, and the break-up of traditional employment patterns in post-modern Britain - that I realised that the data, had I not been so blind, were staring me in the face.

Studies of drug users used to be studies of small and highly deviant populations. Now they are studies of normal people. The only extraordinary element is the degree to which such normal people are involved at the relatively criminal end of the spectrum of activities loosely called the informal economy.

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<sup>15</sup> It is unclear what is bought, and from whom. However, whilst it is widely believed that "heavier" drug users (eg, street injectors) regularly steal car radios, amongst other things, nobody has ever asked who buys them. Maybe this study provides the answer.

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## **From Fordist-Type Criminals to Criminality 'Just-in-Time'**

VINCENZO RUGGIERO

The formal-informal interface is usually associated with threats and opportunities. Allegedly, threats are addressed to the official economy, while opportunities are offered to individuals who are excluded from the official labour market. In this way, informal, marginal or hidden activities come to be linked to illegal ways of obtaining income which, one could argue, make up for the loss caused to the underprivileged members of society by the withering of the welfare state. Consequently, informal economies and conventional criminal activities end up almost coinciding. In this paper the importance of the informal will be examined against the background of a process that can be tentatively described as follows. The 'informal' tends to be absorbed into the 'formal', and the alleged threats posed by the former tend therefore to be turned into opportunities for the latter. Consequently, the boundaries separating legal from illegal business practices become more blurred and beg a re-definition of classical terms such as corporate crime. This process is accompanied by changes occurring in the organisation of both official productive activities and criminal activities. Examples of both types of activities will be given throughout this paper, with the second type mainly pertaining to the illicit drugs economy.

### **The hidden economy**

The study of the relationship between the formal and the informal received enormous impetus around the mid- and late-1970s. This study mainly fo-

cuses on the major processes characterising European economies which are grouped under the general definition *industrial decentralisation*. The new processes of decentralisation should not be confused with previously existing forms of informal economic activity. While these forms regard secondary sectors of production, mainly characterised by labour-intensive practices, the new processes I am referring to consider the core of advanced industrial production and its leading sectors.

A vast literature is available on this issue, with some authors emphasising the aspects of *control* and some others those of *economic performance* on which the process of decentralisation is said to impact (Ascoli 1979; Bagnasco 1988; Deaglio 1985; Del Monte and Raffa 1977; Gallino 1985; Amin 1989). Thus, some commentators adopt a framework inspired by the hierarchical, authority-infused character of production, while others argue that the economy is driven mainly by efficiency (Putterman 1986). The former group of commentators see industrial decentralisation as a response to labour disputes, and consequently interpret the division of large firms into smaller units as a way to dilute industrial unrest. The latter see decentralisation as an innovative process ultimately aimed at increasing profits. While drawing on both analyses, other critics argue that decentralisation induces an economic 'miracle' by developing a parallel economy where statutory conditions are often ignored. Small productive units are created in which lower numbers of staff allow union rights to be suspended, with the consequence that the impact of collective bargaining is reduced. Overt illegalities are committed in many of these units with respect to working conditions: wages, security and recruitment procedures.

Decentralisation marks the beginning of the end of Fordism, the model of production which gave substantial incentives to the work force in terms of salary. The Fordist model established itself within the sphere of what is termed the 'monopoly sector' (O'Connor 1973; Braverman 1974). Here, relative work stability makes up for the high rhythm of work. In the car industry of the past, for example, the employees could at least temporarily avoid the fear of unemployment, as production seemed assured for ever. In the new network of ancillary production generated by decentralisation, where salaries are low and job security is lacking, the large firms use subsidiaries, and benefit from the conditions characterising the informal economy in which they operate. The informal economy, therefore, partially resolves problems of costs, coordination and management, as segments of



these are in a sense contracted out of the formal setting occupied by official business.

Adjacent to the informal economy is the criminal economy proper. Here, the drawing of a distinction may be useful. I would identify the informal economy with the production and circulation of goods whose nature is not officially defined as illegal, though their production and circulation may occur under illegal conditions. I would term criminal economy a market setting where both the goods produced (or services delivered) and the conditions in which they are produced and distributed are officially regarded as illegal. For the sake of clarity of the argument that follows, I would also like to describe as 'hidden economy' the social and productive space in which both the informal and the criminal economies operate.

Professional criminals and small non-criminal entrepreneurs are co-habitees in the hidden economy. Some of the former invest their criminal proceeds into non-criminal activities, and may shift from the informal to the criminal field periodically. Examples of these shifts are found in the literature on professional criminals who were active in the 1960s, 1970s, and in some cases throughout the 1980s. For the specific entrepreneurial character of this type of professional criminals in the UK, see Richardson (1991), Campbell (1990; 1994), Hobbs (1995). For France, see Greene (1982), who witnessed how the career of robbers and smugglers evolved into that of entrepreneurs in the building industry. For a similar evolution occurring in Italy, including the developments of the mafia and the camorra as enterprises, see Arlacchi (1983), Catanzaro (1988) and Ruggiero (1996).

In the informal economy, as we have seen, the boundaries between legality and illegality are already blurred, a circumstance which facilitates the access of entrepreneurs with all sorts of adventurous backgrounds. Decentralisation, therefore, with its creation of a myriad of small factories and workshops, acts as a terrain for the entrepreneurial promotion of professional criminals, who finally see their dream of owing a 'proper business' come true. However, in the informal economy these criminals meet with other small, 'clean' entrepreneurs, and engage in all types of joint ventures with them. In this respect, see the examples of professional criminals and 'clean' businessmen setting up joint ventures in the illicit drugs economy (Ruggiero 1992; Ruggiero and South 1995).

## Residues of Fordism

Paradoxically, while the growth of the informal economy signals the decline of the Fordist model of production, with parts of the work process being transferred outside the walls of the major firms, it is in the criminal economy proper that Fordism seems to receive revitalisation - as, for example, in the activities related to the illicit drugs economy. Here, from the late 1970s throughout the 1980s, a process is visible whereby many of the previous criminal activities tended to be abandoned or subsumed within the emerging drugs business. Some drug wholesalers, for example, were previously engaged in armed robberies. Presumably, they never managed to invest the proceeds of their raids in legitimate business, and their shift towards drugs was encouraged by the increasing use of fire arms on the part of the police (Taylor 1984). Drugs were welcomed as a long overdue chance to put the guns away. Journalistic accounts also suggest that, after an initial resistance to drug dealing, some professional criminals "soon realised that here was a new way of making money that required no getaway car and ran less risk of informers. It had the added advantage that there was no victim running to the police" (Campbell 1990: 5). Among this type of wholesale drug distributors, defined by Dorn and South (1990) as 'criminal diversifiers', other groups were previously active in the distribution of stolen goods.

However, as I suggested earlier, the definition 'diversifiers' also applies to the 'clean' entrepreneurs inhabiting the informal economy, who come to operate in the same economic setting as their criminal counterparts. Moreover, the most striking process of diversification regards those who occupy the lower strata of the drug business. In their case, it would be more appropriate to describe this process as a 'conversion': from work or unemployment to crime. I am referring to all those drug users who are devoid of a criminal background, and whose criminal career, therefore, coincides with their drug using career. It is my contention that the conversion or diversification of part of the criminal (or hidden) economy to the drug business makes its internal division of labour increasingly rigid. Research, including my own, seem to prove that those who benefit from this conversion are mainly individuals who already hold an entrepreneurial or managerial position in the hidden economy, whereas those whose role is confined to the provision of 'pure criminal labour' experience, with the shift to drugs, an exacerbation of their economic dependence.

The economic activities conducted by drug users and small distributors imply an immutable pattern of tasks within a virtually stagnant career. Users followed up in their careers show how their frenetic activities do not translate into upward mobility (Ruggiero 1992). A revolving-door situation prevents them from improving their criminal skills. Jarvis and Parker (1989) attempted an economic evaluation of the illicit activities carried out by users, who were found to receive only a small fraction of the value of the commodities handled. While moving considerable wealth from one place to another and from one person to another, the wealth retained by them consisted primarily of drug doses. Moreover, "despite the glamour of the setting and the considerable sums of money involved, many subjects described repetitive life-styles of dull uniformity" (ibid: 182).

We are faced with a Fordist model of criminal labour, whereby the skills required to perform tasks appear to be visibly declining. Skills, in fact, are concentrated at the managerial level of the drug economy, and are engrained in its division of labour, which is independent of those who play a part in it. In this organisation, one finds an echo of Gramsci's (1951) formulation of Fordism, in the sense that criminal labour becomes increasingly abstract, as it is fragmented in a number of repetitive operations whose purpose is lost. These unskilled criminals are young users who have not had a chance to achieve criminal apprenticeship, and whose knowledge of the economic cycle in which they are employed is reduced to the small segment they occupy. Hence their vulnerability and, like Fordist workers, their interchangeability.

It is ironic that this specific type of labour organisation, which is slowly being abandoned by important sectors of the official economy, leaves residual traces in the criminal component of the hidden economy. However, it should be noted that in the hidden economy Fordist-type criminal labour finds conditions and characteristics which are the reverse of those prevailing in the official economy. In the latter, Fordism establishes itself within the monopoly sector, which serves mass consumption and responds to a relatively stable demand. Conversely, criminal economies, particularly the drugs economy, adopt a Fordist model of labour within competitive contexts, where markets are irregular and unstable, and work is often seasonal.

We shall see how changes in the relationship between the formal and the informal on the one hand, and within the official economy, on the other, bring changes in the criminal labour market and tend to alter the specific features of its activity.

## Coopting the informal

The relationship between the formal and the informal changes in the mid-1980s, and a process of increasing cooptation by the former of the latter starts taking place. Surely, some signs of industries incorporating the informal were already visible in the 1970s, mainly in the decentralisation process started by the major car industries in Europe. These industries slowly acquired control of the small industrial units that acted as their subsidiaries. In some cases, they set up their own network of such small units which competed with their old suppliers. Such networks were established either in the same national territory where the main factory was located or in off-shore territories where labour was cheaper and more disciplined. Globalisation *ante-litteram*? However, this expansion of the formal into the informal gained momentum in the 1980s, when most subsidiary units were financially supported by the mother industries, which also provide them with fixed capital in the form of machinery. Loyal foremen and faithful skilled workers were among those appointed as managers/directors of such subsidiary units. In these, labour was cheaper and workplace legislation systematically ignored. In some European countries, due to the limited number of workers employed, workplace legislation and collective contracts approved at the national level just do not apply. In other words, big industry was incorporating the advantages of the informal economy within its own formal productive process.

Now, the hidden economy as a whole becomes inhabited by disparate actors: small entrepreneurs who were formerly contractors of larger firms, new entrepreneurs promoted by large industries, and criminal entrepreneurs seeking new investment opportunities. The characteristics of the businesses conducted by such disparate actors are not easy to isolate and distinguish. In this context, the debate over what exactly constitutes 'clean', 'dirty', 'legal', 'semi-legal', 'illegal', or 'mafia' entrepreneurship becomes particularly heated. For example, what are the characteristics distinguishing an enterprise set up through the re-investment of criminal proceedings from one set up by a major official enterprise, when both operate in the hidden sector (Falcone 1991; Catanzaro 1994; Centorrino and Signorino 1994; Becchi and Rey 1994; Arlacchi 1996)?

## Toyotism and crime

The process leading to the incorporation of the informal within the formal receives unprecedented impetus with the establishment of the 'Just-In-Time' production model. According to what is known as the 'Toyota spirit', subsidiaries must display the same standards as the major firms they work for (Ohno 1993). Increasingly, external independent suppliers become unable to provide what the large firms require: technology, management, flexible capitalisation, versatile labour. Large firms have no choice: they are forced to set up their own suppliers and, in some industrial sectors, they virtually monopolise the informal as well as the formal. But let us briefly summarise some aspects of the 'Toyota spirit' within the post-Fordist debate which are relevant to this analysis of crime.

The new systems of production assume the fragmentation and the volatility of markets, therefore they abandon the central tenets of mass production. 'Lean production' is the new strategy: goods are virtually personalised on the basis of contingent demand, stocks are consequently reduced to a minimum, and production takes place 'Just-In-Time' to respond to the emerging unpredictable demand (Rainnie 1991). Within this strategy, some authors see elements of 'vertical disintegration' emerging in industrial organisation which, in their view, leaves the main enterprise in control of only the final product and key technology. As non-strategic activities are presumably subcontracted, clusters of independent enterprises are said to establish themselves which presumably allow forms of community control over the local economies (Totterdill 1989; Hirst and Zeitlin 1989). This author would support the validity of findings which run counter to this post-Fordist orthodoxy. Research proves that it is optimistic to emphasise the centrality of the locality and the role of small and medium sized firms. In fact, whilst the functions of large firms may be decentralised, with units taking on local appearances, "control still resides in the hands of a distant and global management, often overriding local concerns" (Rainnie 1993: 53).

With deregulation, conditions in the informal economy deteriorate, while attempts are made to formalise the informal (as in Italy), or expand it through the refusal to establish minimum work conditions and the curtailment of union rights (as in the UK). A competitive situation emerges where the distinction between the informal and the criminal, within the

hidden economy, tends to become yet more blurred, with labour shifting from the former to the latter and vice versa. Deregulation, in effect, carries an ambiguous message, namely that rules and procedures are negotiable, and that the threshold separating legality and illegality is always provisional and can be moved artificially.

Similar ambiguity is found in criminal economies, particularly in the drugs economy. Drug use, for example, becomes 'chaotic', no longer implying a definitive, totalising choice, or the adoption of a specific lifestyle. Drugs are incorporated into a variety of lifestyles: more substances are made available, while different markets and different consumers emerge. Like other consumptions, such as clothes, food or leisure goods, drug use diversifies on the basis of the users' income. At user-dealer level, some restructuring takes place, with many suppliers being 'made redundant'. Drug dealers face unemployment, unless they re-skill in supplying other legal or illegal drugs, or specialise in some other specific segment of the criminal economy. Former cannabis dealers, for example, become unemployed after the explosion of synthetic drug use, or because many groups of users start to grow their own cannabis in newly-established consortia. Work in the criminal economy becomes intermittent and casual, with short contracts prevailing, while flexibility, imagination, and the capacity to shift from one task to another assume a central significance in the creation of job opportunities. It is the triumph of criminality 'Just-In-Time', which is tailored on the changing moods of the market and volatility of consumptions.

### **The 'informalisation' of responsibility**

The examples provided so far pertain to conventional crime, in a way which seems to confirm the widespread view that the informal or the hidden are mainly associated with this type of criminal activity. A more detailed analysis of Post-Fordism may perhaps dispel this exclusive association and allow for the inclusion of forms of corporate crime in the equation.

Post-Fordism is not only characterised by 'lean production' and associated with saturated markets, unpredictable consumers and flexible labour. At the institutional level, Post-Fordism implies new procedures with respect to decision-making processes, which tend to take place in hidden set-

tings, through obscure and distant mechanisms, and outside the traditional sites in which accountability and responsibility can be respectively assessed and imputed (Revelli 1996). As an example, let us examine the recent restructuring of the defence industry in the post-cold war era.

Despite the collapse of the Soviet block, in many European countries, particularly in the UK, there has been a virtually complete absence of conversion in the arms industry. The restructuring process which is occurring involves the concentration of capital, the reshuffling of sectors and the creation of national specialisations. National governments are playing a central role in privatising formerly state-run industries and promoting a series of mega-mergers (Lovering 1997). Governmental efforts address the promotion of arms exports, as exemplified by the British arms deals with Saudi Arabia, and later with Malaysia and Indonesia. The British arms industry now sells more abroad than to its home Ministry of Defence. "An important new feature of the emergent political economy of the defence industry is that the home state is no longer the exclusive - or even the main - political actor in the game. Defence projects are increasingly developed with a view to gaining access to future export markets, and sometimes to overseas technology. Companies are no longer agents of their home governments and armed forces, they are independent commercial actors" (ibid). While in the cold war period defence companies were typically run by managers from engineering or military backgrounds, the post cold war industry is largely run by generic business people who are not so different from their equivalents in any other advanced internationalised, high-tech sector. Their background is in finance, marketing and management (Hirst and Thompson 1996). Increasingly, production arrangements are removed from the democratic process, to escape what defence companies regard as the cumbersome decision making machinery of politicians. "Key decisions are increasingly being made within networks which have 'footprints' in the corridor of several Defence Ministries, several corporations, and several financial institutions. No regional, national or European institution can have a completely informed overview, or leverage, over this nexus" (Lovering 1997). In sum, greater reliance on collaborative European armaments programmes implies less and less political surveillance over defence production (Hayward 1990). The defence industry is becoming more informal and less accountable to democratic national institutions. Responsibilities regarding the amount, the characteristics, and the end user of the arms produced are becoming increasingly difficult to attribute. The devel-

opment of hidden or grey arms markets, and the informalisation of responsibility are reflected by the growth of illicit transfers of arms and the institutional difficulties in defining such transfers as illegal (Phythian and Little 1993; Karp 1994).

### **The fable of the bees**

In this paper I have tried to describe how developments of the informal economy affect both conventional criminality and corporate offending. Many of the alleged threats posed by the informal to the official economy seem to be being turned into advantages for the latter, which incorporates forms prevailing in the hidden sector of productive activity. We have seen how a Fordist-type of labour, which is declining in the official sites of industrial production, re-emerges in the criminal economy, and how, in a sense, the new 'Toyota model' of production is mirrored by the spread of a criminality 'Just-In-Time'. The joint analysis of conventional crime, corporate crime and the official economy presented above is meant to convey the necessity that any conceptualisation of the informal economy should take into account the impact of such economy on a variety of actors transcending those conventionally defined as criminal. This conceptualisation should resort to metaphors such as that offered by Bernard Mandeville in *The Fable of the Bees* (1700 [1723]), in which street criminals are described alongside their more powerful counterparts, the offences of the former being as serious as those perpetrated by their more respected neighbours:

"These were called Knaves; but bar the name,  
The grave Industrious were the Same.  
All Trades and Places knew some Cheat,  
No Calling was without Deceit".

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## **Informel, Criminel et Contrôle Social dans la Ville "Post-Industrielle" : le cas Italien**

SALVATORE PALIDDA

### **Avant-propos**

Tout en faisant référence à quelques recherches récentes, ce texte veut proposer quelques hypothèses de recherche et donc certaines questions théoriques et méthodologiques liées à ces hypothèses. En effet, bien que les phénomènes concernant les liens entre formel, informel et criminel soient connus depuis longtemps, les recherches qui les ont abordés de façon satisfaisante semblent demeurer insuffisantes et surtout en retard par rapport aux changements en cours depuis plus d'une décennie. Ces changements, concernant à la fois l'assise économique, sociale et politique dans le passage à la société dite post-industrielle-globale, semblent se traduire aussi dans une sorte de redéfinition de ce qui est le formel, l'informel et le criminel et les liens entre ces trois éléments, redéfinition qui se confond avec la continuité et les innovations que chaque changement entraîne. Se pose alors la question de comprendre en quoi consiste cette redéfinition, comment elle se manifeste et jusqu'où elle peut aboutir en particulier dans l'espace européen qui est en lui-même une dimension qui se définit *ex-novo*.

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1. Au cours de ces dernières décennies, il y a eu une forte diffusion des termes "informel", "économie souterraine", etc. En même temps, l'emploi de ces termes semble être très varié. Sans aborder ici une revue systématique des différentes significations attribuées à ces termes, nous nous limi-

tons à préciser la signification ici adoptée et surtout les questions qui concernent le contexte car celui-ci semble contribuer plus que jamais de façon décisive à la définition de cette signification.

Il est évident, sinon banal, de dire qu'on doit considérer informel tout ce qui n'est pas formel, mais la définition de l'informel ne peut pas être subordonnée simplement à des critères juridiques. Tout informel est illégal, mais on pourrait dire que l'informel se caractérise comme un fait socialement partagé et par un degré d'illégalité relativement limité. Autrement dit, l'informel existe parce qu'une partie de la société le considère comme un fait "normal", ce qui n'est pas le cas des faits criminels. Par exemple, la fraude fiscale, la construction sans permis et en dehors des normes et des autorisations prévues par la loi, la production en dehors des normes de sécurité et de respect pour l'environnement, l'emploi au noir ou partiellement déclaré de main d'œuvre, la distribution et la vente à la sauvette ou au noir de marchandises, la contrefaçon, ainsi que les importations et exportations en dehors des normes et d'autres activités sont habituellement pratiqués par une partie plus ou moins grande de la société dans tous les pays (cette caractéristique de "fait socialement partagé" renvoie aussi à la demande sociale qui justifie un comportement et une activité informels ou illégaux; c'est alors la logique de la demande et de l'offre qui explique l'économie informelle comme toute autre économie).

L'importance plus ou moins grande de l'informel correspond évidemment à l'histoire de chaque pays, à l'assise économique, sociale et politique et donc aux rapports entre Etat et société. Si la police, l'inspection du travail, la justice et le gouvernement sont contraints à tolérer l'informel sont parfois complices ou d'autres fois apparaissent impuissants, c'est avant tout parce que l'informel est un fait social qui s'impose en dépit de toute prétention de légalité, c'est un fait qui est plus ou moins partagé à la fois par des acteurs forts qui en profitent davantage, mais aussi par des acteurs faibles qui grâce à ce genre d'activité cherchent à s'assurer du moins la survie ou qui parfois croient bénéficier davantage qu'à travers des activités et comportements légaux.

A cela il faut ajouter que l'ampleur de l'informel semble correspondre à l'importance de ses liens avec le formel. S'il y a un large espace flou entre informel et formel il y a évidemment davantage de possibilité de confusion entre les deux et donc de déguisement ou camouflage de l'informel.

Tout cela pourrait expliquer pourquoi le contrôle étatique est contraint à s'exercer avant tout comme gestion des "règles du désordre", i.e. comme un

contrôle visant à veiller qu'on ne dépasse pas certaines limites. Par exemple le travail au noir ou l'exploitation des enfants sont réprimés quand ils deviennent des phénomènes de néo-esclavagisme concernant un nombre relativement important de personnes et quand se manifeste une certaine indignation sociale vis-à-vis de tels faits.

2. L'histoire de la société urbaine montre qu'à chaque nouveau développement de la ville il y a eu un renouveau de l'informel, des anomies, de la déviance et de la criminalité et de leurs combinaisons avec le formel/légal. En effet, bien au-delà des mythes positivistes et progressistes de la modernisation et de la rationalisation, le développement de la société urbaine connu depuis le début du XIX<sup>e</sup> siècle a inéluctablement entraîné la reproduction de ses a-rationalités et "cotés obscurs", objet attentivement étudié par les plus importants auteurs classiques des sciences sociales (Weber, Simmel, Benjamin, voir Dal Lago, 1994). Ainsi, au-delà de la vision idéal-typique du rapport Etat-société il convient d'étudier les adaptations réciproques (ou combinaisons adéquates ou inadéquates) entre Etat et société, ce qui donne lieu à la reproduction de cas d'*anamorphose de l'Etat de droit*, i.e. les passages continus du formel/légal à l'informel et même au criminel et leur contraire, cas d'*anamorphose* dont le cas italien donne des exemples très éloquentes avec le recours continu aux "amnisties" ou régularisations (*sanatorie*, assainir/régulariser) concernant les délits de fraude fiscale, les constructions abusives ou hors normes ou sans autorisations, etc. (cfr. Palidda, 1992)<sup>1</sup>.

Nombre de données et d'informations, pas toujours fiables et souvent contradictoires, montrent que, au cours des années 1990, dans tous les pays européens, il y a eu un considérable développement de l'économie dite informelle ainsi que de la criminalité des *white collars*, tandis que les mafias ou la criminalité organisée violente semblent être en déclin, du moins dans l'Europe Unie, alors qu'elles semblent exploser dans les pays tiers. Se pose alors la question de savoir quels sont les changements de l'informel, du criminel et de leurs corrélations avec le formel, car s'il est vrai que d'un côté il y a nombre d'éléments de continuité, de l'autre côté on peut remarquer qu'il y a une redéfinition de ces phénomènes, avant tout parce que le contexte économique, social et politique apparaît profondément changé. Autrement dit, la question qui semble s'imposer est de savoir si le paradigme de la production et de la reproduction de l'informel et du criminel a

<sup>1</sup> Paraphrasant Pavarini et Baratta (1998) on pourrait parler de "frontière mobile de l'Etat de droit".

changé à l'instar du changement dû au passage à la société dite post-industrielle et à la globalisation. En effet, ce passage semble rendre encore plus floue la frontière entre formel/légal, d'un côté, et informel et criminel de l'autre côté (cela concerne notamment le fonctionnement du marché du travail, mais aussi la production, la distribution et la commercialisation des marchandises, tout comme les jeux financiers). En particulier, le développement de la globalisation, i.e. de l'externalisation des délocalisations de toutes sortes d'activités semble rendre encore plus floue la frontière entre formel, informel et criminel. En effet, les contrôles des flux sont devenus de plus en plus difficiles car ces flux ont connu une augmentation extraordinaire et les polices n'arrivent pas à être en mesure de les contrôler. D'autre part, même les activités criminelles semblent avoir connu une externalisation très importante et semblent pouvoir profiter de la possibilité de se confondre ou de se déguiser parmi les flux des délocalisations qui par ailleurs changent très fréquemment de parcours, tout comme changent fréquemment les noms et les sites des sociétés transnationales, même de dimensions relativement petites.

3. Au cours des années 1970 et 1980, il y a eu un certain développement de l'intérêt pour les recherches portant sur différents aspects, sur les dynamiques et sur les acteurs des activités informelles et/ou criminelles. Beaucoup plus rares ont été en revanche les tentatives d'étudier les corrélations directes et indirectes entre formel, informel et criminel. Par ailleurs, force est de constater que, assez souvent, ces études (notamment celles sur les mafias ou sur la transnationalisation des activités criminelles) ont souvent alimenté le lieu commun selon lequel ces phénomènes ont été et seraient propres aux sociétés marquées par une modernisation "pervertie" plutôt qu'aux sociétés historiquement réglementées selon les normes de l'Etat de droit. Autrement dit, le paradigme interprétatif dominant a toujours été ancré à une conception de l'Etat comme entité souveraine qui encadre la société plutôt qu'une conception plus réaliste consistant à reconnaître que l'organisation politique de la société n'est que le résultat des interactions entre Etat et société, voire le résultat d'adaptations réciproques le plus souvent façonnées par les inputs des acteurs les plus forts<sup>2</sup>.

<sup>2</sup> J'ai essayé de proposer cette approche interactionniste, voire constructiviste à travers l'étude du cas italien comme exemple d'anamorphose de l'Etat de droit, i.e. comme exemple du passage continu dans les deux sens du légal à l'illégal (cf. Palidda, 1992a), ce qui explique le phénomène de la mafia, traduction pragmatique de l'Etat (selon Catanzaro, 1988) ou la reproduction continue des déviations des services secrets (De Luttii, 1991) comme rentabilité économique et politique du crime, ou encore le re-

Or, l'étude sur les mutations concernant les activités formelles, informelles et criminelles et les liens entre elles dans les villes européennes semble nécessiter plus que jamais le recours à une approche de type ethnographique portant sur les différents aspects ou manifestations de ces activités, sur les acteurs impliqués, voire sur les interactions entre facteurs et acteurs qui interviennent sur ce phénomène. La combinaison entre micro et macro, synchronie et diachronie, qualitatif et quantitatif semble s'imposer. De même, concernant le traitement des statistiques, semble se poser à nouveau la question d'éviter un emploi a-critique des données reprenant l'approche développée à partir des suggestions proposées il y a presque 25 ans par Kitsuse et Cicourel<sup>3</sup>, voire l'approche constructiviste<sup>4</sup>.

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cours continu aux amnisties (*sanatorie*) qui légalisent des faits illégaux (c'est le cas de la fraude fiscale ou des constructions abusives ou de bien d'autres illégalités pratiquées par un très grand nombre de citoyens soit parce que grâce aux *sanatorie* on peut acheter la légalité à un prix moins cher que sa pratique régulière, soit parce que celle-ci apparaît trop compliquée sinon irréalisable ou pas assez flexible. Ainsi avec ce mécanisme de l'anamorphose de l'Etat de droit on obtient une adaptation réciproque de l'Etat et de la société qui certes ne prime pas ni le respect rigoureux du droit, ni l'égalité des chances, mais les acteurs les plus forts ou les coalitions entre acteurs qui arrivent à imposer cette flexibilité de la norme.

<sup>3</sup> Voir J.I. Kitsuse, A.V. Cicourel, "Note sur l'utilisation des statistiques officielles", paru la première fois dans *Social Problems*, 1963, XI, pp:131-139, diffusé en français dans *la lettre grise* de Pénombre, ainsi que "Modeste note sur une note qui l'est moins" de C.N. Robert et M. Sardi. En dehors de auteurs cités dans ce dernier article, des tentatives de développement de cette approche critique sont proposées dans quelques récents travaux réunis dans l'ouvrage *Délit d'immigration*, (voir en particulier Albrecht, Brion, Barbesino, In:Palidda 1996). La question principale qui semble rester au cœur de cette approche concerne l'analyse de la construction sociale des statistiques qui dans le cas des statistiques produites par la/les polices (et aussi les services secrets et les structures spéciales -dont la DEA, etc.) peut conduire à penser que cette production est avant tout le résultat de l'interaction entre trois acteurs principaux : 1) les polices (avec leurs choix opérationnels et les interactions avec les inputs politiques, administratifs et du système pénal), 2) l'attitude de dénonciation de la population, 3) les déviants, les délinquants et les criminels. Bien évidemment cette approche implique une conception de l'organisation politique de la société qui dépasse la vision traditionnelle statique de l'Etat et donc du contrôle social "du haut" cherchant à comprendre les interactions et adaptations réciproques entre contrôle social étatique et contrôle social "endogène" (propre à chaque segment social). A l'opposé, l'approche neo-positiviste semble accorder un crédit exagéré aux statistiques de toutes sortes (y compris les sondages de victimisation) par le fait même qu'elle ne s'interroge pas sur les variations dans l'opérationnalité des polices et de l'administration de la justice en relation avec ses diverses interactions.

Mais, ce qui apparaît encore plus important est la mise à jour de l'approche par rapport aux changements dans l'ordre économique, social et politique.

Nombre d'éléments et d'aspects des manifestations des activités informelles et illégales ou criminelles peuvent conduire à penser qu'il y a continuité ou même adaptation au nouveau contexte sans véritable changement, sans ruptures avec ce qu'on connaît du passé de ces manifestations. En même temps, leur impact sur la scène sociale et politique, les réactions qu'elles suscitent poussent à penser qu'il y a un changement important. Alors qu'il y a une forte montée de l'hostilité vis-à-vis des anomies et de la déviance qui ne semblent pas avoir augmenté ni être plus gênantes que par le passé, il y a une nouvelle tolérance vis-à-vis de comportements illégaux concernant des activités informelles (notamment le travail au noir ou les formes de travail qu'on appelle atypiques se situant entre formel et informel/illégal; tolérance qu'on voit à propos aussi du faible contrôle du respect des normes de sécurité, ce qui – ainsi que les rythmes de travail – fait augmenter les accidents de travail ou les morts sur le travail).

Une partie de la littérature concernant les mutations survenues depuis la fin des années 1970 pousse à penser que nous sommes encore dans la phase de passage de la société industrielle à ce qu'on a l'habitude d'appeler société "post-industrielle" et que dans ce mouvement contradictoire une part importante est jouée par ce qu'on a pris l'habitude d'appeler "globalisation" ou "mondialisation".

Les polices et même les services secrets des pays européens considèrent que les ennemis principaux de la sécurité sont les mafias, les terrorismes et l'immigration clandestine<sup>4</sup>. Leur retard ou leur incapacité (ou leur non-volonté ?) de contrôler l'externalisation des activités criminelles et les déplacements des liens entre formel et illégal apparaissent évidents alors que le choix d'orienter leur engagement vis-à-vis d'un amalgame ambigu entre migration, terrorismes et criminalité semble relever d'une logique politique qui de fait favorise l'occultation des nouvelles criminalités et un inquiétant modèle de domination. La dégradation des pays non-dominants, des Balkans à l'Afrique, aux pays asiatiques et de l'Amérique Latine est décrite

<sup>4</sup> En accord avec l'approche constructiviste (Knorr-Cetina et Cicourel, 1981), la déviance ou la criminalité doivent être considérées comme le résultat des interactions entre différents acteurs sociaux dans des contextes ou frames bien définis.

<sup>5</sup> A ce propos voir les travaux de Bigo (1992, 1996, 1998), L. Van Outrive(1998), M. den Boer(1998), H. Dietrich (1999) et Palidda (1998).



comme la faute de sociétés qu'auparavant on désignait comme marquées par une modernisation perverse et maintenant par une perverse adaptation à la "post-modernité". Ceci sert aussi à justifier l'enfermement d'une Europe arrivant à la militarisation du contrôle social policier et la conversion policière du militaire au service de la fortification de ses frontières et de la surveillance sur son territoire.

A l'échelle des sociétés urbaines, l'attention semble s'être focalisée sur la crise de l'assise économique et sociale traditionnelle, voir sur la crise des formes, des modalités et des moments et lieux du contrôle social (exogène et endogène). S'est ainsi développée une tendance à voir les anomies, la déviance, la délinquance, la criminalité et les terrorismes comme phénomènes potentiellement liés entre eux ou déjà soudés ne fut ce que par leur effet en terme d'augmentation du sentiment d'insécurité chez des citoyens que les médias considèrent la majorité de l'opinion publique. En effet, nombre d'éléments et de faits conduisent à penser qu'il y a eu production d'une nouvelle assise économique, sociale et politique, voire une redéfinition de l'ordre. Alors, l'analyse des anomies, de la déviance, de la délinquance et de la criminalité et de l'autre côté des réactions institutionnelles, politiques et sociales à ces phénomènes imposent plus d'attention vis-à-vis du rôle de la nouvelle organisation de l'ordre dans la production de ces phénomènes. En même temps, ainsi que dans tous les changements historiques, on peut constater qu'il y a coexistence entre continuités et ruptures, et on pourrait dire qu'il y a une sorte d'hybridation de nombre de manifestations dont il est parfois très difficile de comprendre jusqu'à quel point elles se situent dans la continuité ou dans le nouveau<sup>6</sup>. Il est peut-être utile de prêter beaucoup d'attention au phénomène de l'hybridation mais aussi de recodification, car c'est à travers l'analyse fine de ces cas et surtout de leur dynamique que l'on pourrait appréhender mieux les changements. Les concepts d'hybridation et de recodification ou redéfinition semblent utiles car ils concernent à la fois le contrôle social, l'informel et l'illégal dans un contexte qui pourrait être mieux appréhendé comme celui de la redéfinition de l'ordre économique, social, politique et même culturel.

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<sup>6</sup> Entre autres objets de recherche, le concept d'hybride a été utilisé par quelques auteurs à propos de la mafia en tant que cas exemplaire dans la combinaison d'éléments et aspects traditionnels et modernes, d'où son extrême capacité de s'adapter à tous les contextes, activités et possibilités de jongler entre légal et illégal (parmi d'autres voir les travaux de Catanzaro, Mastropaolo, Recupero).

En effet, en amont, l'aspect qui pourrait être considéré très important dans la caractérisation du contexte (et qui influence les sous-contextes ou les *frames*) concerne la dimension politique : l'ordre mondial, l'ordre de l'Union européenne, l'ordre de la ville européenne, voire l'ordre du nouveau système de régulation et donc le nouveau scénario de l'inclusion et de l'exclusion.

La plupart des villes de l'U.E. ont toujours été les pôles principaux des pays dominants; la dynamique de la société urbaine industrielle produisait plus d'inclusion que d'exclusion ou, du moins, donnait l'illusion de pouvoir inclure tout le monde, réduisant l'exclusion (les anomies, l'informel, la déviance, la délinquance ou même la criminalité) à des aspects secondaires, destinés à être effacés ou à des cas pathologiques, à des résidus du passé ou à des difficultés dans l'adaptation à la modernisation. Tout courant migratoire (venant de l'intérieur comme de l'étranger) a toujours été plus ou moins affecté par certains "taux" d'anomies, d'informel, de déviance, de délinquance et de criminalité, mais cela affectait aussi une minorité de la population autochtone.

Or, la construction de l'Union européenne semble entraîner une nouvelle tentative d'encadrement de la société selon des normes très détaillées et uniformisées à travers un contrôle policier beaucoup plus efficace et modernisé, en outre centralisé et uniformisé. La réussite de cette œuvre semble indiscutable en ce qui concerne la lutte contre les terrorismes, la criminalité organisée et l'immigration clandestine. Cependant, force est de constater que les polices européennes ne semblent pas assez engagées ou ne semblent pas capables ou sont mal à l'aise face à quatre phénomènes : la diffusion de l'informel, l'ethnisation des activités informelles et des activités criminelles; les jeux de l'externalisation de la criminalité vers les pays tiers (et leurs retours); la croissance de ce qu'on appelle le sentiment d'insécurité urbaine et la demande de sécurité.

Alors, il est peut-être assez intéressant de remarquer que la légitimation des orientations et des pratiques policières et judiciaires ne relève plus uniquement du "haut", i.e. de l'Etat ou du pouvoir politique, mais parfois davantage du "bas", i.e. du consensus de la société locale, perçu comme celui de l'opinion publique, voire des médias. Alors que le rôle de l'Etat national traditionnel semble s'affaiblir et qu'entre-temps les nouvelles institutions européennes n'ont pas encore la force de donner légitimité, ce qui semble s'imposer est l'orientation de l'opinion publique locale affichée tous les jours dans les médias comme une sorte de plébiscite quotidien. Cette opinion semble le produit de la circularité ou du court-circuit des interac-

tions entre le sens commun des citoyens affranchis ou qui se sentent menacés de perdre les privilèges réels ou attendus, les médias et les entrepreneurs du sécuritarisme. Ainsi les pressions sur la police et sur la magistrature arrivent à conditionner les orientations de ces institutions jusqu'à leur faire privilégier certaines cibles en guise de bouc-émissaires ou de nouvel ennemi public principal utile à occulter des illégalités partagées par une bonne partie des citoyens affranchis, par les entrepreneurs du sécuritarisme, par certains acteurs économiques forts. Il est par exemple assez singulier que dans certaines villes la police arrive à dire que les seuls problèmes d'illégalité soient dus aux immigrés clandestins ou, le cas échéant, aux jeunes toxicomanes, alors que les affaires entre formel, informel et criminel concernant aussi bien le privé que les secteurs publics et parapublics sont presque totalement ignorées (sauf pour ce qui est de l'action de plus en plus difficile de policiers et magistrats professionnellement et éthiquement rigoureux<sup>7</sup>). Ainsi la redéfinition de l'ordre, non plus uniquement par le haut, non plus uniquement par le souverain (Etat ou classe dominante), mais aussi par les citoyens qui incarnent ce nouvel ordre presque comme preuve de démocratie accomplie, semble redéfinir parfois les contours de la légalité et de l'illégalité.

Alors, il serait par exemple important de savoir si l'économie informelle et illégale des villes européennes a effectivement augmenté ou au contraire a diminué en mesure égale dans toutes ses différentes manifestations (compte tenu de toutes les proportions à respecter). En même temps, il serait utile de comprendre la portée de ce qui apparaît une sorte de guerre contre les exclus, qui en réalité vise les populations des segments sociaux dominés utiles aux délocalisations<sup>8</sup>. Autrement dit, la domination d'aujourd'hui n'est pas la même que celle connue par le passé; l'informel et l'illégal des villes des sociétés dominantes se situent dans un nouveau cadre

<sup>7</sup> A Milan les mêmes entrepreneurs du sécuritarisme ont accusé la police et la magistrature de s'être occupé trop de corruption des politiciens et des entrepreneurs laissant libre d'agir les délinquants ... immigrés ! Pourtant au cours de ces dernières années cette ville est probablement la plus marquée par le développement des spéculations boursières, dans le domaine de l'assistance sanitaire, de l'immobilier, des déchets et de l'environnement, par le développement du travail semi-informel et au noir, etc.

<sup>8</sup> Il est assez révélateur que l'Angleterre de Major-Blair rétablit l'utilisation des bateaux-prisons qui rappelle l'époque victorienne, et on pourrait penser que, s'il était possible, on rétablirait à nouveau le transfert des prisonniers dans les nouvelles colonies pour y délocaliser certaines activités économiques. A propos des analogies entre les types de domination et de bridage de la main d'œuvre dans différentes époques et cadres juridiques, voir Yann Moulier-Boutang (1997).

politique qui tend à changer radicalement leur traitement à travers une criminalisation qui n'est plus celle traditionnelle réservée aux "déchets humains autochtones" de la modernisation, mais celle réservée à l'ennemi.

L'illégalité des dominants et des catégories sociales privilégiées a-t-elle augmenté ou diminué dans les mêmes proportions que celle des "exclus" ? Ou est-ce la première qui a augmenté en mesure considérable, profitant aussi de sa transnationalisation, alors que la déviance et la délinquance diffuse ("microcriminalité") ont diminué ? C'est par exemple cela qui semble conduire à penser l'analyse critique des statistiques et l'analyse qualitative de l'informel et de l'illégal en Italie<sup>9</sup>, phénomène qui pourrait être expliqué par la forte croissance des capacités répressives des polices combinée avec la forte croissance de l'attitude de dénonciation de la population, voire même par une tendance à la fusion entre contrôle social étatique et contrôle social endogène<sup>10</sup>.

4. Comme chacun sait, il y a nombre de difficultés dans la comparaison internationale, à cause des différences qui concernent avant tout le cadre normatif, le fonctionnement des polices et du système répressif-pénal. Cependant, la production de l'activité policière semble devenir relativement similaire dans presque tous les pays dominants<sup>11</sup> et à cela semble correspondre, en Europe, une tendance à l'homogénéisation du sens commun, des médias, de l'opinion publique, voire de l'attitude de dénonciation de la po-

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<sup>9</sup> La littérature en la matière est vaste et comprend à la fois les travaux sur les mafias, les travaux sur la corruption politique, les travaux sur la déviance et la délinquance. Remarquons qu'on n'a cependant pas de travaux sur les nouvelles externalisation, délocalisation ou transnationalisation de l'informel et de l'illégal (par exemple les productions dites "sous-douane", les transferts va-et-vient non seulement de capitaux mais aussi de produits divers entre réalités de la délocalisation et l'Italie, etc.)

<sup>10</sup> Sur cet aspect, voir Palidda (1998) "Domanda di sicurezza e forze di polizia nei capoluoghi di provincia emiliano-romagnoli", Bologne, rapport de recherche pour le Progetto "cittàsicure", Regione Emilia-Romagna.

<sup>11</sup> Il est évident que le cas des Etats-Unis peut être considéré comme un cas extrême en ce qui concerne la criminalisation de l'exclusion sociale ou l'effacement même de ce que Wacquant (1996) appelle l'"Etat charitable" de plus en plus substitué par les réponses répressives-pénales. A l'autre extrême on pourrait situer l'Etat de Salvador de Bahia (Brésil) où comme le montre G. Tapparelli (1996) l'inexistence ou l'élimination des réponses sociales semble conduire à l'élimination physique des déviants (notamment des mineurs assassinés ou lapidés en public par la police).

pulation et des manifestations du sécuritarisme (phénomène déjà connu dans les villes américaines)<sup>12</sup>.

Dans le cas italien, tout comme dans d'autres cas européens, depuis le début des années 1990 la capacité répressive des polices semble avoir augmenté et, grâce au développement de la collaboration de la part de la population, l'on pourrait dire que le "chiffre noir" concernant le nombre de délits semble avoir diminué. Il s'agit en particulier des délits attribués aux sujets sociaux qu'on peut situer dans l'univers des exclus (nomades ou tziganes, immigrés restés en dehors même de l'insertion infériorisée, "nouveaux pauvres" autochtones, toxicomanes et parfois aussi les personnes affectées par les problèmes psychiques). Les arrestations et le récidivisme parmi ces sujets sociaux criminalisés ont augmenté considérablement et les prisons sont constamment surpeuplées. Mais, en même temps, les délits identifiés et dénoncés par les polices semblent diminuer.

Or, s'il est vrai que certains délits dénoncés attribués aux *white collars* ont augmenté, il apparaît assez difficile de savoir si en réalité le chiffre noir concernant cette catégorie d'auteurs de délits a augmenté et surtout si les délits liés aux trafics internationaux ou aux délits externalisés ont augmenté. Autrement dit, l'hypothèse (qui reste à vérifier) est que la délinquance ou criminalité dans les pays dominants tend à diminuer grâce à l'externalisation ou sa délocalisation<sup>13</sup>, à l'instar de ce qui se passe pour toutes sortes d'activités économiques légales et informelles<sup>14</sup>.

5. Un autre élément qui probablement mérite beaucoup d'attention concerne la corrélation entre les changements importants dans le territoire des agglomérations urbaines et les changements des activités informelles et illégales. Au cours de ces dernières 15 années la distribution de ces activités sur le territoire urbain et périurbain a beaucoup changé. Mais s'agit-il

<sup>12</sup> Par sécuritarisme nous entendons ici le phénomène qui conduit à réduire tous les maux et problèmes sociaux à des problèmes d'insécurité; le phénomène semble se produire comme résultat d'un court-circuit entre dynamiques d'acteurs et de facteurs typiques de la conjoncture actuelle; une part important y jouent les entrepreneurs moraux ou entrepreneurs de la civilité urbaine, leaders de comités sécuritaires. En Italie le phénomène s'est manifesté en particulier dans les grandes villes du Nord mais des manifestations similaires se sont vérifiées aussi dans d'autres pays. Dans les pays d'ancienne immigration la cible du sécuritarisme semble être en particulier les enfants issus de l'immigration parfois identifiés comme potentiels affiliés au terrorisme islamique.

<sup>13</sup> Il me semble que c'est dans ce cadre que l'on peut situer l'apport important de V. Ruggiero (1996).

<sup>14</sup> Voir Yann Moullet-Boutang (1998).

d'un changement plus ou moins analogue à ceux connus tout au long du développement de la société urbaine industrielle ou bien d'un changement tout à fait nouveau? Cela dit, il apparaît évident qu'il y a une rédéfinition de l'assise du territoire des agglomérations urbaines et du contrôle social étatique ainsi que du contrôle social spécifique à chaque segment de ces agglomérations<sup>15</sup>. En particulier on pourrait remarquer que le rôle traditionnel de la police tend à s'adapter au nouveau contexte abandonnant la partition classique entre maintien de l'ordre public, contrôle politique, contraste de la criminalité et contraste de la délinquance, jadis finalisé à la "mission" de chirurgie sociale (ou de séparation entre "classes laborieuses" et "classes dangereuses" et notamment entre subversifs et masses qui protestent et qui doivent être récupérées à l'inclusion pour la production et la consommation homologuée). Dans la difficulté de reproduire un contrôle social étatique articulé avec le contrôle social jadis assuré par les organisations des travailleurs ou les formes d'agrégations plus ou moins influencées par les grandes institutions sociales (partis et syndicats du mouvement ouvrier et églises), la police semble avoir la nécessité de miser sur un contrôle du territoire qui fusionne les tâches auparavant séparées et qui tend à se caractériser par ce qu'on peut appeler la conversion militaire du contrôle social policier, voire la militarisation du contrôle du territoire comme seule possibilité de faire face à une réalité très composite, très hétérogène, très discontinue, en changement continu, avec des flux de personnes ou *users* de la ville et d'activités dont il est difficile de distinguer le caractère légal, informel ou illégal. La seule identification relativement facile du sujet suspect de pratiquer des activités illégales concerne ce qu'on a appelé les exclus et c'est sur ceux-ci que se concentre le gros de l'activité policière. D'autre part, la dynamique des sociétés dominantes semble faire du problème des réponses à l'exclusion sociale l'un des problèmes principaux : le mythe de la société riche dominante de l'époque post-industrielle/globale n'admet pas l'existence des exclus, que l'on voudrait refouler dans les sociétés dominées (d'où aussi la conversion militaire des

<sup>15</sup> Parmi les suggestions les plus stimulantes à propos des changements du contrôle social, rappelons G. Deleuze (1990, "La société des contrôles", dans *Pourparler*) où il propose une interprétation du passage du modèle des sociétés disciplinaires aux sociétés des contrôles, bien qu'il semble reconduire cela dans une sorte de redéfinition panopticonienne que la réalité semble contredire par les conflits, l'hétérogénéité, la discontinuité entre les contrôles des divers segments sociaux.

politiques migratoires ainsi que des "aides humanitaires" dans le but d'empêcher l'émigration, la mobilité, y compris celle des travailleurs qui aspirent à l'émancipation sociale car la délocalisation a besoin de main d'œuvre dans ces sociétés où l'on peut imposer des formes de néo-esclavagisme plus difficilement imposables dans les sociétés dominantes<sup>16</sup>). Par ailleurs, ainsi que le suggère Y. Moulier-Boutang, le "paradoxe" du libéralisme post-industriel/global consiste précisément dans sa nécessité de renforcer le contrôle social, dans sa nécessité de brider davantage les travailleurs, qu'il s'agisse de l'informel ou de l'illégal (c'est par ailleurs par rapport à cela que l'on peut mieux comprendre le phénomène de l'ethnisation des segments des activités économiques semi-informelles ou illégales).

Toutes ces considérations peuvent conduire à penser que l'étude des changements dans les économies informelles et illégales des villes implique donc un nouvel état des lieux de ce que deviennent non seulement ces économies et les acteurs sociaux que les animent, mais aussi de ce qui deviennent le contrôle social policier et les conflits ou les homologations entre les contrôles des divers segments sociaux dans le cadre de la redéfinition de l'assise du territoire urbain.

### **Le cas italien et la fonction de miroir de l'immigration**

Par rapport à la plupart des autres pays "riches", l'Italie est sans doute le pays où les liens ou combinaisons directes et indirectes entre activités formelles/légales, activités informelles et activités illégales ont toujours été assez diffus. A cause de la faible capacité traditionnelle de l'Etat de pénétrer, encadrer et uniformiser la société, l'organisation politique de la société italienne a toujours été caractérisée par des médiations (adéquates ou même inadéquates) entre un cadre normatif formel à certains égards particulièrement compliqué ou même non-applicable et la réalité concrète de l'informel et de l'illégal. Cela a conduit souvent à une situation où informel et illégal ont pu jongler dans le labyrinthe des normes passant ainsi continuellement du légal à l'illégal et vice versa<sup>17</sup>. Selon certaines estimations,

<sup>16</sup> Voir Palidda (1998, dans Dal Lago, ed.): "La conversion policière de la politique migratoire dans le nouveau système de domination globale"; dans ce travail j'analyse en particulier les rapports au Parlement sur les activités des services secrets de 1985 à 1995 et les rapports au Parlement du Ministère de l'intérieur.

<sup>17</sup> A ce propos est très utile la recherche sur "la frontière mobile de la pénalité" dirigée en Italie par M. Pavarini et A. Baratta; j'ai cherché à analyser ce phénomène dans "L'anamorphose de l'Etat-Nation: le cas italien" (Palidda, 1992), où la métaphore de l'anamorphose m'a semblé utile pour comprendre le passage continu du légal à l'illé-

la fraude fiscale (presque trois fois la dette publique), l'économie dite souterraine (entre 18 et 27 % du PNB)<sup>18</sup>, les bénéfiques des activités criminelles (peut-être 10-15 % du budget de l'Etat) atteignent des dimensions sans égal dans les autres pays développés.

Depuis longtemps tout cela n'est pas un fait purement endogène de quelques provinces ou régions italiennes, ni de toute l'Italie à elle seule; il y a bien évidemment des liens assez importants avec des activités transnationales organisées, développées et constamment renouvelées par des réseaux d'acteurs pas seulement italiens.

Les agglomérations urbaines les plus importantes ont toujours été les hauts lieux des activités informelles et illégales. Cependant on n'a pas en Italie de véritables recherches sur l'économie des villes et les différences significatives qui existent entre celles-ci<sup>19</sup>. Schématisant, on peut quand même distinguer trois principaux types d'assises urbaines:

- 1) Les grandes et moyennes agglomérations urbaines marquées avant tout par les effets du déclin industriel (Turin, Milan, Gênes; à noter que Milan a une importante capacité de développement d'un tertiaire et d'un informel en partie très rentables).
- 2) Les agglomérations marquées avant tout par les effets de la nouvelle croissance économique et par l'efficacité de l'action des collectivités locales (Bologne, Modène et autres villes de la région émilienne-romagnole; villes de la région vénitienne, villes de l'Umbrie et des Marches, quelques provinces lombardes, du Frioul, de la région de Trente, quelques villes toscanes).

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gal et vice versa (comme cela se passe par la déformation ou le redressement d'une image sur un miroir déformant.

<sup>18</sup> Remarquons qu'en Italie les travailleurs indépendants sont environ 27% du total des actifs et que c'est évidemment parmi ceux-ci que se situe la fraude fiscale, le semi-informel et le "noir" diffus dans tout le pays. Une partie de cet univers fonctionne comme sous-traitant des grandes firmes, i.e. leur externalisation de l'informel et de l'illégal dont elles profitent, le reste étant délocalisé à l'étranger dans les sociétés dominées.

<sup>19</sup> En Italie la sociologie urbaine et la science du territoire n'ont pas la tradition des recherches anglo-saxonne ou française (à noter qu'en Italie on n'a jamais eu un ministère de la ville ni de l'aménagement du territoire, ni du plan urbain). Notons aussi que les recherches sur les villes menées à Milan (par des chercheurs de la Faculté de Science Politique) ou à Turin (par la Fondation Agnelli sous la direction de Bagnasco) et ailleurs ont ignoré la portée des changements entre la fin des années 1980 et le début de 1990(entre autres cf. Bagnasco, ed., 1990, *La città dopo Ford*, Turin).



3) les agglomérations marquées avant tout par l'économie souterraine et par un lourd héritage de *maladministration* et en outre par le déclin industriel (Rome, Naples, Palerme, Catane).

Aujourd'hui on peut remarquer que la croissance économique de nombre de provinces de l'Emilie-Romagne, de la Vénétie, de la Lombardie, de la Toscane, de l'Umbrie et des Marches a atteint un succès très important, parfois grâce aux liens entre formel et informel (notamment dans la Vénétie et la Lombardie où on remarque aussi un important développement des délocalisations partielles ou parfois totales de la production dans le Sud ou dans quelques pays de l'Est, mais aussi dans des pays d'autres continents).

L'attention des polices a toujours été focalisée sur la délinquance attribuée à la "microcriminalité" plutôt qu'à celle des *whithe collars* ou même des mafias. Par ailleurs la lutte contre les mafias dans ce que l'Etat définit comme les "régions à risque" s'est souvent traduite par une criminalisation quasi généralisée de toutes sortes de déviances notamment dans les villes de ces régions (Sicile, Calabre, Campanie, Pouilles et Sardaigne)<sup>20</sup>.

Depuis quelques années les gouvernements italiens prétendent avoir commencé une œuvre d'assainissement du pays, notamment de la fraude fiscale, des activités informelles et de l'illégalité diffuse. La théorie sur laquelle s'appuie cette œuvre peut être résumée dans la formule "tout se tient" : microcriminalité, mafias, terrorismes, corruption politique, doivent tous être considérés ennemis d'importance égale soit parce que l'un ne pourrait pas survivre sans l'autre, soit parce que la population les percevrait comme tels et n'augmenterait pas sa confiance en l'Etat si celui-ci ne les combattait pas tous avec le même engagement<sup>21</sup>.

Dans les faits, l'évolution de l'activité des polices et l'évolution des normes semblent marquées moins par la répression ou l'assainissement de l'informel et de l'illégal des *white collars* et des acteurs de l'économie souter-

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<sup>20</sup> Il y a un véritable racisme d'Etat qui en Italie semble se former et se développer à la fois par les pressions du sens commun nordiste qui veut l'infériorisation des Suds, par le sens commun sécuritaire qui criminalise les immigrés et par les groupes aspirant au néo-colonialisme italo-européen.

<sup>21</sup> Cette thèse a été proposée publiquement d'abord par L. Violante, actuellement président de la Chambre des Députés (voir son article paru en 1995 dans *Micromega*, l'article avait un titre fort éloquent : "Apologie de l'ordre public"). Successivement dans la même revue c'est l'adjoint chef de la police et chef de la Criminalpol, De Gennaro, qui a proposé la même thèse qu'on la retrouve aussi dans la relation sur le budget prévisionnel de 1997 pour le Ministère de l'intérieur.

raine<sup>22</sup> que par la criminalisation de l'exclusion sociale qui a augmenté sans cesse depuis 1990. A cela correspond l'inexistence ou la faiblesse ou les limites des réponses sociales les plus affectées par les réductions des allocations des ressources financières.

De 1990 à 1998 les délits dénoncés par les polices ont diminué de peu, mais les délits dont l'auteur a été découvert ont augmenté passant de 17% en 1990 à 26 % en 1998. La catégorie dite "autres délits", i.e. les délits de mineure gravité (notamment les actes d'incivilité urbaine) ont augmenté et représentent presque 45-50 % du total global des délits (ce qui est révélateur de l'attitude répressive des polices et aussi de l'attitude de dénonciation de la population vis-à-vis des anomies urbaines). Les personnes faisant l'objet de plaintes ont augmenté atteignant 56% du total des personnes objets de plaintes). Les arrestations ont augmenté de plus de 70 %; les effectifs des polices de l'Etat ont augmenté de 15 %, (cette augmentation a été plus importante dans les polices municipales et dans le gardiennage ou la sécurité privés -si l'on considère l'ensemble des effectifs de toutes les polices on a environ un policier pour cent habitants). Les appels à la police ont augmenté de presque 100 % mais dans certaines villes davantage.

Plus que jamais fonction de miroir, le devenir de l'immigration en Italie est révélateur d'une société marquée par l'importance de l'économie informelle et de l'illégalité diffuse, par la faiblesse du respect des droits fondamentaux de tout être humain, par la faiblesse des réponses sociales, bref

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<sup>22</sup> A noter que l'un des principaux essors du succès de la Ligue Nord est précisément le refus de payer les impôts et les cotisations car sa base de masse est constituée avant tout par des petits patrons, agriculteurs, commerçants et affranchis qui se situent entre informel et illégal. Les capacités des polices et de l'inspection du travail d'identifier et réprimer l'informel-illégal sont très limitées et n'ont pas du tout été développées; par ailleurs, après tout le boucan autour de la corruption qui concernait (et concerne) hommes d'affaires, politiciens et même magistrats et policiers (notamment de la garde des finances) le gouvernement en accord avec l'opposition est orienté à abroger certains délits (dont le pot-de-vin aux partis) car entre autres c'est par-là que passe le compromis entre la coalition de l'olivier et l'opposition dont le leader est Berlusconi actuellement pluri-inculpé dans nombre de procédures judiciaires (et malgré cela a même failli être élu à nouveau chef du gouvernement). Ironie de l'histoire, le Sud, où effectivement une partie de la population jouissait d'allocations de faveur par des filières clientélares, aujourd'hui est plus infériorisé que jamais car la logique nordiste a été adoptée par la grande majorité du parlement. Cela fait que c'est évidemment au Sud qui se situe le gros de la production informelle ou au noir dont profite aussi l'industrie et le commerce du Nord. En effet, en partie l'économie du Sud est le premier échelon de la délocalisation qui s'étend ensuite à l'étranger.

par l'infériorisation et plus récemment par la criminalisation des exclus. En effet, au-delà des lieux communs, l'immigration est due avant tout à un effet de pull de la part de l'économie informelle et de la demande de travail infériorisé. A cela s'ajoute l'immigration spontanée concernant surtout une partie des populations des pays voisins de l'espace euro-méditerranéen (Est et Sud)<sup>23</sup>. Résumant ici seulement quelques aspects de l'intégration des immigrés, remarquons d'abord qu'aujourd'hui ils ne représentent que 2,3% de la population totale (y compris les irréguliers ou clandestins selon les estimations les plus fiables). Dans un pays où le travail au noir est estimé à 20-30% au Sud et 10-17% au Nord, le travail effectivement régulier des immigrés ne concerne qu'une minorité d'entre eux. C'est notamment à cause de la précarité des emplois occupés par les immigrés que souvent ils finissent par perdre les conditions requises pour le renouvellement de leur permis de séjour, procédure qui jusqu'à présent est laissée à la quasi totale discrétion de la police. D'autre part, il est aussi vrai que nombre d'immigrés, notamment les jeunes, finissent par abandonner l'emploi régulier stable quand il s'agit de travail lourd, mal payé et infériorisé. Nombre d'immigrés ont ainsi trouvé une place dans la vente à la sauvette (ambulants abusifs) de marchandises de contrefaçon et produits divers de l'économie souterraine. Ce "secteur" semble avoir connu une croissance considérable, au point que quelques magistrats considèrent qu'il aurait un chiffre d'affaire très important et en croissance continue (environ dix mille milliards de lires selon les estimations de ces magistrats). Cela dit, on n'a pas de données fiables à ce propos et la thèse d'après laquelle il y aurait des réseaux parfaitement organisés reste à prouver, alors que dans la réalité les personnes qui exercent ce genre d'activités semblent appartenir à des réseaux éphémères et peu liés entre eux<sup>24</sup>. En tout cas il est certainement important de remarquer que le développement des activités informelles, soit dans les sociétés dominantes, soit à travers les délocalisations, a fait aug-

<sup>23</sup> Pour un cadre détaillé de l'immigration en Italie, cf. Reyneri, Palidda, Dal Lago, "Migrant insertion in the informal economy, deviant behaviour and the impact in receiving societies- Italian Report", report of research TSER-DGXII, CE (la recherche concerne 7 pays européens et en particulier les villes de Lisbonne, Barcelone, Milan, Gènes, Athènes, Berlin, Paris et Bruxelles).

<sup>24</sup> Une importante recherche sur ce phénomène a été réalisée par D. Nelken et R. Catanzaro pour le compte de l'Association des Commerçants et pour la Région Emilia-Romagna (publications du projet "villes sûres"). Voir aussi la recherche sur les activités informelles et illégales des immigrés dans huit villes européennes (projet Migrinf, TSER-DGXII).

menter considérablement la masse de marchandises qui ne peuvent être destinées qu'au marché informel-illégal. On peut dire que c'est peut-être là que se situe un informel-illégal qui n'est pas le même que ce qu'il y a toujours eu dans les grandes villes européennes. Dans le cas de l'Italie et des pays de l'Europe du Sud, on n'a pas encore de réseaux "ethniques" d'immigrés étrangers qui jouent sur un espace transnational. L'économie souterraine est encore aux mains des autochtones tant au Nord qu'au Sud. Mais, le commerce de produits de l'informel se sert de plus en plus des immigrés surtout au Nord alors qu'au Sud il concerne encore dans la très grande majorité des cas des autochtones (ce qui est aussi le cas de la vente de cigarettes de contrebande et la vente de drogues).

Dans les changements de la déviance et de la délinquance urbaine une place pour une partie des immigrés s'est créée surtout dans les agglomérations urbaines du Nord comme substitués des petits délinquants autochtones en particulier dans la vente des drogues.

Depuis les années 1970 et davantage au cours de cette dernière décennie, dans tous les pays développés et en premier lieu aux Etats-Unis, il y a eu une considérable augmentation de l'action répressive-pénale (cf. *Actes de la Recherche en Sciences Sociales*, n°124). Cela correspond avant tout à un déséquilibre croissant entre ressources allouées à l'action répressive-pénale et ressources allouées à l'action sociale, aux dépens de cette dernière. Il s'agit notamment de ce qu'on appelle la "crise" ou la réforme du welfare, voire ce que Wacquant (1998) appelle la conversion "de l'Etat social vers un Etat pénal". Bien que dans des proportions moins importantes qu'aux Etats-Unis, en Europe et en Italie ce phénomène est à l'œuvre en particulier depuis les années 1990. Notons d'abord que les effectifs des forces de police ont augmenté constamment ainsi que leurs moyens.

Dans le tableau suivant on peut voir les variations des délits dénoncés (plaintes) en Italie par les trois principales polices (police d'Etat, carabinieri et gardes des finances) à l'autorité judiciaire, ainsi que les variations des "autres délits" (délits de mineure gravité pour lesquels l'arrestation n'est pas obligatoire) et les variations du nombre des personnes dénoncées (objets de plainte) et arrêtées :

De 1990 à 1997 les délits dénoncés n'augmentent pas. Si on analyse plus en détail les types de délits on constate même qu'il y a une nette diminution des délits plus graves (homicides, hold-up) et des délits qui suscitent plus d'insécurité urbaine (par ex. vol-à-la-tire, pickpockets) alors qu'il y a augmentation des délits "de mineure gravité" (classés comme "autres délits").

*T.1. Délits dénoncés (plaintes) par PS, CC et GdF à l'Autorité Judiciaire*

Italie	1997	1996	1995	1994	1993	1992	1991	1990
total	2.440.754	2.422.991	2.267.488	2.173.448	2.259.903	2.390.539	2.647.735	2.501.640
variation sur 1990	-2	-3	-9	-13	-10	-4	6	
"autres délits" % sur total	donnée non disponible	808.104 33	720.337 32	635.920 29	691.171 31	716.047 30	751.538 28	733.500 29%
variation sur 1990		+ 10	-2	-13	-6	-2	2	
personnes dénoncées + arrêtées	773445	775223	755454	758679	719962	664857	587474	500565
variation sur 1990	+ 55	+ 55	+ 51	+ 52	+ 44	+ 33	+ 17	

source : Ministère de l'Intérieur-Relations annuelles au Parlement

Cependant il y a augmentation du nombre des personnes objets de plaintes ou arrêtées. Ce constat permet de dire qu'il y a une croissance de l'action répressive. Ainsi que le montrent nos entretiens avec les policiers, les magistrats, les travailleurs sociaux, les personnes objets de plaintes ou d'arrestations et encore bien d'autres témoignages et l'observation de terrain, sans compter quelques récentes recherches (cf. Malluccelli, Pavarini, 1997; Cantanzaro, Nelken, Belotti, 1997; Palidda, 1998), cette tendance est avant tout le fait d'une efficacité accrue des polices, voire d'un engagement plus important de leur part dans ce qu'on appelle le contrôle du territoire et le contraste de l'insécurité urbaine. Ceci est aussi le résultat de directives ou du choix politique venant d'en haut. Mais, tout cela est avant tout l'effet des pressions d'une partie de la société locale urbaine en particulier dans les plus importantes villes du Nord et du centre de l'Italie, pressions qui ont

acquis une portée considérable et sans précédent parce que soutenues et parfois même sponsorisées par la plupart des médias et par les entrepreneurs moraux, en l'espèce "entrepreneurs du sécuritarisme" (sur ces aspects voir Maneri, 1996; Dal Lago, 1999; Palidda, 1998). Autrement dit c'est en premier lieu la croissance de l'attitude de dénonciation de la part d'une partie des citoyens qui a poussé les polices, et donc aussi les autorités nationales de police, à produire une action répressive plus efficace, revendiquée aussi par les administrations locales. En effet la collaboration des citoyens dans la signalisation d'un délit, dans l'identification de l'auteur ou du suspect et parfois même dans l'arrestation de celui-ci se traduit en augmentation des délits dénoncés et des personnes dénoncées ou arrêtées. Le fait même qu'on n'a pas augmentation des délits dénoncés, malgré cette collaboration de plus en plus active de nombre de citoyens, mais qu'on a une augmentation de plaintes pour des délits qui auparavant étaient plus rarement dénoncés, peut être considéré comme une preuve d'une tendance en faveur de l'action répressive, alors qu'entre-temps diminuent les actions de médiation, voire de traitement social soit de la victime, soit de l'auteur du délit. On pourrait dire aussi que l'augmentation de l'attitude de dénonciation de la part des citoyens ainsi que le développement de l'efficacité des polices (du moins vis-à-vis de l'insécurité urbaine) peuvent faire penser qu'il y a même une diminution du "nombre obscur", i.e. des délits statistiquement inexistantes parce que jamais dénoncés ou identifiés. Bien évidemment cela concerne surtout les délits qui font l'objet de plus d'attention de la part de la population et des polices et donc les personnes suspectées d'être auteurs de ces délits. Par exemple, les délits de rue et en particulier certains types de délits sont plus susceptibles d'être poursuivis par les polices sous l'input des citoyens, et les auteurs de ces délits sont davantage dénoncés et arrêtés quand leurs traits caractéristiques correspondent aux clichés des sujets considérés les plus délinquants, etc. A contre-courant par rapport à la tendance nationale, dans certaines régions, par exemple l'Emilie-Romagne, on a même eu une forte augmentation du total des délits dénoncés précisément parce que l'attitude de dénonciation des citoyens a augmenté ainsi que l'engagement des administrations locales et des polices dans un gouvernement de la sécurité qui de fait privilégie l'action répressive-pénale (cfr. Palidda, 1998). En effet, les délits qui ont augmenté davantage sont les délits de mineure gravité ou les petits vols. Cette tendance se traduit dans la croissance de la criminalisation des exclus et parmi ceux-

ci des immigrés déviants ou suspectés tels, avec des différences significatives entre les régions.

Si on considère comme indice de croissance de l'action répressive le rapport entre le total des délits et la somme des personnes dénoncées ou arrêtées, on constate qu'en 1990 il y avait une personne objet de plainte ou arrêtée pour presque 5 délits, alors qu'en 1997 c'est pour 3,1 délits. Ainsi le nombre des personnes objets de plaintes ou arrêtées a augmenté de 55%, bien que depuis une décennie on parle de "dépénalisation" de certains délits et de "mesures alternatives" à l'incarcération. Dans le tableau suivant, on peut voir les données concernant uniquement les personnes dénoncées (objets de plaintes) italiennes et étrangères et leurs taux calculés sur la base de 100 mille personnes de 15-65 ans pour les Italiens et sur et sur 100 mille permis de séjour pour les étrangers.

Remarquons que de 1990 à 1997 le total des présents dans les prisons italiennes est passé de 25.573 à 48.209 (avec des pointes de 54.098 en 1994). Ce sur-peuplement des prisons italiennes est alimenté tout d'abord par les incarcérations dans les prisons des grandes agglomérations urbaines. A noter que les arrêtés pour mafias ou pour les affaires de corruption politique ou encore pour des affaires de terrorisme sont rares. Ainsi que soulignent les experts, dans la très grande majorité des cas il s'agit de détenus dits "communs", i.e. de déviants ou petits délinquants, dont plus de 30% toxicomanes (cfr. paragraphe suivant)<sup>25</sup>.

Comme le souligne Pavarini(1997) à travers une étude sur un siècle d'incarcération en Italie, au cours de ces dernières années on remarque une tendance à la substitution de l'étranger à l'Italien méridional, dont la présence était majoritaire surtout à la suite de l'immigration au Nord dans les

<sup>25</sup> Les effets de la tendance vers la criminalisation de l'exclusion sociale ont suscité les préoccupations de nombre de personnalités de l'administration de la justice, de l'administration pénitentiaire outre les ONG catholiques et laïques. Cependant le renversement de cette tendance apparaît assez difficile malgré nombre de projets de loi déjà approuvés par la Commission Justice de la Chambre des Députés car d'un côté la situation est assez dégradée et donc ne peut pas être assainie rapidement et, de l'autre côté, on n'a pas encore mis en place toute la panoplie des structures et actions qui devraient favoriser les réponses sociales comme alternative à celles répressives. Cela ne découle pas uniquement de choix politiques orientés en faveur de solutions répressives souvent plus populaires que les autres; il dépend à la fois d'un retard considérable dans l'adaptation aux problèmes de la conjoncture actuelle, à l'ignorance qui semble dominer parmi les responsables politiques et les administrateurs locaux; les restrictions budgétaires frappent surtout les ressources destinées à l'assistance sociale.

années 50-60. Par ailleurs la population carcérale a toujours les mêmes caractéristiques, c.-à-d. il s'agit toujours de marginaux, d'exclus qui habitent les villes et qui le plus souvent sont criminalisés pour des délits déprédateurs ou pour le cumul de petits délits divers. A noter aussi que la durée de la réclusion de la majorité des étrangers a été d'abord plus réduite que celle des Italiens car ceux-ci ne sont arrêtés que pour des délits plus graves ou quand ils sont considérés "irrécupérables", voire pluri-récidivistes (voir l'analyse des procès "rapides" - "directissime" de Quassoli/Migrinf). Par ailleurs les étrangers ne bénéficient presque jamais des peines alternatives (qui se purgent hors des prisons). Parmi les étrangers inculpés dans ces procès, ceux inculpés pour délits liés aux drogues sont les plus nombreux et assez souvent sont toxicomanes. Tout comme aux Etats-Unis les jeunes Noirs sont les plus touchés par l'action répressive, dans nombre de villes de l'Italie du Nord les jeunes Marocains et Tunisiens sont en train de devenir majoritaires parmi les détenus classés officiellement comme toxicomanes, car entre autres la plupart des autochtones toxicomanes n'est pas arrêtée ou est confiée aux communautés thérapeutiques spécialisées à ce propos. A noter qu'au cours de ces dernières années dans les maisons d'arrêt des principales villes du Nord (notamment les prisons de Milan, Gênes, Bologne, Turin, Venise, Florence, etc.) les étrangers sont devenus majoritaires. A travers l'analyse des cas étudiés à travers entretiens et témoignages, on constate que parfois la prison peut arriver à apparaître à certains immigrés comme le seul endroit où enfin ils arrivent à avoir une vie à peu près "normale" et ils arrivent même à envoyer pour la première fois quelques petites sommes à la famille. En même temps la sortie de prison peut arriver à faire peur parce qu'on craint d'être expulsé ou de "retomber dans le piège" de la déviance. Cela peut conduire certains détenus à chercher à avoir d'autres peines à purger, voire à commettre d'autres délits pour ne pas sortir de prison! Comme en témoigne le directeur de la maison d'arrêt de Milan ainsi que nombre de travail leurs sociaux, la prison de la ville semble devenir plus que jamais le "quartier maudit" où la société enferme les sujets qui dérangent ou qui ne correspondent pas aux caractéristiques des citoyens inclus dans le nouvel ordre social urbain. En effet, la plupart d'entre eux ne passe en prison que des périodes assez courtes, pour purger des peines inhérentes aux délits mineurs. Autrement dit, il s'agit d'une punition qui s'impose parce que la société locale ne veut pas prendre en charge le traitement social de l'exclusion et de la déviance qui arrivent même à être



considérés comme des ennemis. Mais en même temps il y a de plus en plus de bénévoles qui "militent" pour porter secours à l'exclusion sociale et à la déviance. Il arrive ainsi que dans des maisons d'arrêt comme celle de Milan, l'importance du travail social et des professionnels démocratiques de l'administration pénitentiaire, voire leur élan humanitaire, arrivent à transformer la prison en une sorte de "communauté" qui s'occupe d'exclus et de déviants. Bien évidemment celle-ci semble devenir le modèle que cherchent à réaliser les démocrates qui s'occupent du monde pénitentiaire, car ils constatent que dans la conjoncture actuelle il est assez peu probable que la société accepte d'adopter une véritable politique de prévention et de réinsertion sociale.

### **Aspects de la géographie de la déviance en Italie**

L'écart entre les taux des étrangers et des Italiens est dans certaines régions plus élevé que celui entre Noirs et Blancs aux Etats-Unis et le taux de détenus (ainsi que celui des arrêtés) de certaines nationalités se rapproche ou parfois dépasse celui des Noirs américains.

Analysant en particulier les taux concernant les arrêtés, on peut remarquer que, au-delà de quelques cas spécifiques ou tout à fait particuliers, les taux des régions du Nord et du Centre-Nord sont presque tous supérieurs à la moyenne nationale et davantage par rapport aux taux des régions du Sud. Si on regarde les pourcentages, on constate que la substitution est évidemment plus accentuée au Nord alors qu'elle reste assez limitée au Sud. Etant donné que les différences ne peuvent être attribuées ni à la densité d'immigrés (il suffit voir que le rapport fort contradictoire entre le taux de ceux-ci sur la population masculine et les taux des arrêtés et des détenus), ni à la composition de la population immigrée (car toutes les nationalités sont plus ou moins présentes dans toutes les régions), il est assez utile essayer de comprendre les différences prenant en considération d'autres "variables". Parmi ceux-ci on peut choisir les suivantes:

- a) les conséquences du déclin industriel et l'état de l'assainissement de la dégradation économique et socio-urbaine produite par ce déclin (anomie, conflits et, en particulier, hostilité et racismes), donc l'état et le type de développement de l'assise socio-économique "post-industrielle";
- b) la "conjoncture" de la redéfinition de l'ordre économique et social, donc l'état du rapport entre exclusion et inclusion.

Ainsi on peut distinguer trois principaux types de situations dans lesquelles le poids de l'inclusion et le poids de l'exclusion des immigrés, mais

aussi des marginaux autochtones, varient ainsi que l'ethnisation et la criminalisation de l'anomie et de la déviance :

1. les agglomérations les plus marquées par le déclin industriel et par l'insuffisant assainissement de la dégradation urbaine (Turin, Gênes et en partie Milan) : ici se produit plus d'exclusion que d'intégration; se reproduisent crises urbaines dues au court-circuit entre déstructurations sociales, anomies et insécurité réelle ou imaginaire; l'exclu -y compris l'immigré mal intégré, le marginal autochtone- tend à devenir le bouc émissaire responsable de tous les maux et problèmes sociaux, sinon l'ennemi de la société locale (cf. Dal Lago). Pour l'immigré les risques de tomber dans le piège de la criminalisation, de glisser dans des comportements déviants ou dans des activités illicites sont plus élevés, car il y a aussi un développement de l'ethnisation des activités illégales. Cependant il est important de remarquer que dans le cas milanais on a des taux moins élevés que ceux de Turin et de Gênes. Ce fait pourrait être expliqué en prenant en compte plusieurs aspects. Mis à part un élément statistique qui fausse certains taux (dans le dénominateur -i.e. le total des hommes étrangers- il y a parfois un nombre important de ressortissants de pays de l'UE et de pays "riches"), dans l'agglomération milanaise (ainsi qu'à Rome) il y a la plus importante concentration d'étrangers d'Italie, dont une partie a une ancienneté qui dépasse quinze ans. A cela correspond une insertion plus ou moins "réussie" de nombre d'immigrés (avec entre autre nombre de mariages mixtes, de "naturalisation", etc.). Dans cette agglomération (ainsi qu'à Rome et dans d'autres villes) il y a une forte présence d'associations bénévoles qui aident à l'insertion des immigrés. Un autre aspect, encore plus important que les premiers évoqués, est que dans le cas milanais le déclin industriel et les effets pervers liés à celui-ci sont en quelque sorte contournés et parfois même effacés ou occultés par un développement assez fort d'une assise "post-industrielle" qui favorise la prolifération d'activités de toute sorte entre formel, informel et illégal, avec une demande relativement importante de main d'œuvre immigrée et aussi d'employeurs immigrés destinés à occuper des tâches ou niches ethnisées où par ailleurs on emploie des travailleurs étrangers le plus souvent dans des conditions précaires et infériorisées. Il est par ailleurs intéressant de noter que si d'un côté l'administration locale milanaise se mobilise pour satisfaire les revendications de l'opinion publique hostile à l'immigration, dans les faits la très grande majorité des immigrés arrive à survivre et risque moins d'être criminalisée qu'ailleurs, même si parfois elle oscille entre légal, informel et illégal tout comme une partie des milanais (ce n'est pas un hasard pour les nordistes de

la ligue, Milan est une ville de "terrori" -bougnoles- et ne peut pas être la capitale de la Padanie).

2. Le deuxième type de contexte d'insertion des immigrés se caractérise avant tout par la bonne ou forte croissance économique et par des administrations locales satisfaisantes. Il s'agit de ce qu'on peut appeler la nouvelle "troisième Italie" (bonne partie de la Lombardie, de la Vénétie, de l'Emilie-Romagne, de la Toscane et des autres régions du centre). Ici il y a davantage de possibilités d'inclusion régulière, même si le plus souvent dans des conditions d'infériorisation. En effet, ces sociétés locales semblent fonctionner comme une sorte de "suisse italienne", voire des situations où on a un besoin non négligeable de main d'œuvre immigrée et où on a des mécanismes rigides de sélection si non de "chirurgie sociale" permettant d'exclure la présence des irréguliers. Souvent à cela s'ajoute un "perbenismo securitaire" (le sécuritarisme des citoyens "bien rangés") qui voit l'immigré comme un suspect délinquant, voire même comme l'ennemi de la "civilisation". Ici le risque de glissement de l'immigré dans la déviance est relativement moins fort, mais il y a le risque d'une criminalisation ethnicisante qui s'accompagne de l'hostilité vis-à-vis de la sociabilité même des immigrés.

3. Le troisième type de contexte est celui des zones marquées par l'absence de développement économique, par le rôle dominant de l'économie informelle et de la dégradation. C'est le cas des villes du Sud où la déviance et la criminalisation continuent à toucher surtout les autochtones. Ici l'insertion des immigrés ne peut se situer qu'aux rangs les plus bas et ne trouve pas de place dans l'illégal car occupé par les autochtones pour les mêmes raisons qui au Nord poussent les immigrés à s'occuper d'activités illégales.

Bien évidemment dans chaque contexte on peut parfois trouver les mécanismes qui caractérisent les autres contextes mais qui ne sont pas l'élément décisif.

C'est précisément la différence entre Nord et Sud qui est en elle-même la preuve du phénomène de la "substitution" ainsi que de l'ethnicisation et du caractère "racial" de la criminalisation, faits qui sont plus ou moins présents partout mais qui tendent à se radicaliser surtout dans les villes du Nord et du Centre-Nord, qui même de ce point de vue se rapprochent davantage des villes européennes.

Au Nord, le seuil de la déviance concerne parfois des questions qui ne concernent aucune infraction de la norme et qui en revanche dérivent de la prétention de décréter un "décor" et une sorte de "civilité urbaine" selon

une logique "sécuritaire" : en 1995 à Milan la mairie a décrété que s'asseoir sur les marches des monuments devient un délit! Souvent, à Florence comme à Turin ou Milan et ailleurs, ce qui apparaît fastidieux ou dérange, avant même de susciter de la peur, est la seule présence de l'"extra-communautaire", du nomade ou du marginal dans le lieu public que l'on veut comme la bonne vitrine de la ville; c'est cette présence même que l'on criminalise (sur ces aspects il y a nombre de témoignages de policiers concernant soit les appels téléphoniques, soit les lettres et pétitions de citadins ou de boutiquiers).

Bien que la criminalisation de l'exclusion sociale en Europe soit encore moins grave qu'aux Etats-Unis, force est de constater que dans les faits la criminalisation et la déviance des jeunes immigrés en Europe tend à se rapprocher de celles qui touchent les Noirs aux Etats-Unis.

A noter que dans les villes du Sud le nombre de mineurs étrangers dans les prisons est très restreint, tandis que les prisons pour mineurs du Nord sont pleines presque uniquement d'étrangers et de nomades.

En ce qui concerne le poids des arrêtés étrangers sur le total global, on peut remarquer que dans certaines villes il a déjà dépassé la moitié ou s'en approche (Gênes, Florence, Rome, Bologne, Brescia, Modène, Padoue, Imperia, etc.). A l'opposé, dans des villes du Sud comme Naples ou Palerme, le pourcentage des arrêtés étrangers sur le total est assez limité.

A noter aussi des cas comme celui de Brescia où l'action répressive contre les étrangers semble acquérir des proportions très importantes par rapport à la population étrangère présente qui par ailleurs occupe souvent les emplois réguliers les plus infériorisés dans l'industrie métallurgique diffuse.

Les informations plus détaillées sur les diverses réalités urbaines conduisent à penser qu'en général la tendance à dramatiser les peurs pour l'insécurité urbaine concerne avant toutes les grandes agglomérations urbaines du Nord et du Centre, en particulier Turin, Milan, Gênes, Florence, Bologne, mais aussi certaines villes de la Vénétie -Padoue et Vérone-, et encore du centre -Rimini est le cas le plus extrême. Et c'est notamment l'information sur le quotidien urbain de ces villes qui a le plus d'influence sur la soi-disant opinion publique nationale. Parmi les grandes villes, c'est en particulier Turin qui peut être considéré comme le cas le plus extrême avec une certaine continuité de l'anti-méridionalisme le plus mesquin combinée à l'attitude hostile très explicite vis-à-vis des immigrés. C'est peut être dans cette ville que l'on peut remarquer plus qu'ailleurs les effets de l'effondre-

ment du modèle de la société industrielle et un passage très critique à la société post-industrielle, avec aussi un grave conflit avec les jeunes squatters autochtones. Les épisodes de ces dernières années montrent aussi que les trois villes de ce qui était le célèbre "triangle industriel" (Turin, Milan, Gênes) sont les plus secouées par ce court-circuit sécuritaire qui arrive jusqu'à produire des très graves mobilisations xénophobes "justifiées" comme "légitime réaction à la délinquance des immigrés et des nomades" (avec le soutien de personnalités de presque tous les partis politiques -cfr. Dal Lago, 1999).

Dans la table suivante on a les taux d'arrestation des étrangers extra-CEE hommes par rapport aux permis de séjour au 15 avril 1998 (selon le Min. de l'Int.) et l'écart entre ce taux et celui des Italiens (calculé comme moyenne régionale car on n'a pas de données détaillées des arrestations des Italiens par province, sachant qu'en réalité la majorité de ces arrestations sont effectuées dans le chef-lieu des provinces, voire dans les agglomérations urbaines). On peut constater que ce sont surtout les villes du Nord et du Centre Nord qui ont les taux les plus élevés. Dans certains cas le taux des extra-CEE effectivement les plus ciblés par les arrestations est faussé par la présence dans la catégorie des extra-CEE de nationalités de pays riches (Japon, Etat-Unis, Suisse, Israël, etc., nombreux dans des villes comme Milan, Florence, Bologne, Rome, etc. -par ex. à Milan il s'agit d'environ 5500 hommes, ce qui ferait monter le taux des extra-CEE à plus de 4200).

Le cas de Rimini est exceptionnel car il s'agit d'une ville touristique où pendant les mois d'été se concentrent des dizaines de milliers de touristes et un grand nombre d'immigrés réguliers et irréguliers qui y vont pour exercer différentes activités légales et illégales (surtout vente à la sauvette de toute sorte de marchandises sur les plages ainsi que quelques dealers). Au cours de ces dernières années dans cette ville il y a eu nombre de manifestations hostiles vis-à-vis des immigrés en particulier sur initiative des commerçants autochtones. Mise à part l'effective concentration de déviants dans nombre de villes du Nord et du Centre-Nord, il y a une corrélation entre les manifestations hostiles vis-à-vis des immigrés et des taux d'arrestations élevés. Dans la confrontation entre les provinces il est très intéressant de remarquer que dans certaines provinces du Nord et du Centre on a des taux beaucoup plus bas que dans les provinces proches ou contiguës. C'est par exemple le cas de Vicenza qui par ailleurs a un grand nombre d'immigrés alors que dans les proches provinces de Padoue, Venice, Ve-

rone, on a des taux élevés. De même, on peut le dire à propos de la différence entre Reggio Emilia et Modène ou Bologne.

### Cas significatifs

6	hommes	arrêtés	taux étr.	taux ital.	écart	position géographique et caractéristiques
<b>Italie</b>	<b>504111</b>	<b>20662</b>	<b>4099</b>	<b>480</b>	<b>9</b>	
Rome	80381	3033	3773	627	6	Centre/ grande ville/ informel, exclusion bénévolat, racismes, intégration
Milan	62373	2405	3856	329	12	Nord/ grande ville, informel, exclusion bénévolat, racismes, intégration
Turin	19352	2381	<b>12304</b>	405	30	Nord/ grande ville, informel, exclusion, racismes
Naples	14957	413	2761	834	3	Sud/ grande ville, informel, exclusion, mafias
Brescia	14414	545	3781	329	11	Nord/ ville moyenne, infériorisation, racismes, intégration
Vicence	12989	206	1586	256	6	Nord/ ville moyenne, infériorisation, intégration
Bologne	11896	821	<b>6901</b>	361	19	Centre-N. / grande ville, infériorisation, bénévolat, racismes
Florence	11463	916	<b>7991</b>	386	21	Centre-N. / grande ville, infériorisation, bénévolat, racismes
Verone	10557	393	3723	256	15	Nord/ ville moyenne, infériorisation, racismes
Bergame	10158	185	1821	329	6	Nord/ ville moyenne, infériorisation, bénévolat, intégration
Caserte	8988	407	4528	834	5	Sud/ petite moyenne, infériorisation, bénévolat, racismes
Treviso	7862	187	2379	256	9	Nord/ petite ville, infériorisation, bénévolat, racismes
Perouse	7796	286	3669	273	13	Centre/ petite ville, infériorisation, bénévolat integration
Modene	7767	338	4352	361	12	Centre-N. / ville moyenne, infériorisation racismes
Genes	7574	751	<b>9916</b>	601	17	Nord/ grande ville, racismes, infériorisation
Reggio Em	7098	116	1634	361	5	Centre-N/ petite ville, bénévolat, intégration
Palerme	6380	58	909	720	1	Sud/ grande ville, bénévolat, mafias, intégration
Bari	6205	179	2885	643	4	Sud/ grande ville, mafias, infériorisation
Catane	6195	114	1840	720	3	Sud/ grande ville, mafias, infériorisation
Padoue	5650	760	<b>13451</b>	256	53	Nord/ ville moyenne, infériorisation, racismes
Raguse	4921	12	244	720	0	Sud/ petite ville, semi- informel,
Varese	4545	172	3784	329	11	Nord/ petite ville, semi- informel, racismes
Reggio C.	4543	106	2333	495	5	Sud/ ville moyenne, informel, mafias
Venice	4416	388	<b>8786</b>	256	34	Nord/ grande ville touristique, racismes

bénévolat = bonne présence d'associations bénévoles catholiques et laïques qui aident l'insertion des immigrés; racismes = nombre d'épisodes d'hostilité de xénophobie et de racisme

intégration = bonne insertion d'une bonne partie des immigrés

Dans cette table on a ordonné les provinces suivant l'ordre du nombre des permis et on a essayé de résumer les principales caractéristiques de chaque province. Bien évidemment dans toutes les villes il existe toutes sortes d'attitudes favorables ou hostiles vis-à-vis des immigrés et des comportements déviants, mais on peut remarquer que dans certaines villes certaines semblent s'imposer sur les autres et cela pèse sur la formation de l'opinion publique et sur les attitudes des administrations locales et des polices. A ce propos, au cours de cette dernière période (1998) on a pu constater maintes fois que nombre de dirigeants des polices ont commencé à être assez inquiétés par les pressions d'une opinion publique locale qui arrive à réclamer la criminalisation des immigrés et par l'attitude des administrations locales qui souvent s'alignent sur cette "revendication des citoyens", qu'elles soient de gauche ou de droite. Ainsi il est arrivé qu'à Milan (municipalité de droite) comme à Modène (gauche), certains dirigeants des polices stigmatisent les mobilisations anti-immigrés et le soutien qu'elles ont eu par les administrations locales. Or, un aspect qui semble être assez important est que la montée de la criminalisation des immigrés et à la fois de la déviance effective de certains correspondent à des situations où il y a hostilité vis-à-vis de l'insertion des immigrés, à commencer par les obstacles à leur socialisation et à leur insertion socio-habitative. En effet, dans certains contextes (par exemple en Emilie) les immigrés arrivent à avoir une insertion régulière dans le travail, mais ils rencontrent de grandes difficultés à trouver un logement et à disposer d'un lieu de rencontre et de sociabilité (ainsi quand ils se rencontrent dans la rue, ne manquent pas les citoyens qui les prennent pour dealers et appellent la police pour signaler leurs soupçons).

En général les liens entre les différents types d'activités délictueuses ne semblent quand même pas correspondre à une situation d'encadrement et de contrôle de la part de la criminalité organisée. Le plus souvent il s'agit de petites bandes éphémères qui pour certaines activités (contrebande de cigarette ou vente de drogues ou organisation de l'immigration clandestine) ont besoin d'intermédiaires pour se relier à la criminalité organisée. D'autre part, le contrôle de la criminalité organisée semble se déplacer sur l'externalisation des activités car en Italie la répression qui frappe les mafias a acquis une certaine efficacité.

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T.2. *Personnes objets de plaintes (dénoncées)* et taux pour 100 mille (% sur le total global -à coté du taux des étrangers figure l'écart entre celui-ci et celui concernant les italiens)

	1990 %	1991 %	1992 %	1993 %	1994 %	1995 %	1996 %	1997 %	1998 %
italiens	40317 92,5	46715 93,1	51693 91,9	54764 90,1	58035 91	58719 91,1	59147 89,2	59990 91	?
taux	5 1053	7 1223	5 1355	7 1434	1 1517	3 1538	0 1553	6 1581	?
étranger	32576 7,5	34876 6,9	45739 8,1	60067 9,9	57080 9	57190 8,9	71623 10,8	60978 10	89457
taux	4170 4	4057 3	4944 4	6083 4	6186 4	5768 4	6537 4	4914 3,5	7156

sources : Istat; Ministère de l'Intérieur-Relazioni annuali al Parlamento e Servizio Centrale Étrangers/CED - les taux des Italiens sont calculés sur la base de la population 15-65 ans trends 90-97 : italiens + 48,8 (88,1 de l'augmentation globale); étrangers + 81(11,9 de l'augmentation globale; + 116,8 de 90 à 96).

Taux dénoncés 1997 : 1581 Italiens pour 100 mille d'âge 15-65 ans, + 528 par rapport à 1990;

4754 étrangers pour 100 mille avec permis de séjour (sur le total de 1.240.721 permis selon le Ministère de l'Intérieur, y compris les permis échoués qui correspondent à l'estimation des irréguliers), trois fois le taux des Italiens, + 584 par rapport à 1990.

**T.3. Arrêtés et taux pour 100 mille (% sur le total global -à coté du taux des étrangers figure l'écart entre celui-ci et celui concernant les Italiens)**

T.3	1990	%	1991	%	1992	%	1993	%	1994	%	1995	%	1996	%	1997	%	1998	%
italiens	53155	82	70494	82,5	84948	83,1	89947	80,1	98186	81	88827	80	87872	78,4	90356	78,9	?	
<i>taux</i>	139		185		223		236		257		233		231		238		?	
étrangers	11659	18	14947	17,5	17235	16,9	22301	19,9	23062	19	22244	20	24258	21,6	24202	21,1	27282	
<i>taux</i>	1493	11	1739	9	1863	8	2259	10	2499	10	2244	10	2214	10	1951	8	2200	

sources : ISTAT; Ministère de l'Intérieur-Relazioni annuali al Parlamento e Servizio Centrale Étrangers-CED-Ministère dell'interno trends 90-97 : italiens + 70 (74,8 de l'augmentation globale); étrangers : + 108 (25,2 de l'augmentation globale)

**Taux arrêtés 1997** : 238 Italiens pour 100 mille d'âge 15-65 ans, + 199 par rapport à '90; 1951 étrangers pour 100 mille avec permis de séjour, huit fois le taux des italiens, + 458 par rapport à 1990.

**T.4. Détenus**

	1990	%	1991	%	1992	%	1993	%	1994	%	1995	%	1996	%	1997	%
italiens	22133	84,6	30120	84,9	40255	84,6	42027	83,7	42584	83,1	38716	81,8	38535	80,2	37720	78,2
<i>taux</i>	58		79		106		110		111		101		101		99	
étrangers	4.017	15,4	5.365	15,1	7.333	15,4	8.185	16,3	8647	16,9	8628	18,2	9514	19,8	10489	21,8
<i>taux</i>	514	9	624	8	793	7	829	8	937	8	870	9	868	9	845	8,5

sources: CED-Ministère de l'Intérieur et ISTAT. Les données sur les détenus de 1997 sont fournies par le Dip. de l'Amm. Pénitencière du Ministère de la Justice (ces données ne coïncident pas avec celles du Ministère de l'Intérieur qui font état de 11214 détenus étrangers; si on prend cette donnée-ci comme base de calcul on a un taux des étrangers encore plus élevé) trends 90-97 : italiens + 70,4 (70,6 de l'augmentation globale); étrangers + 161 (29,4 de l'augmentation globale)

**Taux détenus 1997** : 99 Italiens pour 100 mille d'âge 15-65 ans, + 41 par rapport à 90; 845 étrangers pour 100 mille permis de séjour, 8,5 fois plus que le taux des Italiens, + 331 par rapport à 1990



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## The Informal Economy and Organized Crime<sup>1</sup>

LETIZIA PAOLI

### Foreword

An informal or underground economy can exist only if there is a formal economy. If there were no formal economy, that is, a state regulatory framework of economic activity, there would also be no informal economy. In an ideal market economy, with no regulation of any kind, the distinction between formal and informal would lose any meaning since all activities would be performed in the manner that we now call informal. The essence of the informal economy, thus, lies in the relationship between the government and economic activity (Witte 1987; Castells and Portes 1991). It is the government that, through regulating, taxing and recording, fixes and moves the boundaries, separating the formal from the informal, the legal from the illegal.

The relationship between the government, economic activity and the development of the informal economy is briefly sketched in the first section of this paper. The second section briefly surveys the two main sectors - informal and criminal - of the underground economy, whereas the third section points to the artificiality and mobility of the boundaries setting the informal/formal cleavage. These three sections constitute the first part of the essay. The second part focuses on the role of organized crime. Though the

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<sup>1</sup> This article was drafted in 1997 and, despite some brief revision in 2000, it largely reflects the stand of the scientific research and discussion of the late 1990s.

boundaries of the informal economy are routinely crossed by a plurality of economic actors, it is argued that only some criminal organizations – the core of the wide phenomenology that is usually labelled organized crime – are able to be active contemporaneously and in a non-occasional way both in different sectors of the informal economy and in the legal economy as well. To support this statement, in the fourth section, examples are drawn from my empirical research on Sicilian and Calabrian mafia associations, while the fifth section provides evidence on other criminal consortia. In the sixth section, it is, therefore, argued that these criminal associations cannot be reduced to illegal enterprises. Indeed, they cannot even be considered merely as businesses, but are, in fact, functionally diffused organizations. Lastly, the seventh section points out that, since violence represents a key resource of the action of criminal organizations, there is a political dimension to their action that cannot be overlooked.

## **Artificial and movable boundaries**

### *The state and the economy*

The underground economy is a by-product of the state's acts of taxation, recording and regulation of the economic activity carried out in its territory. In fact, it has grown out of the wide-ranging and diverse efforts aimed at subduing economic activities to public taxes, rules, and controls which have been carried out by modern states ever since their foundation. It was the need to find additional means to finance the growing expenses of the nascent territorial states that primarily promoted the development of 'modern' fiscal systems. Among historians there is a widespread consensus that the latter can be said to have emerged when the 'private' resources of the ruling power are exceeded in value by the 'public' revenues derived from a system of general taxation. In the European context, this is normally expressed as the transition from the 'feudal state' (*fiscalité féodale*) to the 'tax state' (*fiscalité d'Etat*). The first signs of this transition are usually identified by most scholars in 13th and 14th century England and France (Omrod 1995; Omrod and Barta 1995; Braudel 1981-4). Over the following centuries the transformation progressively involved the other European states, though through different modalities and rhythms of change (Schulze 1995; 't Hart 1995).



With the growth of their fiscal needs and the increasing sophistication of taxation methods, states also began to record economic activities, to enact more and more precise rules to regulate them and to declare illegal some goods and certain production modes. Many of these further developments, however, are quite recent phenomena, which only started to come through in the late 19th century. It was only then, for example, that the European nations and the United States began to enact regulations concerning the job market. In most Western industrialized societies regulatory systems matured through a very long phase from approximately the 1880s to the late 1960s, growing around the operational systems of the large Fordist factory (and increasingly offices and chain-stores) and the welfare state (Mingione 1990a;1990b).

Likewise, although the assumption that trade in certain goods and services should be tightly controlled or completely banned began to develop in the 18th century in response to the slave trade and opium smuggling on a grand scale, it was only in the early decades of the present century that a more general prohibition and/or a state regulation of the production and sale of goods that are illegal today, began to be applied (Cassese 1984: 65; Lowes 1966; Stanley and Pearton 1972). The first international attempt to control the production and sale of opium, opiates and cocaine, for example, resulted from the concurrent steps taken by the British, Chinese and American governments in the early 1900s. In 1912, the Hague Opium Convention was signed, the first treaty to attempt the control of opium and cocaine through a world-wide agreement (Musto 1987; 1997). The regulation and/or prohibition of the production, manufacture and sale of some other commodities is even more recent. The legislation that criminalizes money laundering, for example, was adopted in most OECD countries only around the mid- to late 1980s, while most developing countries are still yet to do so (UNDCP 1997: 137).

If these regulations did not exist, there would be no informal or criminal sector. The boundaries of these social and economic spaces are, in fact, set by the intricate web of laws establishing the legal requirements for those wishing to undertake economic activity. These requirements are constantly being re-examined and changed at all levels of government to accommodate various economic interests. To single out a viable definition, several authors have proposed to focus on the state agencies' recording of economic activity and thus to define the informal economy "as consisting of economically productive activity (i.e. activity which produces value),

which is not properly and directly recorded in official measures of output and income" (Witte 1987; see also Simon and Witte 1982; Feige 1979; Greenfield 1993).<sup>2</sup> In fact, economic activity carried out in violation of public regulations and/or in evasion of taxes and other social security benefits, also tends to hide itself from public monitoring agencies.<sup>3</sup>

Whatever the emphasis placed for practical reasons on the recording phase, it is clear that the extent of the informal economy in each country is primarily a function of overall state decision making as well as of its ability to enforce its decisions. Government laws, regulations and reporting requirements define what 'underground' or 'criminal' means. Clearly, there would be no tax evasion if we had no taxes and the underground economy would have no illegal sector if there were no laws against the production and distribution of certain goods and services. As Portes, Castells and Benton maintain, "it is but a slight exaggeration to assert that formality begets informality, insofar as one is meaningless without the other" (1991: 299). Indeed, the development of an informal, underground economy depends very much on the form adopted by the regulated one, for each, like in a mirror, reflects the other.

On the other hand, no country could today afford to leave its economy completely unregulated. The complexity of modern economies requires some sort of state regulation and even in countries imbued with *laissez-faire* ideology, this regulation is likely to be extensive. From issuing cur-

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<sup>2</sup> An emphasis must be placed on the adverbs employed in Witte's definition, since they convey essential information. In fact, some informal economic activities turn up in official data. As Carsons (1984) and Beneson (1984) argue, even if income derived from the underground economy is not measured as such, a portion of it probably shows up in data on consumer spending. Hence, it shows up, too, at least indirectly, in government statistics on prices, money supply and interest rates (Blades 1982; Greenfield 1993).

<sup>3</sup> It is worth noting that this definition includes only the economic production of the underground economy, that is activity carried out for economic as opposed to social and familiar purposes. Non-economic activities such as 'do-it-yourself', housework and aid between neighbours are, therefore, excluded. There is no doubt that these activities create economic value that goes largely unmeasured. But, as several scholars note, such domestic activity blends indistinguishably into social relations in general (Bagnasco 1988: 148-149; Wiegand 1992). Therefore, a definition that also includes these activities would be too broad and imprecise to be useful. Furthermore, these activities are usually not regulated by the state, whereas we believe that the essence of the underground economy lies in the relationship between the government and economic activity.

rency to regulating the financial system, to overseeing the labour market, to settling disputes among private parties, the presence and the interference of the state in the economy is not a contingency but rather a structural requirement of modern civilization. This fact ensures that a 'formal sector' will exist even in the least developed nations and, therefore, that its elusive counterpart will also be present (*ibid.*).

The efficiency of the state machinery also represents a very important variable in determining the size and form of the informal economy in each context. Some governments are, indeed, more efficient than others in regulating and recording the economic activity carried out on their territories. However, no state, no matter democratic or totalitarian, has ever succeeded in completely eliminating irregular or *tout court* criminal forms of economic activity. Being a by-product of state efforts to regulate, record and tax economic activity, the informal economy cannot, therefore, be considered as a marginal, tangential aspect of contemporary economic life caused by highly unusual circumstances, such as war or intolerably high taxes, as long held by the American public and most American scholars (on this point, see Wiegand 1992). Nor is it a typical manifestation of Third World countries bound to disappear with the progress of modernization (Castells and Portes 1991: 15-20). Though in differing degrees and forms, the informal economy is a 'normal', unavoidable component of all modern, state societies. Indeed, the near-universal presence of state regulation guarantees that informal and illegal practices constitute a widespread, permanent feature of the world economy.

### *The sectors of the underground economy*

As such, the activities belonging to the sphere of the informal economy do not share any common trait other than the fact they are unrecorded by state bodies and/or prohibited by state laws. The informal or underground economy is not an economic system, as Wiegand (1992) maintains. It covers a group of heterogeneous activities and practices that is irreducible to any unidirectional interpretation system. Nonetheless, a rough distinction between two main sectors of the informal economy can be attempted. The *informal sector*, strictu sensu, consists of the production and sale of goods and services that are licit but that are produced and sold under unrecorded or unlawful conditions. Next to this, a *criminal sector* may be singled out.

It involves the production and circulation of goods and services that have been declared illegal, as well as the unlawful production and sale of heavily regulated commodities.

The economic activities which compose the informal and criminal sectors of the underground economy are reviewed briefly in the following pages. When available, some estimates about the number of people involved and turnover, most of which refer to Italy, are also provided.

### *The informal sector*

This sector includes the economic activities which are unrecorded in national statistical accounts and/or elude government requirements such as registration, tax and social security obligations and health and safety rules. Examples range from moonlighting and irregular second jobs done during off-duty time, to completely 'off the book' employment in small businesses and households. Self-employed individuals, whether or not working full or part-time, also produce much that is not properly recorded in national economic statistics. Occasionally there are also entire 'ghost firms' or even industries that are completely unknown to tax and labour officers, such as the glove industry in Naples, a 'ghost' industrial system which produces 2-3 million pairs of gloves a year.

According to the latest estimates of the Italian Statistical Office (ISTAT 1997), in 1996 there were 4,975,000 irregular labour units.<sup>4</sup> Considering that regular employment accounted in the same year for 17,298,000 units, irregular employment represented 22.3% of the overall labour volume employed in the production of goods and services. The number of people involved in the informal economy, however, is even larger. Reflecting on the data provided by the ISTAT, Meldolesi (1998) reached the conclusion that in Italy one out of two workers obtains at least a portion of his/her income from an irregular employment.

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<sup>4</sup> A labour unit corresponds to a full-time position, no matter whether or not it is carried out by more than one person. As already mentioned, many irregular positions are part-time or second jobs. In order to have an homogenous unit of measurement, the ISTAT transforms the latter into labour units, each of which corresponds to the full-time commitment of a regular employee: two part-time jobs are, thus, counted as one (ISTAT 1997).

In Italy, as well as in most EU countries, traditional forms of irregular employment co-exist with brand new, hyper-modern ones. Whereas the latter are usually found in the service sector, the former are concentrated in agriculture, the building sector and other traditional areas ranging from petty trade to tourism, and from agricultural transformation industries to the textile industry (Mingione 1990a; 1990b; ISTAT 1997; Reyneri 1996).

In 1996, about 90% of the total of labour units was irregular for Italian agricultural employees, whereas the rate was about 65.5% among the self-employed. This high rate is due to two contrasting reasons: 1) the relatively high and increasing level of under-employment of agricultural workers, who are frequently obliged to resort to irregular jobs both within and outside agriculture for sheer survival; 2) very high peaks of temporary demand for cheap unskilled labour during the short summer season (Mingione 1990a; 1990b; 1988a). Temporary work during the peak season is now increasingly carried out by foreign migrants (who have entered the country illegally or with tourist or student visas) in deteriorating working conditions. In 1996, according to ISTAT, non-resident foreign workers accounted for 679,000 labour units, which represented about 15% of irregular employment (1997: 167).

Building also traditionally provides an important context for irregular forms of work. Whereas the last fifteen years have registered a decline in *travail noir* in large building sites following the slowdown in urban development in the late 1970s, there has been a sharp increase in self-building, restructuring and the building of second holiday homes and a consequent burst of more temporary, complex irregular forms of *travail noir*. It is estimated that in Italy more than a third of construction workers work under such irregular conditions.

Contrary to the expectations created by the great attention paid to restructuring and flexible employment in manufacturing (Gallino 1985; Capiello 1986; Amin 1989), nowhere in Europe do irregular forms of work appear to be particularly concentrated in this sector. Nor is irregular manufacturing employment increasing particularly rapidly in any European context. On the contrary, in some regions such as north-eastern and central Italy (the so-called Third Italy) where irregular employment was important in the late 1960s, these forms now appear to be declining. While *lavoro nero* was initially used as a device to conquer a share of the market, many firms in these areas have been progressively regularising the position of their employees (Bagnasco 1988: 158-9). More generally, *travail noir* in

manufacturing is not very diffused in national contexts where competitive restructuring trends have led to subcontracting outside the country, as in the case of Germany and most other northern European countries (Mingione 1990b; 1988a; Reyneri 1996).

In the Italian manufacturing sector, irregular labour units account for about 18% of the total labour input and seem to be largely concentrated in the most traditional and technologically backward sectors, such as the textile and clothing, food, shoe, and furniture industries. In these sectors, irregular labour usually takes place at the end of a chain of subcontracting, in micro-firms, which have to depend on this form of employment to make ends meet. The irregular nature of this work does not generally comprise totally clandestine labour (though this does exist), but arises, rather, through partial non-application of several of the regulations concerning employment. This means non-payment of overtime, extra unrecorded payment and a number of working hours not stated in the contract.

Irregular forms of employment are, instead, on the rise in the services sector. There are three different processes which affect the diffusion of this phenomenon:

- industrial restructuring, especially re-organization involving vertical disintegration in which consultancy accounting and marketing, legal and technological assistance, cleaning and other services are progressively outsourced from the firm/factory;
- the expansion of a highly diversified and dispersed demand from personal and household services to which it is increasingly difficult to respond through state and market-oriented standardized contracted units;
- the fiscal crisis of the welfare system, which is becoming increasingly privatized and which tends to end up by, unintentionally, favouring further expansion of irregular forms of employment (for instance, babysitters instead of public child-care) (Mingione 1990b: 18-19).

Irregular forms of employment in the service sector are generally polarized between highly qualified jobs (for example, in high technology, consultancy or law consultancy, undertaken as an irregular second-job) and very low-skilled and badly paid jobs (for example, cleaning and other personal services to households). In Italy, where it has developed consistently in the 1980s, *travail noir* in industrial and economic services, though still growing in absolute terms, was reduced in percentage terms by half in the early 1990s. Only in personal and household services is irregular employment continuing steadily to grow, so that, for example, in household and shoe

repairs about a quarter of employment is irregular. Except in the banking sector, where it is entirely lacking, *lavoro nero* in the Italian services is running at a level of between 18% and 26% of total labour units, depending on the sector (ISTAT 1997). Additionally, it is estimated that about 15% of the merchandise is sold outside regular channels of distribution, such as by unregistered peddlers (the latter increasingly being illegal migrants), shops without licenses, meetings in private settings and so on.

Irregular employment is particularly widespread in southern Italy: in 1994 it represented 33.8% of the overall labour employment there, while in northern and central Italy the percentage level of irregular employment was much lower at 17.9%. The difference is not only quantitative but also qualitative. In the *Mezzogiorno*, due to the larger presence of the agricultural sector, the two major components of irregular employment are full-time irregular employees and the self-employed as well as non-resident foreigners. In northern and central Italy, instead, irregular labour units mostly result from moonlighting and second jobs.

On the basis of these estimates concerning *lavoro nero* and other more general ones, the ISTAT estimated that in 1988 the added value integrated in the national economic accounts which was due to underground economic activities was about 18% of overall GNP (ISTAT 1997: 169).

### *The criminal sector*

The criminal sector of the underground economy includes first and foremost the production and sale of commodities that are prohibited by most states and international bodies. Only two goods fully fit this criterion: some narcotics and human beings. As a consequence of state and international bans, all exchanges in these 'commodities' are bound to take place on the 'wrong side of the law' and illegal markets have, therefore, developed.

Additionally, many other goods and services - ranging from arms and nuclear weapons through toxic waste, jewels and counterfeited merchandise, to prostitution and gambling and money laundering - are sold daily in violation of specific trade regulations and restrictions. Still others are exchanged without paying excise taxes. Currently, in many countries, the most lucrative excise taxes are those on alcohol, gasoline, and tobacco and, therefore, the majority of illegal exchanges concentrate on these commodi-

ties. Many other goods, however, are also occasionally imported or exported without paying excise and VAT taxes: watches, clothes, cars, hi-fi objects, computers and software, etc. In all these cases, next to the primary licit market, an illicit segment develops. Since many of these illicit segments are an extension of a legal market, they are sometimes not considered to be part of the informal sector *strictu sensu* (Simon and Witte 1982). Nonetheless, since they are illegal, that is located outside the system of guarantees and enforcement of contracts provided by state institutions, these markets frequently attract individuals and collective actors who are involved full-time in criminal activities. These actors are able to guarantee their rights through the direct use of violence, and so usually end up being in a position of strength *vis-à-vis* legitimate traders who occasionally carry out off-the-book transactions. For this reason, it has been deemed appropriate to include illicit segments of heavily regulated and restricted goods in the criminal sector of the underground economy. No matter where they are located, however, it is important to stress that the boundaries between the informal and the criminal sectors are blurred here.

Over the last three decades, there have been numerous attempts to estimate the world turnover of single activities of the criminal economy. Even in the case of drugs, however, by far the best known illegal market, the estimates diverge consistently from one another. In the early 1990s the Financial Action Task Force on Money Laundering estimated the turnover of heroin, cocaine and cannabis sales in the United States and Western Europe at US\$ 80 billion. According to a more recent calculation of the United Nations International Drug Programme, however, the international drug trade has around a US\$ 400 billion turnover and is "equivalent to eight per cent of total international trade" (UNDCP 1997: 123-124). The latter value, however, has been sharply criticized by Peter Reuter (1998): on the basis of his precise calculations, consumer expenditures on illicit drugs certainly does not exceed \$150 billion worldwide.

Given the plurality of the commodities and actors involved, it is harder to estimate the overall turnover of the criminal sector, even in a national context. One of the most comprehensive and reliable attempts ever done in Italy is that carried out in 1992 by Guido Rey, the former president of the Italian Statistical Office (ISTAT), in cooperation with the police forces and several other state agencies. Rey's evaluations, integrated with some other estimates produced by other public bodies are summarized in Table 1 (1992; see also 1993, and Becchi and Rey 1994).



Table 1: The criminal sector of the informal economy

	<i>Number of people involved</i>	<i>Turnover (millions of Lire)</i>
<b>Production and sale of illegal goods</b>		
Wholesale and retail trade in heroin:		
- internal consumption	-	6,500,000
- drugs in transit	-	630,000
Wholesale and retail trade in cocaine		1,200-4,800,000
Wholesale and retail trade in hashish		380,000
Trade in human beings	-	-
<b>Production and sale of legal goods in violation of restrictions and regulations and/or in evasion of excise and VAT taxes</b>		
Arms trade	-	-
Tobacco smuggling	-	1,000,000
Other types of smuggling	-	-
Counterfeited goods	-	-
Counterfeited currencies	-	2,000
Food frauds	-	247,000
Other goods	-	-
<b>Production and sale of illegal services</b>		
Illegal gambling	15,000	2,000,000
Exploitation of prostitution	6,000	845,000
Usury	5,000	1,300,000
Clandestine abortions	-	54,000
Fencing	8,000	1,326,000-1,908,000

Source: Elaboration of data drawn from Guido Rey, "Analisi economica ed evidenza empirica dell'attività illegale in Italia", 1993.

As Rey's and other estimates prove, the heroin market constitutes by far the largest illegal market in Italy. According to the former, in 1990 the turnover of the heroin market exceeded 7,000 billion Lira. Wholesale and retail trade in cocaine allegedly produced a turnover ranging between 1,200 and 4,800 billion Lira, whereas the value of the cannabis market was estimated at 380 billion Lira. In its turn, the smuggling of cigarettes represents the most developed of excise evading activities. The *Guardia di Finanza* (Custom Police) (1992) estimates that the yearly turnover of smug-

gling tobacco is more than 1,000 billion Lira with an evasion of about 1,100-1,200 billion Lira of taxes (VAT and excise taxes). Illegal exchanges of drugs and tobacco are among the few illegal activities whose turnover may be assessed with a fairly good degree of approximation. For other types of illegal commodities, estimates are necessarily much less reliable. Nevertheless, according to Rey, illegal gambling and fencing represent the two most profitable criminal service industries: the former, in fact, was estimated to produce about 1,800 billion Lira in 1990, while the estimates for fencing range from 1,320 to 1,900 billion Lira.

It is worth noting that, using our definition, only the production of illegal goods and services is part of unrecorded economic activity, since illegal transfers (e.g. through robbery, extortion, embezzlement and fraud) do not create value but merely transfer it from one person from another. Despite this, it is important to remember that some of these activities represent a major entry in the annual budget of professional criminals and organized crime groups in Italy as well as all over the world. Extortion practices, for example, constitute one of the most important sources of revenue for southern Italian mafia groups and, according to the estimates elaborated by the *Direzione Centrale della Polizia Criminale*, involve an annual turnover of at least 1,400 billion Lira (Rey 1992).

### *The changing geometry of the informal economy*

Since the informal economy does not result from the intrinsic characteristics of its activities, but rather from state enactment and enforcement of regulations and restrictions, the boundary between formal and informal, and that between legal and illegal will vary substantially in different contexts and historical circumstances. As such, the informal economy is an artificial construction, that is, what is informal and perhaps persecuted in one setting may be perfectly legal in another. Large differences, for example, exist among the job and social security regulatory systems of Western industrialized societies and the gap becomes even greater if one confronts the latter with the regulatory systems of developing countries. Indeed, in many Third World countries, industrial production takes place in conditions that routinely violate Western requirements concerning wages, security, and recruitment procedures. Tax regulations also vary significantly and in some locations (the so-called 'tax havens'), transactions are taxed

very little or not at all and, additionally, bank and/or trade secrecy is guaranteed (U.S. Senate 1983: 8-9). Tax havens all over the world provide homes for capital which has flown the mainland to avoid the payment of local taxes:<sup>5</sup> today, most of the largest private banks have established themselves in a number of off-shore centres to provide tax-free services to their customers, regardless of the origin of their money and their place in the legal, informal or *tout court* criminal sectors of the economy (see also Arlacchi 1993; Paoli 1995).

Not only do the boundaries of the underground economy vary from country to country, but the same activity may shift its relative location across the formal-informal cleavage several times. The Volstead Act in 1920, for example, banned "the manufacture, sale or transportation of intoxicating liquors, the importation thereof into or the exportation thereof from the United States", thus favouring the development of a flourishing illegal market in alcohol. Thirteen years later, however, with the repeal of the 18th Amendment in 1933, the production and sale of alcohol was again allowed (Aaron and Musto 1981). Likewise, according to a growing number of independent observers and pressure groups, regulation of narcotics, which is in itself less than a century years old, should also follow a similar path. Whereas many point to the need of a relaxation of prohibition and of a new emphasis on measures to reduce the harm associated with illicit drug use, many pressure groups also call for the legalization of cannabis or even of all drugs (Musto 1987; UNDCP 1997: 184-201; CASA 1995).

The size and form of the informal economy are obviously not only the result of state decision making but reflect the character of the specific social and economic order in which it occurs. Considerable differences in the spread of informal arrangements exist even within the rather homogenous regulatory framework created by the European Union. Indeed, huge discrepancies may occasionally be seen even within one country, as the case of Italy proves. In each setting, the changing geometry of the formal-informal relationship follows the contours delineated by economic history and is heavily affected by cultural and social variables. Nonetheless, the boundaries delimiting the informal economy and, within it, its criminal sector are set by the decision-making and enforcement activity of political

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<sup>5</sup> Luxembourg, for example, has in the past few years been the recipient of one of the largest movements of flight capital of all time. It was, in fact, the main destination of DM 300 billion in capital that took flight when Germany imposed a 30% tax on interest payments in 1993 (Financial Times, June 19, 1996).

and administrative bodies within each country. Hence, these boundaries cannot be taken for granted, considered fixed and immutable. They are, instead, artificial, they usually reflect economic priorities and the cultural values of each society (or at least of its dominating elite) and they are, therefore, subject to both short-term changes of opinion and long-term transformations of the social body of which they, in the last analysis, are expressions.

Not only are these boundaries artificial but they can also be easily crossed by a variety of actors. Almost every individual sooner or later - sometimes absolutely in good faith - gives his/her own contribution to the informal economy, even if the latter is (as we have done here) defined restrictively, so that household and voluntary unpaid work are excluded from its range. Such contributions to the underground economy may, in fact, be simply created by buying a package of smuggled cigarettes or a 'joint', giving or taking undeclared private lessons, buying counterfeited or stolen merchandise, gambling outside legitimate channels, having the sink mended by a moonlighting plumber, etc.

Firms also frequently cross the formal/informal cleavage and, indeed, most firms, large and small, operate both formally and informally depending on their product and service, the economic climate, and the market demand. In these cases informal activity takes place side by side with formal activity or, better, as a continuation of the latter. Even the largest, most 'formal' multinationals will usually be party to some informal arrangements. Again, many examples can be given. Regular employees work extra hours *à noir*; semi-manufactured products are bought from subcontracting micro-firms adopting irregular forms of employment; or, in addition to the regular production, some legal commodities are produced and distributed without officially declaring it. Alternatively, legal goods may be sold in violation of embargos or other normative restrictions.

Within the criminal sector itself, crossing the boundaries is also very frequent. Every day alliances and networks are set up for the production and/or distribution of a specific illegal commodity or for the accomplishment of a specific illegal activity. For a variety of reasons, some of these alliances do not succeed in consolidating; however, those that are successful tend to be increasingly employed by their members for the exchange of a plurality of illegal or highly restricted goods and services. Hence, for example, the means, expertise and contacts gained since the late 1970s by Calabrian and Apulian *contrabbandieri* in the tobacco business have then

been exploited in other more profitable trades, such as narcotics and arms trafficking and, more recently, in the smuggling of illegal immigrants (Ministero dell'Interno 1995; Paoli 1996). Likewise, the Kurdish and Turkish smugglers that are responsible for the supply of heroin to a large part of continental Europe also use the commercial networks that they have set up for their 'core business' for a variety of other trades in both directions: to launder and transfer the dirty money accumulated through heroin sales back to their homeland; to import the arms and explosives they need for inter-gang or terrorist violence; and, occasionally, to sell and distribute other types of illegal commodities in the European marketplace (TrMI 1994; 1996).

More generally, criminal entrepreneurs' involvement in more than one illegal activity is favoured by the process of unification of illegal markets that has been going on since the end of the Second World War. This has sharply increased the geographical mobility of criminal actors and intensified international exchanges in goods, expertise and capital of a criminal type. Additionally, it has promoted rapid growth in the links between previously separated forms of crime and deviance (Ministero dell'Interno 1993).

### **The ubiquitous actor: criminal associations of a mafia type**

While moving over the boundary into the informal economy is, at all levels, very common, there is only one collective actor that can be simultaneously and in a non-occasional way present on both sides of the legal/illegal cleavage at once: organized crime. Since organized crime is a very controversial concept, a preliminary definition is necessary. The expression 'organized crime' is here used to refer to all organizations that 1) are considered to be illegal per se or are systematically involved in activities defined as illegal by official government institutions; 2) have, therefore, to make special arrangements to enhance their own secrecy; and 3) regularly employ violence or threat of violence to achieve their goals. In particular, the word 'organization' implies that the groups *de qua* have undergone a process of institutionalization in so far that 4) they sharply mark the boundary separating them from the external world; 5) have developed a distinct collective identity and mechanisms for legitimation; as well as, 6) an internal division of labour. That is, whereas in the American literature there is always a strong ambiguity about whether organized crime has to be concep-

tualized as a set of actors or a set of activities,<sup>6</sup> in the present paper the former option has clearly been chosen: organized crime is meant strictly as a set of criminal organizations.

Notwithstanding the recent, often emotional, debate about organized crime, there are not many entities that fulfil these criteria and can thus be included in our definition of organised crime. These are the Sicilian and Calabrian mafia associations, the Chinese Triads and *tongs*, the Japanese *yakuza*, and the American La Cosa Nostra, and, to avoid any misunderstanding, they may be collectively termed criminal organizations of a mafia type.<sup>7</sup> They constitute the 'hard core' of the wide and diversified set of phenomena that has been labelled as organized crime. And they show to

<sup>6</sup> These are, for instance, the definitions given in the span of two years by scholars who are not diametrically opposed to each other on other issues. According to Peter Reuter "organized crime refers to a particular type of organization, quite distinct from those represented by illegal enterprises like number banks or heroin distribution operations. Organized crime consists of organizations that have durability, hierarchy and involvement in a multiplicity of criminal activities" (1983: 175). On the other hand, in Alan Block's and William Chambliss' words, "organized crime [should] be defined as (or perhaps better limited to) those illegal activities involving the management and coordination of racketeering and vice" (1981: 13).

<sup>7</sup> To make clear that no picture of an international, omni-powerful Octopus is being suggested, some clarification is necessary. Although they are usually portrayed by the media as unitary centralized organizations, all the associations *de qua* are segments within which each unit retains full autonomy, and societal boundaries are drawn merely by the common cultural heritage and structural organization. It is true that in several cases a process of centralization has been built upon these segmented structures. Among the families associated with the American and Sicilian Cosa Nostra and, more recently, among those belonging to the Calabrian *'ndrangheta*, this process of centralization has led to the institutionalization of superordinate bodies for coordination (Cressey 1969; TrPA 1986; PrRC 1995; Paoli 1997). In Japan, three syndicates - the *Yamaguchi-gumi*, *Sumiyoshi-rengo* and *Inagawa-kai* - have succeeded in incorporating two thirds of the 3,490 *yakuza* groups recorded by the police (NPA 1989; Japanese Embassy in Rome 1993).

The trend, however, is not unidirectional. There are no signs of a centralization process going on in the heterogeneous universe of Chinese organized crime. Furthermore, even when superordinate coordination bodies exist, their fields of influence are rather limited. Usually their rationale lies in the need to minimize the visibility of criminal associations through regulation of the internal use of violence: in fact, by prohibiting affiliates and single groups from indiscriminately using violence to settle conflicts within the mafia universe, the secrecy and safety of the whole coalition are protected. The control exercised by these superordinate bodies over economic activities is usually very low and a large degree of autonomy is left to the single corporate units.

the maximum degree the ubiquity of these type of actors. Not only are the members of these groups contemporaneously involved in the trade of several illicit commodities, but they also usually manage to exert a considerable influence over the legal and informal sectors of their local communities' economies. Indeed, the spectrum of their activities transcends the marketplace, so as to assume, even in the case of criminal groups that have no overt revolutionary goals, a political dimension.

### *The case of the Sicilian Cosa Nostra and Calabrian 'ndrangheta families*

A good example is the case of the around 90 mafia families associated with the Sicilian Cosa Nostra and the equivalent number of groups belonging to the Calabrian 'ndrangheta, whose culture, structure and patterns of action I investigated in my doctoral dissertation (Paoli 1997; see also 2003).

At least since the Second World War, Sicilian and Calabrian mafia families have been active in the production and trade of commodities which have been declared illegal by state authorities. They have, in particular, greatly profited from the rapid expansion of world illegal markets - most notably in tobacco and narcotics - which has been going on in the last fifty years. In the 1950s and 1960s the scale of tobacco and drug smuggling and the degree of involvement of mafia members were rather limited. From the early 1970s, however, the scale of the business rapidly increased, as did the role of Sicilian and Calabrian *mafiosi*. In particular, in the second half of that decade, Sicilian Cosa Nostra families succeeded in starting wholesale heroin trafficking. Sicilian *mafiosi* imported large quantities of morphine from south east and west Asia, refined it into heroin in laboratories on the island and then shipped it to the United States or, to a lesser extent, sold it on the Italian and northern European markets. The turnover of the overall business was impressive: it has been estimated - on the basis of records of proceedings in Italian and American courts (TrPA 1982; 1986: IX; Biden 1982) - that between four and five tons of pure heroin were produced each year in the late 1970s by Sicilian laboratories. This quantity, largely exported to the United States, then represented some 30% of the total demand of that country. Subtracting the costs of production and transport, this gave a net profit of around 700 or 800 billion Lira (Arlacchi [1983] 1988).

From the late-1980s, the involvement of Sicilian 'men of honour' in heroin refining and transcontinental trafficking progressively declined (Ministero dell'Interno 1993; 1994; 1995).<sup>8</sup> However, Cosa Nostra associates increased their presence in cocaine trafficking, importing large amounts of drug directly from Latin America or, more frequently, acquiring cocaine by Colombian distributors in Europe. However, whereas they remain active in the distribution of drugs for the Italian market, several investigators believe that Sicilian *mafiosi*'s involvement in transcontinental shipping and distribution over the overall European market has shrunk over the last decade (Ministero dell'Interno 1993; 1994; 1995; DEA 1992a; 1992b).

A considerable share is, however, still held by Calabrian mafia groups which, throughout the 1980s, succeeded in fully overcoming their initial backwardness and delay. Today, thanks to their wider international ramifications (Paoli 1994), the Calabrian *'ndrine* are involved in large imports of cocaine directly from source countries to a higher degree than their Sicilian counterparts. For example, in the early 1990s, a coalition of seven Calabrian mafia families from the Ionian coast succeeded in importing into Italy at least eleven tons of cocaine in eight different shipments. The last shipment - 5,490 kilos - was seized in March 1994 on the outskirts of Turin and was the world's largest cocaine seizure ever made outside the areas of production (TrTO 1993).

Other illegal commodities have, of course, not been neglected, although the narcotics trade remains the main illicit source of revenue for the two mafia consortia. Arms, money and illegal immigrants into Italy are cur-

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<sup>8</sup> Such a decrease can be seen as part of a long-term tendency: the concentration of drug processing in source countries. As with other markets, the production of the end-product - heroin - and of the semi-manufactured products - morphine and heroin base - is today carried out more and more frequently in developing countries, where production and labour costs are lower (Lewis 1985: 15; UNDCP 1997: 128-129). The exclusion of the families associated with Cosa Nostra from the American market has also been favoured by pressure exerted by Italian and U.S. law enforcement agencies, which in the 1980s successfully disrupted several important networks for heroin import and distribution (most notably the so-called 'Pizza connection' and 'Irontower'). The gap left by Italian-American traffickers was quickly filled by Chinese traders, importing heroin produced in the so-called 'Golden Triangle' (Burma, Laos and Thailand), and lately by Colombian traffickers that have been able to offer heroin of a better quality than that handled by the Sicilians, mostly produced in the so-called 'Golden Crescent' (Afghanistan, Pakistan and Iran) (NNICC 1992, 1993, 1994).



rently being traded by Cosa Nostra and '*ndrangheta* members, together with other figures of the underworld. Money laundering has, in particular, become a necessity, since Cosa Nostra and '*ndrangheta* members have to launder and reinvest the capital accumulated from drug trafficking. Long unable to 'wash' the money themselves, since the criminal expertise which is necessary to carry out sophisticated financial services was seldom available within the clan or in its immediate periphery, mafia affiliates at first delegated this responsibility to institutions and characters moving in the sphere of economic crime and in some occasions (for example, with Sindona's and Calvi's banks), ended up losing millions of dollars (Commissione Sindona 1982a; 1982b; Paoli 1994; Calabrò 1991). Thanks to the rapid growth of their economic turnover, however, over the last decade mafia groups have struggled to acquire direct access to the financial markets and to assert their specific advantages deriving from the use of violence even in these fields, as recent investigations prove. An inquiry carried out in 1993 by Calabrian prosecutors showed, for example, that a '*ndranghetista* from Locri (RC) successfully laundered huge amounts of money of illicit origin on behalf of major Calabrian mafia families. Through a network of financial institutions registered in the name of figureheads based in Pescara, Padua, Ferrara and Milan, Salvatore Filippone made transactions of billions of roubles and millions of dollars thanks to speculative operations in the Russian Federation or in the former Soviet states (TrLO 1993; see also TrCT 1995).

Additionally, since the late 1980s Sicilians and Calabrian mafia groups have succeeded in penetrating the 'wholesale' sector of international arms trafficking. In the past, members of both organizations had been involved in clandestine arms exchanges but these were largely extraneous to the wholesale section of the illegal arms trade. In fact, this section, as also happens in the money and gold markets, constitutes only a relatively small appendix to the legal markets and, therefore, presents extremely selective entry barriers, by requiring from whoever wants to deal in them not only specific skills but also an official professional curriculum vitae, as well as contacts in the licit and illicit sections of the market (Naylor 1995; 1996; U.S. Senate 1991a). The change was made possible by the 'democratization' of the arms market created by the fall of the Soviet Empire and the civil war in Yugoslavia, which produced a huge illicit arms market at the Italian borders. Following these two events, Sicilian and Calabrian mafia associates - or, more frequently, close associates of theirs - have succeeded

in penetrating the 'wholesale' sector of international arms trafficking, participating in sizeable and very high-profit yielding transactions and doing business with foreign criminal groups, representatives of economic crime, and the political-military machinery of foreign countries (Ministero dell'Interno 1994; 1995).

Given the extra profits resulting from state bans and restrictions on these "desirable" commodities, it is highly probable that Sicilian and Calabrian mafia consortia will go on trading in illegal goods and services, though their position and degree of involvement are heavily conditioned by market trends which largely escape their control or even that of the Italian law enforcement agencies. It would, in any event, be a gross oversimplification to reduce the southern Italian mafia consortia's meaning and danger to their provision of illicit commodities. Throughout their history, Cosa Nostra and 'ndrangheta mafia groups have done much more than that. From the mid-19th century onwards Sicilian and Calabrian mafia associations have succeeded in monopolizing a variety of local resources through the control of violence. That is, they have operated in the legal and informal sectors of the economy (though the distinction did not make very much sense in 19th century Sicily and Calabria), sometimes adopting legitimate methods, in most cases resorting to open violence or, at least, to intimidation. The management of large inland estates, the agricultural products of the rich coastal areas where intensive agriculture was widespread; mills and presses for grain, wine and olive oil; orders for construction firms or licences for the retail sale of automobile fuel, are just a few examples of the resources over which *mafiosi* have exercised their monopolizing claims (Hess 1973; Arlacchi 1988; Ciconte 1992; Paoli 1997). In particular, throughout the 1980s and early 1990s, the public works market has represented a privileged field of reinvestment of drug trafficking proceeds, as well as a very profitable activity *per se*, so much so that the profits that *mafiosi* could extract through manipulation of public tenders has been judged "proportionately comparable to the illegal income from drug trafficking" (Ministero dell'Interno 1994: 195).<sup>9</sup>

<sup>9</sup> Indeed, Cosa Nostra and 'ndrangheta associates succeeded in controlling tenders for very consistent economic benefit. In one episode reconstructed by the investigating judges, for example, the tenders invited by the *SIRAP (Società Incentivazioni Reali per Attività Produttive)* for the construction of 20 areas for 50 billion Lira each and for an overall total of 1,000 billion Lira, were all granted to companies controlled by Cosa Nostra or linked to it (TrPA 1991).

In the public works market, mafia entrepreneurs work simultaneously on both sides of the formal-informal cleavage. On the one hand, the so-called 'mafia participant companies' - that is building firms that are officially registered and apparently perfectly legal but that are owned by *mafiosi*, usually under the cover of men of straw - participate in negotiations and alliances with national building companies and/or execute sub-contracts, apparently respecting all formal requirements. On the other hand, these same firms exploit the advantages of informal and *tout court* criminal practices. First, they usually do not pay their employees social security contributions and overtime payments, thus obliging them to work *au noir* (Arlacchi 1988: 95-98). The provision of building material and services also takes place frequently through informal or illegal channels. The process of assignment of tenders, furthermore, is manipulated through the payment of kickbacks to politicians or through under-the-counter agreements with other local and national firms. Finally, when necessary, violence may also be employed: to discourage union protests inside the building sites, to make an entrepreneur or a politician respect the 'rules' set through illicit agreements or to force others, possibly even unknowingly, to pay greater heed to mafia interests in particular tenders. Threatening letters and other means of intimidation - such as bomb explosions or arson at building sites, or the destruction of construction equipment - are some of the most frequent tactics employed by Cosa Nostra and '*ndrangheta*'. In Reggio Calabria, when the stakes became huge in the late 1980s - the so-called 'Reggio decree' provided 600 billion Lira (then more than US\$ 460 million) for the reclamation and development of the city - mafia *cosche* went as far as murdering a politician, Ludovico Ligato, former President of the *Ferrovie dello Stato* (State Railway). By claiming a 10% kickback for himself, Ligato, who had returned during that period to Reggio Calabria, jeopardized the agreements that had already been reached between '*ndrangheta*' groups and the local politicians (TrRC 1992; PrRC 1995: 1880-1882).

The resort to violence was not, however, always necessary. Dirty money represents another powerful means to increase mafia associations' control over the licit economy of their own communities. It is well known that members of both mafia groupings have recently employed the huge surpluses deriving from narcotics trade to buy - either directly or through a front - a large number of small and medium-sized companies in their areas of dominion. According to data collected by the *Confcommercio* (the Retail Trade Association) in 1992, around 10% of small businesses are either

run or directly controlled by organized crime. In Sicily this amounts to 4,000 businesses - shops, restaurants, bars, grocers, car dealers, retail traders of every kind - which are considered at risk in that their ownership and turnover appear to be linked to mafia interests. The estimate seems realistic. In a survey carried out in 1993, 53% of owners of Calabrian, Sicilian and Campanian firms claimed that in their particular sphere of activity, the practice was for businesses to yield a quota of their ownership to a variety of people who are tied to illegal and suspicious businesses (Ministero dell'Interno 1994).<sup>10</sup>

### *The intermingling of the formal and informal*

In the same way as the Cosa Nostra and 'ndrangheta families, the *yakuza* gangs (Kaplan and Dubro 1986), the Chinese Triads and *tongs* (Chin 1990; 1992; 1996; McKenna 1996) and the American Cosa Nostra families (Block 1986) also routinely operate on both sides of the informal/formal, legal/illegal cleavages. Indeed, their operations range from trade in drugs and other illegal commodities, through profitable redistributive activities such as extortion and frauds, to consistent investment in the legal and informal economies of their communities of origin and other countries.

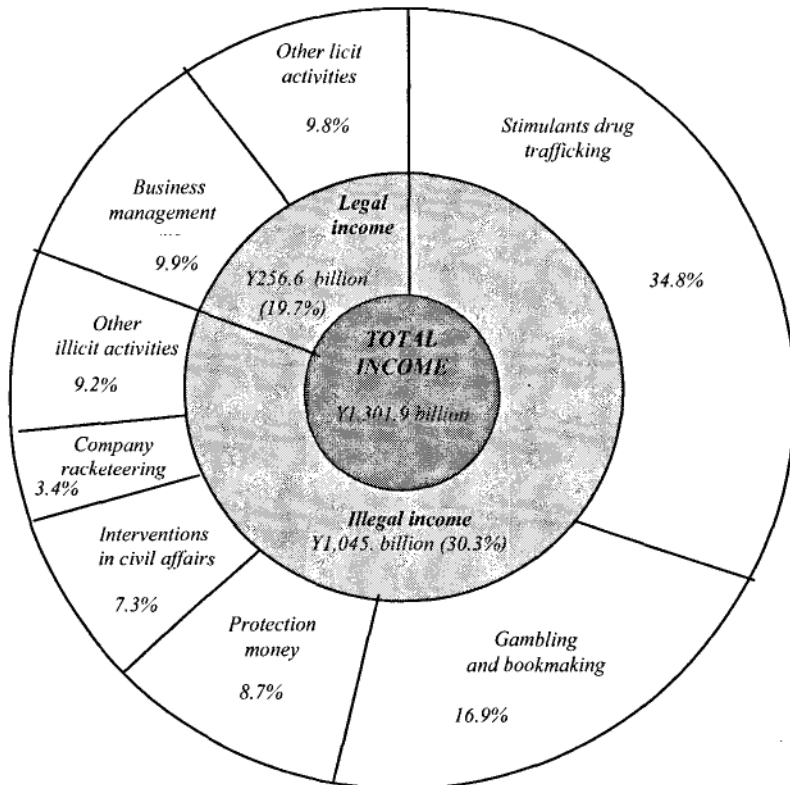
There is no space to analyze separately the multi-faceted economic enterprises carried out by all the criminal associations of a mafia type mentioned above. Instead of listing the plurality of their economic ventures, we will merely focus our attention on the very precise estimates made by the Japanese National Police Agency on the earnings of about 3,500 criminal groups (*boryokudan*), which comprise the *yakuza*. In 1989 the *boryokudan* earned about one trillion and three hundred billion yen. Illegal income, accounting for Y1,045.3 billion, represented about 80% of the overall total. The most important illegal activity was stimulant drug trafficking, whose

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<sup>10</sup> In some sectors, mafia monopolies have been established. Unlike in the past, these are now not only imposed through violence, but are often built on the effective ownership of all the local firms by *cosche* associates. The Frascati brothers, for example, front-men of the Libri family, an important Calabrian mafia group, have acquired from the early 1980s onwards a monopoly of retailing of new and second-hand vehicles in Reggio Calabria, owning the Peugeot-Talbot, Alfa Romeo, BMW, Volvo, Honda, Suzuki and Nissan dealers. Relying on cash money of dirty origin, in a short period Frascati's firms succeeded in putting other agencies out of business, since the other agencies could not afford the discounts the Frascatini routinely offered (PrRC 1995: 6318-6405). Thus, illegal resources and practices are routinely employed to boost economic activities that are, from a formal point of view, perfectly legitimate.

profits amounted to about ¥453.5 billion, 34.5% of the gangs' total revenue. Consistent revenue was also drawn from gambling and bookmaking (16.9%) and from extorting protection money from legitimate businesses, especially in the amusement sector (8.7%).

Figure 1. Breakdown of Boryokudan's annual income



Source: National Police Agency, 1989.

About 7.3% of their local income was due to intervention in a variety of civil affairs, using illegal means. By using violence and intimidation, *ya-kuzo* members collect loans, loanshark, discount bills, provide out-of-court settlements for property, traffic and bill-related disputes and engage in

company racketeering (the so-called *sokaiya*). In addition to illegal activities and violent intervention in the legal economy, Japanese criminal gangs also draw about 19% of their total revenue (¥256.6 million in 1989) from perfectly licit activities. Gangs' legitimate income sources are diverse; they include financing, construction and commercial property business. Even in this case, however, it is difficult to draw a sharp boundary between legal and illegal activities because legitimate companies are often used as front for illicit activities. Furthermore, whenever it is necessary to discourage a competitor, to obtain a tender or to add market share, gang-operated legitimate companies may exploit the power of violence of the gang organizations behind them (NPA 1989: 16-21).

Indeed, the intermingling of legal and illegal is particularly evident in the case of Asian criminal organizations in so far as they often enjoy a legal or semi-legal status. Though controlling the most profitable illegal activities of the country, the Japanese *boryokudan*, for example, have been prohibited by Japanese authorities only since 1991: before then, most of the 3,500 *yakuza* groups known to police forces were officially recorded organizations, were listed in the telephone book and had a formal base, whose entrance was usually decorated with the emblem of the gang and a signboard showing their name (Kaplan and Dubro 1986; Seymour 1996).

Likewise, though the management of most illicit activities in overseas parts of cities referred to as Chinatown is controlled by *tong* members and the *tong* themselves are considered by American law enforcement authorities to be criminal enterprises, most of them still enjoy a legal or semi-legal status, usually under a new name that avoids the word *tong* (Chin 1996). In these associations too, licit and illicit activities appear deeply intermingled. The *tongs* are fraternal associations which were originally formed by Chinese immigrants in the United States in the late 1850s as self-help groups (U.S Senate 1991b). As the word itself conveys (*tong* means 'hall' or 'gathering place'), these associations became places where immigrants could socialize, seek help, and gamble. But if illegal gambling represents a spare-time hobby still today shared by virtually all *tong* members, most of them are law-abiding, employed people who visit the associations only once in a while to visit friends and who have no connection with the group's illicit activities. These are run by a small section of associates who are usually full-time employees of the *tong* and who give orders to the members of the subordinated juvenile criminal gangs (Chin 1990; 1996).

### *Business enterprises?*

The discussion of the different associations is intended to demonstrate that none of the associations under consideration can be considered merely to be an "illicit" or "illegal enterprise", as is maintained by the now dominant 'economic' paradigm on organized crime. This approach has been developed in the United States since the late 1960s to oppose the so-called 'alien conspiracy' theory, which had been proposed by the major U.S. investigative bodies and several Parliamentary Committees and amplified by the media. The 'alien conspiracy' theory entailed the idea of a nation-wide, centralized criminal organization, deriving from a parallel Sicilian organization and which was headed and, to a great extent, formed by members of Italian and Sicilian origin (Task Force 1967; Cressey 1969; Smith 1975).

In opposition to a basic tenet of this conceptual scheme - the importation of organized crime from abroad - American sociologists and criminologists, above all, have stressed the domestic, internal nature of both the supply and demand of illicit goods and services. At the same time, their attention has focused on what seems to be the most visible and non-controversial activity of organized crime groups - the supply of illegal products and services. In order to sweep away ethnic stereotypes of crime and to direct attention to markets, the expression "illicit" or "illegal enterprise" was thus put forward by several authors as a substitute for the controversial term 'organized crime'. In the words of one of the earliest proponents of this approach, Dwight Smith, an "illicit enterprise is the extension of legitimate market activities into areas normally proscribed - i.e. beyond existing limits of law - for the pursuit of profit and in response to a latent illicit demand" (Smith 1980: 335). Since the 1970s the enterprise approach has gained momentum. According to a review of definitions carried out by Frank Hagan (1983), for example, there is wide agreement on the point that organized crime involves a continuing enterprise operating in a rational fashion which is geared towards obtaining profits through illegal activities.

The 'economic' paradigm has undeniable strengths and merits. Certainly, the presentation of organized crime groups as illicit enterprises correctly refers to the process of expansion and integration of national illegal markets that has been going on in the United States since the 1920s, that is, since the strong incentive given by prohibition which was introduced in 1920 by the Volstead Act and lasted until 1933. In turn, such a process

stimulated an increase in the number of economic actors able to satisfy the growing popular demand for other illegal goods and services. The post-war growth of international illegal markets and the increasing involvement of major crime groups in the trade of illegal goods and services are also major reasons for justifying the popularity and the diffusion of a such a paradigm.

Yet, this 'economic' conceptualization of organized crime is partial and insufficient. In Calabria as well as in Japan, in Palermo as much as in New York, the intervention of mafia-type criminal coalitions is not limited to the illegal sector of the marketplace. Though heavily influenced by the American debate, Italian research on the mafia has made this point with great strength, highlighting the capability of the southern Italian mafia groups to carry out business ventures on both sides of the formal/informal cleavage (see, for example, Arlacchi 1988; Catanzaro [1988] 1992; Santino and La Fiura 1990; Centorrino 1990; 1995; Becchi and Rey 1994; Ruggiero 1993; 1996).

The argument, however, needs to be pushed one step forward. It is not enough to maintain that mafia groups are not mere illegal enterprises. It is time to recognize that they cannot be reduced to business firms. Nor can these associations "be considered the outcome of organizing one's forbidden trade and industry" (van Duyne 1997: 203). First of all, all the criminal organizations of a mafia type long pre-existed the consolidation of modern illegal markets. With the exception of the American La Cosa Nostra, which grew out of its Sicilian counterpart at the beginning of the 20th century, all the above-mentioned associations are more than a hundred years old. The Sicilian and Calabrian mafias date back to the middle of the 19th century (Paoli 1997; Pezzino 1987; Lupo 1993). The Heaven and Earth Society (*Tiandihui*), the Chinese 'secret society' out of which modern Triads<sup>11</sup> have come, was founded around 1760 (Murray 1994). Finally, the ancestors of the modern Yakuza groups - that is the itinerant bands of roadside gamblers (known as *bakuto*) and peddlers (*tekiya*) - are known to have been active since the early 18th century (Kaplan and Dubro 1986).

Secondly, it is very difficult to single out one encompassing function or goal that can characterize criminal organizations of a mafia type throughout their life (this is the operation carried out by Gambetta (1993), who

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<sup>11</sup> The term Triad was derived by the British to represent a symbol employed by *Tiandihui* members to refer to the three main forces of the universe: Heaven, Earth and Man.



presents the Sicilian mafia as a private protection industry). In the past hundred years, members of the above-mentioned associations have employed the strength of the association's bonds for many different ends, often in open contradiction with one another to an extent which makes it very hard to select a single, typifying goal. Sometimes their members have responded to the effective needs of their communities, but more frequently they have denied them, imposing their dominion against the people's will. They have occasionally provided 'protection' to somebody requesting their services, but they have also established at times a veritable extortion regime, protecting 'clients' from their own mafia threats. Often they have fostered the interests of the higher social classes, gathering votes for their representatives; from time to time, however, they have defended the interests of the poorer people. They have usually supported the status quo, but sometimes they - most notably the Chinese Triads - have also fought for revolutionary aims. They have been involved in a variety of economic activities. Although monopolistic practices have been carried out by most of these groups since their foundation, the resources which have been targeted have changed according to the stages of economic development in the society at large. Even as far as illegal markets are concerned, the type of commodities and the extent of the group's involvement have undergone sudden and consistent changes, depending on trends in the international illegal economy and the group's capability to position themselves on the new routes. Mafia criminal groups' flexibility and ability to adapt to changing economic and political conditions can be fully taken into account only by considering mafia consortia as functionally diffused organizations, founded on a 'mechanic' solidarity of a Durkheimian type. They are the result of a centuries-old process of social construction during which they have been used by their members to achieve a plurality of goals and to accomplish a variety of functions.

### *Politics and violence*

Since violence historically represents a key resource of criminal organizations of a mafia type, there is a political dimension to their action that cannot be neglected. Though not employed on every occasion, ultimately violence constitutes the backbone of mafia power. Violence is used by all the consortia not only to secure the loyalty and the obedience of their own ad-

herents and to punish those that have betrayed or do not respect the group's authority but also as a means to threaten, render inoffensive or even physically eliminate whoever endangers the power positions and the business activities of the group. Through the threat or the effective use of violence, criminal associations are, thus, able to enforce their internal normative code and, at the same time, impose - enjoying for a long time a fairly high degree of success - their rules on the larger society in their territory of influence. To employ Weberian terminology, we can say that, although criminal groups arise as a 'voluntary association (*Verein*)', that is an organization that claims authority only over voluntary members, they also frequently act as a 'compulsory organization (*Anstalt*)', that is, a social group whose legal order is imposed with relative success on the outside (Weber [1922] 1978: 52).

As such, criminal organizations of a mafia type can be defined as political organizations, that is, organizations which guarantee the subsistence and the validity of their own legal order within a given territorial area through the threat and the use of physical force (Weber 1978: 54). Each *cosca* associated either with the various societies called the Cosa Nostra or with the '*ndrangheta*, for example, claims sovereignty over a well-defined territory which usually corresponds to a town or a village. Only in large urban agglomerations, such as Palermo, Reggio Calabria and a few other Calabrian localities, does the territory of each mafia family correspond only to one district. The sovereignty that each Sicilian or Calabrian mafia unit claims to exercise is total. As the Sicilian mafia turncoat, Leonardo Messina explained to the Parliamentary Commission on the Mafia Phenomenon:

"You must keep in mind that the families have their own businesses and that these concern everything related to the territory of the families themselves. For example, if in the community of Rome there were a family, everything that belongs to the community would interest it, whether politics, public works, extortion, drug traffickings, etc.. In practice, the family is sovereign, it controls everything that happens on that territory" (CPM 1992: 516).

In every town and village of western Sicily and southern Calabria, almost all companies and firms pay regularly or *una tantum* a tax - in money or in kind - to mafia families (TrRC 1994; see also Cazzola 1992). According to the Lawyer General of Reggio Calabria, "each and every business activity in town and in the province is subjected to the extortion racket: industrial plants, commercial businesses, farms, and even the professions" (CPM

1993: 8). The racket is taken for granted to such an extent that a simple phone call is often sufficient to collect the payment and there are even cases in which the entrepreneurs actually ask who they are to contact so as to pay their *tangente* - even before receiving an explicit request. Though the amount of information is scarcer, a variety of sources indicate that even in Chinese communities, in Europe as well as in Asia and the United States, a considerable section of the population is a victim of extortion mechanisms run by members of the Triads and other local criminal organizations (Chin 1996).

The political dimension of criminal organizations of a mafia type also expresses itself in their capability to heavily condition the political life of their own communities. Though it was up to few years ago a sort of 'national taboo', the existence of permanent pacts between *mafiosi* and state representatives is being increasingly evinced in Italy, thanks to the recent success of criminal justice initiatives. This is clearly shown by the indictment of Giulio Andreotti, one of the main characters of Italy's post-war history, for the crimes of mafia association and murder (PrPA 1995). Though the attention of national and international public opinion has been focused on this case, several penal proceedings are also ongoing in relation to several national as well as local politicians and state officials. Between 1991 and 1995 more than half of the deputies of the Sicilian Regional Parliament and 17 Sicilian deputies of the national Parliament were targeted through charges of mafia association and corruption. The inquiries prove that throughout the post-war period, the influence exercised by Sicilian and Calabrian mafia groups on the political life of the entire country was pervasive. According to a recent estimate (based on the political characters mentioned by *pentiti* in Andreotti's indictment order), a quota ranging from 40% to 75% of the Christian Democrat deputies and about 40% of all the deputies elected in western Sicily between 1950 and 1992 were elected thanks to the votes collected by Cosa Nostra (Arlacchi 1995: 15-17).

Serious explosions of mafia violence may also take place, whenever state authorities prove to be too weak to oppose the arrogance of criminal groups. In Italy Cosa Nostra groups have since the late 1970s killed dozens of policemen, magistrates and politicians who had betrayed mafia friendship or endangered mafia interests with their investigations and denunciations (Stille 1995). Moreover, in the same span of time Cosa Nostra and '*ndrangheta* bosses participated in at least three subversive plans, staged

by the extreme right in cooperation with Freemasons and 'deviant' segments of State institutions and, on two occasions - in 1984 and in 1992-93 - even organized full-fledged terrorist attempts of their own. In their turn, the Chinese Triads have not only arisen as revolutionary institutions but have also played a significant role in the two revolutions which have shaken the Chinese world in the 1910s and 1940s and still today maintain close connections with the ruling parties both in the Chinese mainland and in Taiwan (President's Commission 1986: 82-83). Though the similarities and points of contact are usually neglected by academic scholars, the activities of organized crime actors are, thus, frequently indistinguishable from those of terrorist groups.

Finally, it is important to recall that, whereas in liberal theory the accomplishment of political functions is supposed to remain separate from economic ones, in the case of criminal associations of a mafia type, using force, wielding power and making profits are tightly intertwined. Violence or the threat of violence are routinely resorted to by these groups and their affiliates in order to achieve economic ends. As we have seen, the threat of violence or resort to violence plays an essential role in creating monopolies in scarce resources in the locality. Furthermore, violence is a determining factor for criminal groups' entrance and continuance within world markets for illegal commodities.

Today we are used to thinking that government and business have always existed as separate organizations. Nonetheless, until after the beginning of the modern period neither governments nor business enterprises had the forms familiar to us now. As Joseph Schumpeter pointed out, our words 'state' and 'private' enterprise can hardly be applied to the institutions of feudalism without eliciting a distorted view of those institutions (1976: 169; 201).<sup>12</sup> The separation of enterprises which use force from the

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<sup>12</sup> Under feudalism, in fact, the state was in a certain sense the private property of a prince just as the fief was the private property of a vassal. While fulfilling political functions, such as the provision of internal order and protection against external enemies and the administration of justice, feudal vassals were also expected to make a profit from the management of the fief as a reward for defending the contract and returning the services provided by the feudal contract. "In a modern context", as the historian Frederick Lane puts it, "it may be shocking to consider government as a profit-seeking enterprise. But in the feudal system a fief holder was expected to manage his fief with an eye to profit. The successful baron might disdain bourgeois haggling over merchandise, but he was an expert in using military and governmental means of making money" (Lane 1966: 418; see also Poggi 1991).

profit-seeking enterprises that we now call business enterprises took place at different times in different areas of Europe and in the rest of the world. In the case of criminal organizations of a mafia type, such a process of differentiation has even nowadays taken place only to a minimal extent. The mafia, in fact, have emerged in contexts where this separation had not yet been fully achieved and where the use of violent means was almost an unavoidable pre-condition of social ascent and were impeded from taking part in the wider process of differentiation because of their criminalization by state institutions. Violence has, thus, become for their members not just an effective means through which to gain power, profits and social prestige. Their exclusion from the legal community, strengthening their commitment to secrecy, has compelled mafia associations to maintain the use of violence in order to back their internal normative code and to sanction its violations, as well as to defend themselves from the attacks of state agencies and other underworld competitors.

## Conclusions

What are the lessons to be drawn from the realization that the criminal organizations that lie at the core of organized crime operate routinely on both sides of the formal-informal cleavage and that their profit-oriented activities are tightly intertwined with force-using, power-oriented ones?

First, this brief survey of their polyedric economic activities should strengthen our awareness that the boundaries delimiting the informal economy and within it, its illegal sector, are fragile, artificial constructions, the expression of state attempts to regulate the economy. They are overcome routinely by a plurality of different actors.

Secondly, the present study may also call us to reflect on the artificiality of the dividing line between politics and economics. Economists, to an even greater degree than sociologists, frequently like to imagine a world where differentiation between the political and economic sphere is so fully institutionalized that the state has no role in the economy and hybrid figures, belonging simultaneously to both realms, are practically non-existent (see Friedland and Robertson 1990). Our findings, however, deny both these simplistic assumptions. We have pointed out that state regulation of the economy creates the informal sector as an undesired by-product of these regulatory efforts. The analysis of organized crime's patterns of behaviour then provides proof of an exception to the second claim.

It is important to realize, however, that the boundaries between the economic and political systems are routinely crossed not only by marginal, illegal actors, such as mafia associations and the like. They are crossed also by the very institutions considered typical of each sphere: the state, on one hand, and legal businesses, on the other. While in liberal and, especially, neo-liberal thought the economic system is a non-state environment, the welfare state created in most Western countries since the 1930s (with a considerable acceleration after the Second World War) has not only institutionalized increasing regulative functions by state institutions *vis-à-vis* the 'invisible hand of the market', but has also fostered direct intervention by state-owned companies in all sectors of the economy. Granted, over the last thirty years the state's entrance into the economy has been dutifully acknowledged and analyzed by scholars (see Offe 1977; Ashford 1987). However, the other side of the process - namely, the power-oriented activities of firms - has, instead, been much more ignored. Economics, in particular, is plagued by a disregard of the 'political' dimension of market actors. This neglect is particularly questionable in the case of multi-national corporations, which, in fact, are most likely to be motivated by power and security, since they work in the international arena which, like the illegal one, lacks a clear sovereign power. As Susan Strange has pointed out:

"How far do enterprises act as self-contained political institutions within the system of states but in large measure independently of it? They can be compared with medieval religious orders, which while, operating under the formal umbrellas of papal and princely authority, nevertheless functioned as largely autonomous hierarchies for the accumulation of capital, the organization of production, the administration of justice and the provision of welfare. ... the political character of enterprises - which may differ in practice just as widely as the political character of states - is an important variable in the determination of outcomes for individuals, regions, countries, continents, classes, genders, generations" (1996: 23-24; see also Paoli and Strange 1996).

Among other things, the present study has illustrated the shortcomings of the exclusive employment of an economic 'set of tools' and its utilitarian views of the analysis of organized crime affiliates' motivation and behaviours. It may also be thought of as an invitation - even though coming from the periphery of the spectrum of the phenomena in question - to revise these same tools in order to heighten our understanding of 'legal' economic actors, by taking into consideration not only their profit-seeking but their power-seeking motivations and actions as well.

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## **Informal Economic Alternatives: Insertion and Survival Strategies in the Dual Metropolis**

MICHEL SCHIRAY

Because the meaning of the informal economy is an issue of controversy and dispute, we shall begin by defining the subject and its place within economic activities. Then we will examine the French research field, focusing on illegal activities associated with drug trafficking that have been investigated recently by several on-going research projects. These activities might lead to some fruitful comparative studies in France and in the United States.<sup>1</sup>

### **The question of the informal economy**

As many researchers have shown over these last two decades, the category 'informal economy' is a construction which does not make sense in itself and which is used differently according to the purposes of the particular author. In the early 1980s we could already count as many as 32 ideas and names used in relation to the informal economy and indicate the differences between them (Gaudin and Schiray 1982, 1984, 1986). Many false controversies and debates, each contributing to delays or obstruction in research, have been created by the category itself. The result has been a progressive confusion in the object of analysis. One of the consequences of

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<sup>1</sup> A first draft of this paper was initially presented to the NSF/CNRS joint research planning seminar *The new marginality in the dual metropolis: towards a comparative study of the trajectories and strategies of poor youth in France and the United States*, University of Berkeley, May 1996.

this misunderstanding in a country as France - and it seems to me also in the United States and other countries - is that in the 1990s the same confusions are still present with, more importantly, a serious deficit in knowledge about the phenomenon. Nevertheless, the discussion started in Europe in the 1970s opened up a very promising field of inquiry on the economy and its different forms, and has helped to create a better understanding of the relationship between the economy and the social sphere. Unfortunately, both this discussion and empirical research on the topic have progressed slowly. This slow pace reflects the hegemony given to the paradigms of the dominant economy established by the market economy and public economy.

However, the vision of the economist should be very clear on this subject. Modern economics, and its information-providing instruments, has been built upon controlled and officially recorded economic activities, both private and public. Yet various important works, whether concerning the recent past (Polanyi 1944) or longer term history (Braudel 1979), have clearly shown that the market economy, and *a fortiori* its visible and controlled part, constitutes only one level of economic activity. The official market is supplemented by a set of heterogeneous activities developed inside household or community structures, as well as those related to other different levels of social organisation. So it appears that we should reject views which consider the informal economy as a whole. The only common characteristics of these activities are that they are not recorded in national economic accounts which are produced from official information systems, and that they are marginalised by public policies, and probably as a consequence, by the social sciences, especially economics.

Let us rapidly look again at the different elements of these activities. The two determining, classical criteria are the characteristics of *market/non market* and *legal/illegal*. Non market economic activities - or, more precisely, their non monetarised or unpaid nature - are essential and constant parts of the economies of households, communities and other basic social formal and informal structures, even if they constantly change in their exact forms. There is great variety in the form they take. On the one hand, they are the oldest and the most traditional forms of economic activity, strongly present in peasant economies. On the other hand, they are associated with the most advanced forms of modernity, in so far as they impose on every person and on every household growing costs of management and training, especially as regards new household technologies, both in relation



to time and to qualifications. As an example, it was shown in the early 80s that for France, the cost of non-market household labour was calculated to be as much as half or two thirds of GNP (Chadeau and Fouquet 1981). Even though they appear to be sociologically and anthropologically absurd, the analytical and measurement instruments of neo-classical economics, based on the notion of market substitution of non-market labour introduce some elements of a cold *objectivation*. They at least indicate the existence of a more than minimal reserve of economic capacity which is, nevertheless, largely concealed.

The second main aspect of the informal economy is more directly related to monetary or the market sphere of economic activities, and is more precisely defined by its illegality, or at least by its non-conformity to existing rules and norms. These activities can be found within the official sphere and arena of the economy, albeit at the margin or even outside them. They cover a group of heterogeneous activities and practices that might escape the *unidirectional* interpretation that several authors have tried to use (see especially de Soto 1989). A consistent element of the informal economy is the use of unregulated forms of labour, both individually and within firms. There are a great variety of such situations, including the small independent moonlighter or the street hawker, the undeclared work of registered craftsmen, employees of unofficial and clandestine firms or part of the clandestine labour force subcontracted by official firms or big corporations. (Let us remember that it is for this sub-group of activities that the International Labour Organisation in the early 1970s developed the debated notion of the informal sector. It was also this area that was mainly studied by Portes, Castells and Benton (1989), in their important book on the subject).

Another element of this same area concerns illegal practices such as tax evasion, misappropriation of funds or goods, fraud, false invoices, bribing legitimate personnel of official firms and all corruption practices. A third element concerns illegal channels, and illegal networks of production and distribution of a great variety of goods and services. A distinction must of course be made between goods and services that are themselves legal, as opposed to those such as narcotics, prostitution, sale of organs and human beings, illegal trade racketeering, open violence and murder, in which trade is illegal. The first use illegal channels because they do not respect rules, norms and administrative or professional procedures (for example, smuggled and counterfeit merchandise or regulated and controlled goods

such as drugs and toxic products). The second, by definition, use informal and illegal channels and networks. This does not mean that they are always outside the official sphere of the economy. Their production and distribution can be supported also by official firms, financial institutions or parts of the public administration.

### **The informal economy and economic exclusion processes in the metropolis**

From a theoretical and mechanistic point of view, in a context of unemployment and economic exclusion, the dynamics of the economy as a whole should push people from official jobs to partial compensatory involvement in three main forms of the informal economy. First, there should be an increase in self-production practices within households, together with community activities and mutual aid in neighbourhoods in order to increase individual and collective satisfaction with household and community (neighbourhood) goods and services. Secondly, there should be an increase in moonlighting, individually and within official or unofficial firms, in order to provide or increase monetary income. Thirdly, and beyond these, a great variety of other illegal and official practices can offer some opportunities for survival strategies and also for people's search for accelerated economic and social inclusion and promotion. Schematically, these three forms of the economy can be seen to correspond to three behavioural models of reaction to economic exclusion, according to the emphasis put on (1) family and community insertion; (2) parallel and unofficial professional/work insertion, and (3) other forms of insertion within the illegal sphere.

Meanwhile the French experience is characterised by active public policies of employment, training and social insertion. These policies have a significant influence in creating the social configurations we observe, as well as, centrally, in national social policy.

What do we know about all this in reality? There have been in fact very few studies following these developments and creating the possibility of a better understanding of the mechanisms behind the development of these activities. It is typical, for instance, that in a recent and remarkable book on exclusion, bringing together 47 contributions from among the best French specialists on the subject (Paugam 1996), only two include even a short

discussion on the informal economy, as a source of unofficial solutions to economic deprivation. This shows that beyond their recognition of the notion, social scientists have shown very little interest in observing and analysing the ways in which people have tried to organise themselves to survive, outside paradigms associated with employment and public social care. In a recent INSEE (the French statistics institute) national survey on living conditions in several neighbourhoods with a high rate of poverty, no question was included to uncover the importance of non-monetary activities, moonlighting or other unofficial economic relations. These questions still seem to be illegitimate, even for scientific purposes.

As soon as the informal economy started to be discussed in France, in the early 1980s, a few local studies buried the hypothesis of a possible increase of household self-production associated with unemployment in urban areas (Stankiewicz 1982), largely because these activities require additional monetary expenditure and access to other physical resources, such as space or technology. If there is increasing interest in the nature of some neighbourhood jobs (proximity jobs) and the potential that they represent for employment policies, there are no measures available to test any hypothetical increase in voluntary community activities, except in some particular contexts, such as those studied by Anne Lovell (1996).

Knowledge of moonlighting and underground work is equally limited. Researchers have shown very little interest in this subject during the 1980s and the first part of the 1990s, though since the late 1980s some authors have shown the diversity of statistics relating to underground work and the meanings that they may have for people's search for new ways of life (Laë 1989), as well as the deterioration in working conditions they involve. As we know, underground work can result from two contradictory dynamics. One, which we should call 'negative', is associated with degradation of working conditions and the system of production. Another, which we should consider as more 'positive', might correspond to a creative process, through which people can emerge from a clandestine work position with the expectation of growing and developing in the formal sector. Many theories can justify an interest in this second case, which, though to be considered as transitional activity, is at least clearly to be distinguished from other, more hopeless situations.

Knowledge about other illegal economic activities is even poorer. Here, then, we shall present some lines of on-going research on illegal activities associated with drug trafficking which could be seen as a starting point for some more general research on criminal economic and financial activities.

## **Illegal economic activities associated with drug trafficking**

The results of our studies on drug trafficking at local level presented here are still preliminary, but already they offer substantial material for discussion. They have not been especially focused on youth, but young people made up the majority of the people we have studied at this phase of our general reach. Of course, we did not consider all categories of youth, only those involved in drug trafficking. These studies started in several deprived neighbourhoods of some major French cities, and were then enlarged to encompass broader areas of these cities.

### *A preliminary distinction between trafficking in different drugs*

It is not possible to treat drug trafficking as a whole. The organisation of the cannabis market, in particular, appears different from that of the heroin, cocaine, crack or ecstasy markets. The markets are still largely dissociated. The differences can be observed in relation to the people involved and in relation to their positions in the markets, their trajectories and their careers. The status of these products is also socially and legally differentiated. The consumption of cannabis has become almost common among young people of different social groups, especially among those in deprived neighbourhoods. Small scale trafficking in cannabis is part of the common practices of consumers, and it includes sharing and exchanging the product with friends. It is closely related to the small economy of dealing that is widespread among youth, especially those who are marginalised. Of course, there is a higher level of organised groups of suppliers that may be durable, stable, and even well established, which are directly connected with the sources (especially in relation to Morocco and Holland). These wholesalers have certainly been able to support families, small communities or even firms, sometimes without any major problems with the police.

The organisations associated with heroin, cocaine or crack are very different. These products are much less accepted socially and also more likely to be pursued by the police, at least when the product is on the street. The distribution system appears much more unstable, precarious and specialised.

### *From street consumer trafficking to its professionalisation*

Until the recent past, street trafficking of heroin has been characterised by the importance of the position of consumers in the retail chain. Trafficking, as well as other classical delinquent activities of heroin addicts (including robbery, receiving and concealing of stolen goods, and prostitution), is one of the best ways to obtain the product. One can observe increasing professionalisation of retail activities and a rise in small and larger groups of non-consuming traffickers in numerous neighbourhoods and places. The consumer retailers are still present, but they are often thrown back to peripheral positions. These new actors can be very different. In some cases, they are very young people, economically marginalised but strongly connected with their neighbourhood (as in Bagneux, see Bem Salem, Chokri, Lalam, Nacer and Schiray 1995), whereas in others, they are undocumented immigrants (as in Lille-sud, see Duprez, Kokoreff and Verbecke, 1995). In all these cases, it is obvious that drug trafficking can be considered as a substitute for official employment. But the first case concerns young unemployed people, without any qualifications or any push towards economic insertion in the official economy. Whereas the second case concerns persons in illegal positions, without a right to an official job, 'employed' by organised wholesale traffickers acting for illegal capital accumulation. Our work raises many questions on this point. One central question concerns the type of relations between these street retailers and more organised criminal groups at the upper levels of trafficking. Are these relationships ones of competition, complementarity, association or subordination? And what changes can we expect in the future for these small professionals?

### *Youth and drug trafficking*

In the neighbourhoods of the city of Bagneux, the main supermarket of the southern suburbs of Paris, these new professionals are very young, much younger than their predecessors. They frequently ally with some older people, local gangsters (*braqueurs*) from the neighbourhoods, who are converting to drug trafficking. In several instances, the older gangsters rapidly take a dominant position, using this new opportunity to reactivate their former delinquent networks and consolidate their position.

It is difficult to evaluate the careers of these youths, though by the age of 22 some already consider their career long. They are very different from the previous generation. Within our research, the survey conducted in the city of Paris shows the diverse experiences of those who have been in the business for over 20 years (Ingold, Toussirt and Goldfarb 1995). Several of these careers have not even have been interrupted by incarceration. Others have lived with permanent insecurity, moving continuously from one place to another. Many have finally given up their activities, more exhausted than economically reinserted. We can differentiate those careers characterised by an initial precariousness which continues throughout the career, from some exceptional cases of workers who can be considered inserted into a position in the formal economy. In the case studies we have made, cultural and social differences between the people are the most obvious explanation of the distinction.

We have also observed great diversity in the relationships of these youths with their families and in their social life. All types of relationships exist with families, from numerous cases of exclusion, to families that shut their eyes and take advantage of illegal income to survive, to families that organise themselves around the trafficking (see for Marseilles, Mariottini (1995)). At a broader level, a recent study of gypsy communities in the south of France has shown how a large community can organise itself around heroin trafficking (Tarrus 1996). Even with these preliminary results, we can already establish that drug trafficking can be a way to increasing marginalization and also a means to relative economic insertion, generally insecure and precarious, though sometimes a little less so.

In relation to the extent of economic activity entirely within the illegal realm or even the illegal underworld (*milieu*) that exists in France, the more significant mechanism available for economic insertion is, of course, money laundering penetrating into the official economy. It is difficult to identify these practices. They do exist but they are well hidden. In the neighbourhoods we studied, it was very difficult to confirm the existence of money laundering practices through purchases of housing, shops or small firms and other associated economic activities which were suggested by local rumour. A contrary indication is given in the northern suburbs of Marseilles where apartments have been available for sale at very low prices, but the rate of purchases is especially low (Mariottini 1995).

Physical money laundering, if it exists at all, is not very visible at the local level, within neighbourhoods. The necessary invisibility of the transaction has to be associated with volume or very fluid transactions. It is im-

portant, for example, that two successive investigations in the northern suburbs of Marseilles have confirmed the low level of local investment from drug trafficking and have tended to support the prevalent local hypothesis that drug trafficking profits are being repatriated and invested in the home countries of traffickers (in this case, Algeria) (Conseil National des Villes 1994; Mariottini 1995). These same practices were confirmed by the biggest case heard in the law courts in Lille (Duprez, Kokoreff and Verbecke 1995). According to Mariottini, this could reflect the wish of these traffickers - even those who are staying long term in France - to prepare for economic insertion in their mother country and not in their place of immigration.

### *Some consequences of the criminalization of drugs*

One of the strongest theories in the early 1990s in the French debate about drugs was that the criminalisation of drugs has had a dynamic effect on the market for drugs and consequently on their consumption. With prices reaching extraordinary levels, expectations of profits and possibilities of redistribution between a great number of actors create a powerful supply capacity (Choiseul-Praslin 1991). The paradoxical consequence of criminalisation is the limitation of drug consumption and the incitement and increase in drug supply.

But criminalisation might have other incitement effects. As has been shown in other countries, local French surveys have also observed that incarcerating young dealers creates a real school for crime that produces the opportunity for those incarcerated to improve their training and above all to establish and consolidate personal contacts with all kinds of professionals. This kind of informal education should be introduced in the general discussion about school and professional training. Our surveys have confirmed that in relation to strategies of succession planning within teams of dealers, the place of those incarcerated for short terms might be preserved until their return. That should produce a dynamic process in the group.

### *Drug trafficking in the dual metropolis*

After a period, ending in the mid-1980s, where drug trafficking was dominated in the city of Paris by the big *scenes* composed largely of squats,

some suburban neighbourhoods in a number of main towns (Paris, Lille, Marseilles, Lyon) have been strongly brought into play. In addition to their classic socio-economic problems, they have developed delinquency and drug trafficking. These problems reached such a level that some politicians and public decision makers have believed that drug trafficking might have a central place in the economy of these neighbourhoods and so become a major obstruction to the implementation of public programmes for social development, especially for poorer young people.

A preliminary survey has not confirmed the economic importance of drug trafficking for these local societies (Conseil National des Villes 1994). It is true that their drug problems are serious on both the consumption and the supply sides. But relevant trafficking activities involve directly very few people and the total amount of money circulating, although important, is relatively limited compared to other sources of income. Indeed, the two relevant characteristics of these activities, invisibility and mobility, are incompatible with strong implantation in neighbourhoods of the French metropolis, for the moment at least. Indeed, there are durable drugs street markets in the metropolis of Paris and in the suburbs, such as Gennevilliers in the north and Bagneux in the south. Meanwhile consumer and dealer movements are regularly changing, with dealers moving beyond local neighbourhoods and into larger areas. From the indications available, street dealing and drug trafficking in general should appear more active within the city of Paris or the centre of Marseilles than in suburbs. Our current research within the city of Paris should provide some new indications of the structures of trafficking and their distribution between different actors. It should also contribute to a better knowledge of its spatial organisation, which may not confirm the notion of the dual metropolis (centre/periphery). For activities such as drug trafficking in a city such as Paris, at least, the different urban spaces appear much more inter-related and connected.

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## Le Travail au Noir, Vestibule de l'Emploi

JEAN-FRANÇOIS LAÉ

### I. Positionnement du problème

Deux grands leurres président dans les approches concernant le travail au noir. Le leurre économiste qui voit le travail au noir comme une réalité possédant sa propre indépendance, ayant sa propre autonomie, opposé au marché du travail officiel et au marché économique. Le leurre panoramique qui le présente comme une pieuvre qui étend ses bras armés de ventouses sur tout le territoire européen.

Ces conceptions du travail au noir paraissent devoir faire problème car, en se cantonnant à l'aune des stricts statuts juridiques, elles homogénéisent des pratiques qui, nous le verrons, sont extrêmement dispersées; et d'autre part elles formulent un développement en chaîne de ces pratiques.

S'il est vrai que les travaux au noir s'enroulent comme de la barbe à papa autour des règles du travail et des règles sociales, force est de constater qu'ils collent à d'autres facteurs comme par exemple celui de la qualification, celui de l'ancienneté dans une branche professionnelle, ou comme la nécessaire connaissance des réseaux locaux et familiaux.

Ces travaux au noir s'inscrivent dans des formes particulières de soustraction et dans de forts arbitrages socio-culturels: l'habitude d'une certaine précarité, une assise très localisée, une méfiance à l'égard du salariat.

Leur trait saillant est d'être tout autant dans des logiques économiques que dans des logiques sociales, ces dernières étant largement méconnues par nous-même. Comme notre barbe à papa, le travail au noir est un peu magique parce qu'il n'a ni début ni fin; nous ne savons pas par où il commence, car sa substance économique est doublée par une fibre culturelle puissante et difficilement visible.

La perspective panoramique consiste à nous faire voir le travail au noir comme un futur marché international, à forte circulation, et qui profiterait de la libre circulation des personnes et des biens, associés à l'Espace européen, pour s'engouffrer géographiquement, à la moindre occasion économique, dans telle ou telle région<sup>1</sup>.

Or, je voudrais ici rappeler quelques données majeures des études espagnole, italienne et française<sup>2</sup> que j'ai eu l'occasion de lire.

1. Le socle du travail au noir est un emboîtement des structures familiales, d'un moment du cycle de vie, des structures locales des métiers liés à la structure urbaine, dans une économie essentiellement individuelle, extrêmement liée aux décentrements locaux des activités officielles.

2. Le travail au noir est fixé géographiquement par les zones de turbulence locales, par les règles de la reproduction familiale, par un raisonnement économique micro-social fait par des travailleurs-indépendants. Et pour ces raisons, son rayon et son aire d'intérêt ne peuvent être que très circonscrits géographiquement.

Seules les entreprises clandestines peuvent éventuellement envisager leur propre transfert, bien que des études montrent que ces dernières sont aussi ancrées dans des associations professionnelles locales, familiales et provinciales.

Gardons-nous donc des sommaires imputations des causes: le travail au noir serait une conséquence directe du chômage, ou de la fiscalité, malgré son rôle non négligeable, ou encore d'une mauvaise protection sociale, d'un dérèglement du marché du travail ou d'une crise industrielle qui provoqueraient une envolée de moineaux<sup>3</sup>.

### *1.1 Dépassons le juridisme*

Avant de s'introduire dans le labyrinthe juridique, force est de constater qu'il y a de profondes différences entre le travail au noir micro-local et le

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<sup>1</sup> Position commune des Chambres Patronales, des représentants de certaines branches d'industrie et d'une fraction du personnel politique.

<sup>2</sup> "Irregular work in Spain" de Faustino Miguelez Lobo; "Underground Economy and irregular forms of employment, the case of Italy" de Enzo Migione; Jean-François Laé, "Travailler au noir", Paris, Métailié, 1989.

<sup>3</sup> Pierre Rosanvallon, "Le développement de l'économie souterraine et l'avenir des sociétés industrielles" *Le Débat*, Juin 1980.

travail au noir fondé sur des regroupements ethniques; entre l'activité individuelle à court rayon d'influence et l'activité d'entreprise entièrement au noir; entre le travail au noir des couches moyennes et celui des ex-ouvriers non qualifiés; entre le travail au noir lié aux migrations irrégulières et le travail au noir comme doublure de l'artisanat.

En effet, quel point commun entre l'immigré Arménien, entré légalement en France, travailleur saisonnier du textile, ayant recours par période au tricotage de pull-over illégalement; un artisan au bord du dépôt de patente et dissimulant une partie de son activité; et un travailleur intérimaire du bâtiment alternant des ressources légales et du travail au noir? Sans doute aucun! Et ces exemples nous montrent que le strict schéma légal/illégal ou droit/infraction ne permet pas de comprendre toute la diversité et la complexité des travaux au noir.

A l'inverse, il faut penser les situations dans un complexe d'illégalismes, dans des enchaînements de pratiques encastrées dans le petit artisanat, dans la petite entreprise, dans le travail saisonnier et temporaire, le tout dans des secteurs très précis.

Le mouvement des illégalismes nous montre des séries de relations où l'on peut justement être en même temps dans le marché économique et légèrement en dehors, dans la légalité avec des moments d'illégalité, dans un statut juridique et hors statut juridique. Autrement dit, les illégalismes ne sont pas isolables et stables mais liés à des stratégies en mouvement visant une meilleure gestion des situations précaires.

## *1.2 Les catégorisations peu opératoires*

Les catégories juridiques de l'emploi et du chômage dessinent en creux le travail au noir comme zone d'ombre éclatée dans des situations hétérogènes. On est Actif ou l'on est Inactif pour l'OCDE,

on est salarié à temps plein ou chômeur pour la protection sociale,

on est artisan ou salarié pour le fisc. Chaque catégorie est dessinée par les institutions et le droit. Pourtant, l'activité au noir chevauche et déborde largement ces définitions juridiques et administratives.

Entre le chômage et l'emploi permanent s'est développée une gamme étendue de positions: le travail intérimaire, le travail à durée déterminée, le temps partiel, le travail saisonnier, les formations en alternance, les stages rémunérés en tous genres, auxquels s'ajoute le travail au noir.

Nous sommes donc dans un réel multiforme et un observatoire purement statistique ne parvient pas à saisir toute la gamme des positions intermédiaires "hors statuts" ou qui sont dans un "infra droit". Par exemple comment apprécier la position des inactifs d'aujourd'hui qui sont dans le vestibule<sup>4</sup> de la catégorie des actifs?

Combien, qui, sous quelle forme des individus annoncent leur intérêt à devenir Actif? Ce désir d'être Actif relève plus de l'analyse sociologique que de l'analyse économique et devrait permettre de d'entrevoir quels seront les actifs de demain.

A une vision comptable des statuts du travail et de la formation, il faut substituer (ou ajouter) une connaissance anthropologique de la mobilité, de la multi-inscription des individus dans des statuts, des disjonctions et des arbitrages opérés dans les activités, de la force des réseaux sociaux et familiaux, des traditions de nomadisme/sédentarité.

### *1.3 Le travail au noir comme antichambre de l'emploi*

Il faut sans doute concevoir le travail au noir tantôt comme un flux suscité par des vagues migratoires, parfois attiré- comme la limaille de fer par l'aimant- par le travail indépendant, souvent repoussé dans un demi-chômage, quelquefois dissocié du salariat permanent et qui, en même temps, mobilise toutes les formes de disponibilités au travail. Il est donc bien un, et un seul élément inscrit dans un continuum de situations instables et alternantes, suscité par les marchés économiques.

Les secteurs sensibles déjà bien connus comme l'hôtellerie et la restauration, l'agriculture saisonnière, le textile et particulièrement la confection, le bâtiment et la réparation automobile conjuguent du travail officiel et du travail noir, convertissent du permanent en temporaire, organisent les migrations régulières et leur ombre: les migrations irrégulières, dans un mouvement de flux et de reflux qui les caractérise<sup>5</sup>.

Ces quelques secteurs possèdent une véritable force de pompage et de rejet, d'attraction et d'éviction, commandée par un turn over accéléré et par

<sup>4</sup> Vestibule, dans le sens où ils sont prêts et disposés, pour la première fois, à rentrer dans le marché du travail officiel, sans pour autant être inscrits au chômage.

<sup>5</sup> D'autant plus fluctuants que dans ces secteurs se replient les individus non qualifiés, notamment lorsque le chômage augmente. Le turn over dans les inscriptions et les radiations est impressionnant et directement lié à la faible compétitivité de l'artisanat.

une flexibilité extrême. Voilà pourquoi le travail au noir est le vestibule de l'emploi, co-adjacent au marché du travail, prêt à investir les interstices produits par l'économie officielle. Pourtant ces flux ne sont pas massifs, visibles, comptabilisables mais micro-locaux et métastatiques, d'où le problème de leur observation. Néanmoins, l'ensemble des études de la Communauté converge pour reconnaître l'attractivité permanente de ces secteurs d'activités, et cela quelque soit le pays.

Il convient donc de créer de nouveaux instruments d'évaluation non plus comptables, pas plus régionaux, mais anthropo-sociologiques<sup>6</sup> des cinq ou six secteurs concernés.

De ce point de vue, comparer des pays et des régions, du plus pauvre au plus riche, du moins compétent au plus compétitif avec la même paire de lunettes, par exemple les coûts unitaires de la main d'oeuvre, n'offre pas grand intérêt. La compétitivité n'est pas qu'affaire de coût de main d'oeuvre, c'est aussi une affaire de qualité de cette main d'oeuvre, de qualité d'adaptation des hommes, de qualité du service après vente, de qualité de la formation permanente des travailleurs ...

#### *1.4 Complexité des règles*

Dans l'état actuel des choses, chaque pays possédant ses propres règles de régulation, ce qui est légal en Italie peut être illégal en Allemagne et réciproquement<sup>7</sup>. Il n'y a pas concordance entre les types d'obligations, entre les règles fiscales, entre les règles concernant les charges sociales, entre les règles de protection de l'emploi de chaque pays de la Communauté. Mais cette non concordance est encore plus flagrante pour chacune des administrations d'un pays qui possède sa logique bureaucratique propre: l'une capture la fraude fiscale, l'autre sanctionne la publicité mensongère, la troisième comptabilise les radiations des artisans, une autre ne vérifie que la concurrence du commerce, la suivante ne capte que les infractions agricoles, l'autre les infractions liées à la santé, la dernière n'intervenant que pour les défauts de contribution indirecte ... Dysfonctionnement où

<sup>6</sup> Portant une attention particulière au soubassement socio-culturel, aux raisons locales, à la dimension historique de ces pratiques.

<sup>7</sup> Voir "The shadow economy in the Federal Republic of Germany" de Alois Wenig et "The black economy in the United Kingdom" de R.E. Pahl. Rapports pour la commission des Communautés Européennes. 1988.

chaque administration est doublement aveugle: par sa petite vue administrative d'une strate de la réalité et par la méconnaissance totale de ce que fait l'administration voisine.

Chaque administration est atteinte d'introversiion, attentive à ses seules prérogatives extrêmement limitées, centrée sur ses règles internes et fonctionnant comme une centrifugeuse qui expulse tout problème qui ne relève pas pleinement et totalement de ses strictes compétences<sup>8</sup>. C'est là une des raisons de l'absence de réflexion sur les travaux au noir, ajoutée à une attitude plus générale qui veut que le travail au noir est socialement accepté.

### *1.5 Le travail au noir ouvrier*

Le travail au noir ouvrier s'inscrit parmi une multitude de phénomènes ayant leur logique.

Il est, par exemple, une figure concomitante à l'accroissement des radiations des petits artisans du répertoire des métiers en France, plus lié à une double activité et à des "décentremments" d'entreprises en Italie, souvent lié au niveau d'organisation et de sous-traitance des entreprises locales.

Pourtant nous pourrions croire que l'artisanat se porte bien. Comme toujours l'artisanat s'engorge dans les moments de crise, et les statistiques masquent tous les avatars de cette extrémité du marché.

Il est frappant de constater la force d'attraction du travail indépendant vis-à-vis de chômeurs expérimentés qui s'y lancent les yeux fermés, sans l'ombre d'une formation en gestion.

Ce seront bien sûr les premiers à déposer patente, à s'endetter, à chercher d'autres ressources dans le noir. Comprenons bien que l'endettement, même très limité, est un facteur important de recours au travail au noir. Il est peu probable que le travail au noir ouvrier, qui nécessite une bonne connaissance locale, de fermes réseaux de sous traitance, le sens de l'occasion dans les interstices du marché, soit incité à migrer dans un autre pays ou une autre région.

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<sup>8</sup> Comme en Allemagne de l'Ouest où la législation est dispersée entre une loi sur le contrôle, une loi sur l'embauche illégale, une loi visant l'amélioration des conditions de recrutement, le code social, les règles du Commerce, les règles sur l'artisanat, les règles d'ouverture du commerce de détail. Il en va de même en France, où une quinzaine de textes juridiques encodent une fraction de ces pratiques, dispersés dans les appareils administratifs, et qui de fait perdent toutes leurs forces de dissuasion.



Son activité est généralement à court rayon, pris dans des habitudes métastatiques, où règne la figure du travailleur relativement isolé, dans les friches des marchés locaux, sans que cela soit transposable sur un autre territoire.

### *1.6 Le travail au noir lié aux migrations*

Il en va tout autrement du travail au noir lié aux migrations non légales qui est géré par une autre logique, celle de sa reconnaissance sur un marché du travail officiel, quelqu'il soit, et accepte de transiter par le noir à cette fin.

La migration devenant légale, cela ne veut pas dire que ces travailleurs accéderont spontanément au marché du travail légal. Loin s'en faut. Simplement il sera peut-être tenté de migrer plus facilement pour trouver un accès à l'emploi, et sans doute le noir restera un marche-pied nécessaire pour se former et valoriser ses capacités de travail.

Mais encore une fois, n'imaginons pas que les hommes circulent si promptement, se saisissant de la moindre opportunité offerte par telle ou telle région d'Europe. Les logiques de localisation demeureront stables, à travers les "couloirs familiaux" construits depuis des décennies par les alliances matrimoniales et par les regroupements de village. L'accessibilité au logement, les continuités familiales, les affinités sociales, par exemple, jouent un rôle non négligeable dans les migrations. Les migrants restent pris dans une problématique d'espace-temps-identité et un rapport nomadisme/sédentarité qui n'est pas purement réglé par les marchés du travail. Les migrations elles aussi ont des histoires non réductibles à la modélisation-mathématisation des comportements collectifs. Les grands flux de nomadisme/sédentarité doivent donc être observés d'un triple point de vue: celui de la ville et de l'urbanité, celui de l'histoire des couloirs familiaux et des types d'activité ethnique, enfin celui des formes de sédentarité<sup>9</sup>.

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<sup>9</sup> Voir "L'aménagement à contre temps" de Tarrus, Marotel et Peraldi. Ed. L'Harmattan. 1988. Ainsi que A. Tarrus, *Arabes de France*, Paris, Aube, 1996.

### *1.7 L'entreprise totalement illégale*

Nous sommes là tout au bout de la chaîne du travail au noir, où ce ne sont plus des grappes d'individus qui arbitrent localement leur économie, mais des petites entreprises qui s'insèrent dans des réseaux de sous-traitance comme dans la chaussure, la bonneterie, la ganterie ou l'assemblage électrotechnique propre à certaine région.

Malgré un niveau d'organisation supérieure, ces entreprises sont prises dans un maillage de sous-traitances locales, insérées dans des réseaux d'entreprises dont elles constituent un nécessaire maillon, comme dans le centre et le nord-est de l'Italie.

Ce qui est en cause à ce niveau, c'est le degré de rentabilité des secteurs concernés et la multiplication des sous-traitances, produites par les grandes entreprises officielles qui pré-organisent l'entreprise-noire pour maintenir leur taux de productivité, pour réduire et gérer plus souplement leur main d'oeuvre, donc pour licencier plus facilement et rester compétitif.

Pour analyser les raisons pour lesquelles une entreprise ne déclare qu'une partie de son activité, cela nécessite de la resituer dans des vecteurs plus structurels comme l'évolution des techniques du secteur concerné, les structures de sous-traitances locales, les incertitudes des marchés des biens, la non rentabilité de certaines grandes entreprises. Là encore, les configurations locales jouent à plein, avec comme dénominateur commun des secteurs d'activités en chute libre ou sérieusement concurrencés. Pour autant, la délocalisation de ces productions en déclin ne peut se faire au simple vu des avantages socio-économiques de tel ou tel pays.

Ces entreprises-noires sont présentes dans un tissage local de sous-traitances, dans des réseaux d'entreprises et des réseaux de villes, dans des réseaux de métiers et comme conditions de survie d'autres entreprises légales, dans des systèmes politiques locaux.

Bien que de nature différente, l'entreprise-noire appartient elle aussi à un "éco-milieu" socio-économique, culturel et politique à forte cohésion interne.

Au lieu de fixer notre regard sur le partage légal/illégal ou sur le strict gain de productivité, il conviendrait d'étudier les alliances et les associations régionales; les connexions et les filiations inter-entreprises; les désorganisations/ réorganisations qui produisent ces connexions et ces continuités.

### *1.8 Conditions nécessaires du travail au noir*

D'un point de vue micro-social, il semble que les travaux d'étude s'accordent à reconnaître 4 conditions essentielles et permanentes qui autorisent l'exercice des travaux au noir.

1. La première est que l'individu doit posséder un métier, plus ou moins qualifié, ce qui exclut quasiment l'idée que de jeunes chômeurs puissent avoir recours à celui-ci. Il n'y a donc pas de lien direct et immédiat entre le chômage et le travail au noir, tout au plus quelques proximités pour les travaux non qualifiés.

2. S'ajoute au métier une nécessaire expérience professionnelle, de plusieurs années, qui permet au travailleur de valoriser ses compétences réelles, ce qui exclut à nouveau le jeune diplômé et favorise l'ex-salarié ou le travailleur indépendant.

3. Troisième condition, le noir exige de posséder une grande proximité auprès de plusieurs corporations, une bonne inscription dans des réseaux professionnels locaux et une reconnaissance par ceux-ci. Il est certain que c'est là où se joue la force des réseaux professionnels-familiaux.

4. Dernière condition, plus impalpable mais néanmoins importante, concerne le caractère de "débrouillardise" nécessaire à démarcher des contrats, à modifier ses stratégies, à mobiliser des ressources autres que professionnelles, à alimenter des contacts pour arracher des activités. Métier, expérience, proximité, débrouillardise sont des qualités valorisables surtout pour la tranche d'âge des 25- 45 ans.

### *1.9 Les clefs d'entrée dans le noir*

En observant l'étendue des pratiques du noir l'on peut relever quelques logiques d'introduction dans l'activité comme

A. l'accumulation des dettes, pour les artisans, à l'égard des taxes et impôts divers qui jouent un rôle important dans le dépôt de patente.

B. Ensuite, le fait de sortir du salariat accouplé à un désir d'indépendance à l'égard de l'entreprise et où la pression du chômage incite provisoirement à se "débrouiller" par soi-même.

C. Viendront s'y ajouter un refus d'un simple salaire minimum et l'espoir de se mettre à "son compte". Pour d'autres, c'est la recherche de reconversion et une quête d'apprentissage accéléré, éventuellement liées à

une fin d'allocation chômage qui poussera à se glisser dans des activités non officielles.

D. Pour d'autres enfin, le noir est une manière d'espérer trouver une activité officielle qui à son tour permettra de légaliser sa migration.

Nous voyons bien en oeuvre quatre types de raison de s'introduire dans le noir qui ne s'appuie pas sur la stricte dépossession économique- bien que présente- mais sur quatre configurations à la fois sociale, culturelle et économique qui engagent quatre types de stratégies extrêmement hétérogènes. Comprenons bien que les ouvriers au noir sont généralement issus du salariat mais tentent de jouer sur les contraintes, de s'éloigner du poids de la hiérarchie de l'entreprise, de repousser les rapports purement marchands au profit d'un rapport de sympathie. Les modes de vie sont donc imprégnés de petits refus, de désir de non travail, de consommation en rupture, de période de pénurie économique qui accompagne l'activité.

En ce sens, le poids des cultures- ouvrières, artisanales, commerçantes, migrantes, générationelles- est extrêmement présent dans le noir.

## II. Quelques paradoxes

### II.1 *Etre aspiré et chassé*

Le travail au noir est un présupposé de l'entreprise et de l'artisanat et entretient un formidable paradoxe: l'intérêt propre de l'entreprise qui pousse, provoque, sous-traite, stimule le travail au noir, et l'intérêt collectif des corporations qui le dénonce comme concurrence déloyale en souhaitant sa disparition. Par ailleurs, il répond tout autant à une demande de l'individu-ouvrier qui le suscite, le réclame, jugeant lui aussi que l'enjeu du travail excède le prélèvement étatique.

La force du travailleur au noir est de se glisser dans cet interstice grâce à sa polyvalence, sa rapidité et son coût moindre.

Déterminé par des règles, un code, des marchés économiques, le travail au noir est donc également porté par des individus qui traversent ces règles, se muent en artisans, se soustraient à nouveau à une contrainte, le combinent à des salaires... Cette rencontre de l'intérêt de l'entreprise et de l'intérêt de l'ouvrier constitue un ancrage puissant du travail au noir.

## *II.2 Le travail contre l'emploi*

Une distinction de plus en plus forte apparaît entre travailler et posséder un emploi. Sans emploi, certains s'activent pour trouver des revenus composites ou se négocient les prix des chantiers et le prix d'une petite indépendance. Travailler, alors, devient l'occasion d'une mise en avant de la valeur de soi, une mobilisation de ressources personnelles, une recherche d'association hors contractuelle tout en étant pris dans des procédures de louage de service.

Réfléchir sur les formes de travail, soit tout ce qui échappe au sacro saint modèle de l'emploi salarié permanent, permettrait de concevoir des "zones franches" d'activité non bénéficiaire mais possédant une forte utilité sociale. Ces zones micro-économiques joueraient alors un rôle d'insertion minimum, à l'image des politiques de "stagiairisation" actuelles, où l'Etat serait bien moins impliqué.

Reste que le travail au noir est bel et bien le vestibule de l'emploi qui mérite une vigilante attention pour inventer, non pas un illusoire blanchiment à partir de règlements actuels, mais des autorisations d'activités non ponctionnées, ponctuelles et localement maîtrisées, accompagnées d'adaptation et d'allègement des règles officielles dans le ou les secteurs concernés localement.

Car c'est bien les secteurs officiels qui secrètent le noir.

## *II.3 Plus d'Etat et moins d'Etat*

A l'image d'une balle de flipper, le travail au noir rebondit plus ou moins violemment sur les butées du contrôle institutionnel qui ont chacune leur règle, leur code, leur manière de capturer ou de glisser sur l'illicite. Il y a une complexité administrative et juridique où chaque règle autorise et interdit des pratiques co-adjacentes et où les logiques administratives l'emportent sur la compréhension des phénomènes. De l'autre côté, le marché économique incite ces mêmes activités tout en les chassant plus ou moins violemment, pressant l'Etat à plus d'intervention.

Le paradoxe est donc dans ce double mouvement d'incitation et d'opturation, que l'on retrouve dans l'incitation à la création de petites unités de production en même temps que l'on condamne ces dernières à recourir régulièrement au noir.

Paradoxe position que de favoriser d'un côté la réduction du temps de travail, et de l'autre de dénoncer la disponibilité des travailleurs comme élément favorisant le travail au noir. A la fois on constate que l'entreprise performante exige une forte flexibilité et en même temps on s'indigne de l'extrême flexibilité du travail au noir. Le travail au noir soulève ces antithèses du fait qu'il est à la fois créateur de richesse, intégré socialement et marqué par des illégalismes; à la fois les Etats sont gênés par "le manque à gagner" de ces activités non bénéficiaires tout en reconnaissant implicitement une validité à ces dernières qui jouent un rôle social non négligeable. Mouvement d'incitation, mouvement d'opturation, telle est la tension à résoudre.

#### *II.4 Les friches du marché économique*

C'est sur les friches du marché économique que se croisent les travailleurs au noir, l'artisan-ouvrier et la petite entreprise.

Lorsque les créations de richesse ne peuvent plus subir de prélèvement apparaît la figure de l'illicite, sans que ce problème soit soluble, à mon sens, par un simple allègement de la pression fiscale. Il n'y a pas de frontière fixe mais une lisière de rentabilité qui se joue sur la taille des chantiers, le mode et la capacité de gestion, les délais de paiement et les découverts en banque, la sous-traitance à marge bénéficiaire trop réduite.

Nous sommes sur des friches économiques car aucune banque n'y investirait, aucun crédit n'y serait accordé, aucune entreprise en bonne santé ne se lancerait à sa conquête.

#### *II.5 Sur la tentation du blanchiment*

Par définition, toute loi – répressive ou libérale – organise d'elle-même son propre détournement. De même, toute loi de blanchiment ne peut avoir d'emprise sur le travail au noir dont l'une des raisons d'être est justement d'échapper à toute ponction d'Etat. L'économie informelle ne peut être formalisée par des règles trop précises, car elle deviendrait une économie officielle qui serait, du coup, contournée par de nouvelles forces.

Les incitations étatiques à créer des entreprises officielles, que nous avons connues en France ou en Italie, n'ont pas connu comme effet l'offi-

cialisation d'activité antérieurement exercée au noir, ce qui d'ailleurs n'était pas l'objectif premier.

Remarquons que sur les mille nouvelles entreprises créées par la loi de 1977 en Italie, sept cent étaient fermées trois années plus tard. De même que sur les 15% des ouvriers, licenciés de chez Fiat et ayant perçu de fortes indemnités, qui ont réinvesti pour créer leur entreprise, le tableau des réussites est bien sombre.

La raison tient à deux logiques économiques qui s'excluent. Le travail au noir est avant tout un mode d'insertion personnel, axé sur une économie individuelle, calculée sur le prix de la force de travail, rabattu sur les stricts besoins de consommation; alors que l'économie d'entreprise s'organise sur le coût de la marchandise, sur un coût total de l'entreprise et une logique de marché.

Ces deux spirales s'excluent d'autant qu'elles s'appuient sur un substrat culturel et des habitudes de penser l'économie qui ont une longue histoire: le salariat contre le patronat.

Modifier ces habitudes de penser l'économie est affaire de formation des hommes, de formation en gestion, de connaissance du plan comptable, d'étude sur la faisabilité d'opérations commerciales, de mobilité dans les professions et les métiers.

Inciter des ouvriers à entreprendre ne se résume pas à des politiques d'incitations financières, mais exige des pôles de formation/évaluation du marché/flexibilité des règles de l'emploi.

## *II.6 Distinguer les formes de sous-traitance*

Pour apprécier l'économie non ponctionnable et pour en dessiner précisément les contours, il faudrait distinguer les formes de co-traitances, soit

1. l'échange entre deux forces économiques de même poids,
2. les sous-traitances de spécialisations, soit l'échange concernant uniquement des compétences particulières et spécialisées,
3. les sous-traitances unidirectionnelles, soit cette longue chaîne ininterrompue de sous-traitances écrasant les prix et faisant apparaître en bout de chaîne une économie sans marge et sans bénéfice.

C'est cette dernière forme de sous-traitance qui est la plus problématique, pour le dernier maillon de la chaîne et à l'égard de la concurrence déloyale pouvant se poser dans certains secteurs.

Remarquons tout de même que l'argument de la concurrence déloyale apparaît dans le sous-sol économique à faible marge. L'on dénonce toujours l'acteur économique juste en dessous de soi. Il faut donc s'entendre sur ce qu'est la concurrence déloyale, non plus d'un point de vue purement juridique - nous savons que le moindre acteur économique, la moindre chambre patronale, dans des secteurs fragilisés, dénonceront l'humble rempailleur de chaises- mais dans de plus vastes ensembles et dans un arbitrage entre manque à gagner et manque à distribuer. Soit une économie non ponctionnable reconnue comme facteur positif d'intégration sociale.

## *II.7 Travail au noir et solidarité*

Une économie non ponctionnable nous oblige à raisonner en terme de manque à gagner, pour l'Etat, mais aussi en terme de "manque à distribuer". En effet, travailler au noir évite parfois d'émarger sur le registre du chômage, de l'aide sociale, de l'aide au logement ou de l'aide au loyer. Il possède une efficience sociale, par des individus insérés dans des métiers, par de nouveaux apprentissages professionnels, par une image sociale d'hommes et de femmes travaillant. Le travail, quel qu'il soit, possède un haut coefficient de socialisation. Comment reconnaître la validité de certaines activités non bénéficiaires mais qui jouent un rôle social d'insertion?

Dès lors, quel est le meilleur transfert des ressources globales de la nation à l'égard de cette économie sans marge? Comment redéfinir les règles de régulation du travail, réexaminer les grands régimes d'obligation entre l'assurance et l'assistance, socialiser autrement les responsabilités des petits créateurs de richesses? La responsabilité est tout autant du côté de l'Etat que du côté des chambres patronales et des entreprises.



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## **Enterprise Criminals, Plastic Fraud and the Informal Economy<sup>1</sup>**

MICHAEL LEVI

The study examines how willing fraudsters confront the 'barriers to entry' caused by financing, obtaining credit and other cards, using them, re-selling goods and avoiding arrest. This analysis then is used to explain how such frauds can be committed by, at one extreme, lone thief/merchant fraudsters to, at the other extreme, international counterfeiting and distribution syndicates. On the basis of interviews with fraudsters and with card fraud investigators, the study reviews how fraudsters learn their business, how the organisation of fraud prevention affects both their techniques and their organisation, and how fraudsters connect up to stolen property markets. Finally, it examines the likely impact of technological developments upon the extent and organisation of plastic fraud, concluding that the Internet will lead to faster fraud transmission but that there will be some inhibiting effect on the non-computerate and on those who are not able or willing to travel overseas to defraud.

### **Introduction**

The aim of this article is to analyse the organisation of society from the point of view of the impact it has on plastic payment cards, including bank-issued and retail store credit cards, debit cards, charge cards (such as

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<sup>1</sup> A later version of this paper appeared in the *Howard Journal of Criminal Justice*, November 1998.

American Express, which have to be paid at the end of the month), and cheque guarantee cards. Huge global networks – Visa, MasterCard/Europay, and American Express – have been created to service the facilities and to guarantee usability *world-wide* wherever the logos are displayed, no matter what the national origin of the card.

### **The extent of the criminal market for plastic fraud**

UK plastic fraud losses have fluctuated widely over time, rising from £31.2 million in 1982 to £125.6 million in 1990 to £165 million in 1992: a five-fold increase in a decade. Since then, the total plastic card losses fell by over a fifth, to £129.8 million in 1993, reducing down to £83.3 million in 1995 before rising again to £97.1 million in 1996 and £122.1 million in 1997, mainly due to criminal market adjustments in making ‘better’ use of opportunities to use cards in stores and to carry out counterfeits and make fraudulent telephone orders. Levi and Handley (1998) estimate that without the fraud prevention measures introduced during the period 1991-96, the 1996 fraud costs would have been 350 per cent higher.

Crime seriousness and criminal opportunities have to be set in the context of the amount of *lawful* activity. In 1997 alone, £4.4 billion (thousand million) was spent using British-issued plastic, and as a percentage of *sales volume*, these plastic card *fraud* (as opposed to bad debt) losses constituted only 0.09 % of sales volume for all cards combined in 1996 and 1997.

### **Market determinants in the commission of plastic crime**

How many people offend and how they organise themselves depends upon, *inter alia*, (a) the structure of criminal activity that already exists in any given environment, including the presence of ‘hidden economy’ markets; (b) the ‘human resource’ and technical transferable skills available; and (c) the motivation levels of potential fraudsters. My aim here is to explore these interactions between what one might term the ‘Who? Why? How?’ questions in criminological explanation.

Subject to any *technical* difficulties (including initial financial barriers to market entry) in the production or delivery of a criminal service, plastic fraud may be committed by a range of ‘types of offender’ from gangsters to

petty persistent thieves and burglars. The ways in which fraudster groups are able to operate depends largely upon their technical and organisational battles with card issuers, merchant transaction processors and retailers: the latter suffer least from fraud (or suffer only indirectly, via their merchant service charges) and therefore are least motivated to sacrifice speed of customer service in order to reduce fraud.

Property crime cannot exist without some market mechanism for distributing stolen goods (see Sutton, 1995, 1998). From the often narrow perspectives of situational opportunity and routine activities, there has developed a recent greater appreciation of the need to take account of social and cognitive elements in the motivational environment (Clarke, 1987; Clarke and Homel, 1997). Thus, plastic fraud has to compete for attractiveness with what any given individual sees as viable alternative legal and illegal opportunities. Potential costs of involvement in any given crime include the moral constructions that are placed on the activities by the social groups – if any – to which the potential offender belongs or with whom s/he identifies. The translation of motivation into crime, even among those who have the opportunity, is far from well analysed in existing criminological models, even situational crime ones. Some crimes simply do not occur to many people (see Levi, 1981)<sup>2</sup>. Inertia also plays a part: fraudsters are reluctant to shift from using stolen cards to altering cards, despite the ready availability of cheap and compact encoding and embossing equipment (Mativat and Tremblay, 1997) Shover (1996) also suggests that hi-tech crimes are way beyond the abilities of run-of-the-mill offenders.

In a pilot study to explore some features of motivation, learning and markets in plastic fraud, I and some associates<sup>3</sup> conducted semi-structured interviews with twenty-eight fraudsters in various parts of the country, found by 'snowball' sampling: these were located in London, Midlands, the North West, and Wales. Although the representativeness of an unknowable population always gives (or should give) rise to concern, I have no reason to suspect that these interviewees present a distorted portrait of opportunity structures or constraints for fraud, though obviously, it would have been nice to

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<sup>2</sup> I am not arguing that businesspeople are unique in failing to spot crime opportunities: as in other occupations, experience and natural talent conditions depth of observation, which is one reason why burglars and car thieves see different things from most of us when they walk down a street.

<sup>3</sup> I am grateful to Karen Evans and Audrey Stephenson-Burton for their help in the offender interviews and to Mary Bosworth for her help in analysing police data.

have had more to interview and one might have had a larger *range* – especially of international fraudsters, none of whom were interviewed – as well as representativeness.

Six in-depth interviews were conducted; the other interviews were more superficial. As a partial check, I interviewed several heads of police ‘cheque squads’ from around the UK about fraudsters’ lifestyles. Typically, plastic and cheque fraudsters’ personal mobility tends to be within ‘their’ region, varying from a city to a fifty-mile radius using the motorways to facilitate rapid turnover, which remains larger than that for most offenders but smaller than the sorts of trans-national frauds typically dealt with by the Serious Fraud Office and their equivalents in other parts of the world. However, one quarter of fraud against UK-issued cards occurs overseas, especially in France and Spain, though interviews suggest that this is due principally to foreign thieves and fraudsters rather than to British migrants operating overseas or British criminals transporting the cards across borders.

Individual motivation and social networks are key components of criminal markets. It is helpful to break down some particular stages that occur between motivation and criminal action that constitute the barriers to entry that motivated plastic fraudsters face:

1. Financing a criminal opportunity;
2. Obtaining card(s) or card-like instruments (which can amount to little more than a slip of paper with the card details);
3. Using card(s) or card-like instruments to obtain money or goods;
4. Disposing of the goods for money or social prestige<sup>4</sup>; and
5. Evading conviction.

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<sup>4</sup> Cromwell and McElrath (1994: 295) ‘seek to identify how different levels of opportunity trigger persons with different levels of latent criminality’. Though without any real evidence, they hypothesise that young, low income males are most likely to buy stolen property, noting (306-7) that ‘[d]emographic variables...play an important role in whether respondents are offered stolen goods for purchase and whether they are motivated to buy...regardless of one’s motivation to engage in criminal activity, without opportunity presenting itself, the motivated individual will not likely seek out opportunity, and therefore, crime is not likely to result. It appears that individuals who are motivated (report that they would buy stolen goods if offered) are fairly passive mutual participants in the crime.’ (It is possible that this may be because they would feel uncomfortably like ‘real criminals’ if they actively sought stolen goods: an analogy would be the ‘meat eaters’ and ‘grass eaters’ in police corruption, most corrupt cops preferring to accept bribes passively rather than go out in search of extortion opportunities.)

### *Financing plastic fraud*

Plastic fraud seldom requires the reconnaissance time of sophisticated robberies or burglaries, drugs trafficking or longer-term fraudulent schemes. Nor, except for (i) physical counterfeiting of cards and holograms or (ii) the establishment of phoney merchants with the principal aim of defrauding the card (and perhaps other) companies, are there the sort of initial capital costs associated with bulk drugs and/or automatic weapons purchases: travel, accommodation and dining can be paid for with the cards themselves, unless this creates some extra risk of exposure. So lack of initial capital does not normally constrain entry into the criminal market.

### *Obtaining cards or card-like financial instruments*

Offenders obtain cards or instruments that can be used 'as if' they were genuine cards from:

1. Fraudulent credit applications
2. Genuine cards obtained from theft, burglary and robbery – the 1996 BCS found that seven per cent of burglary victims had credit cards stolen and four per cent had a cheque book stolen, that 1 in 10 car thefts involved thefts of bags or purses, and that 1 in 12 people had been mugged (Sutton, 1998: 75) - as well as simple loss, plus theft of unsigned cards in transit
3. Manufacturing counterfeit cards that would deceive most ordinary merchants, using numbers copied from genuine cardholders or generated by algorithm programmes obtained from the Internet
4. Cruder counterfeit transactions committed with the consent of the merchant, from shop assistant to store manager
5. Telephone and mail order purchases using genuine card numbers with goods delivered to the 'wrong' address

The most common method is the use in retail outlets of genuine cards that have been lost or stolen: such frauds account for half of the total losses in 1997. It is easy to get out of proportion the 'new' forms of crime, without placing them in the context of the mainstream.

## Applications frauds

Individuals or groups can commit applications fraud. This is a type of fraud most commonly associated in many parts of the Western world (including the UK) with people of Nigerian origin – whether living permanently in the country or merely visiting - who use personal data obtained by cleaners and/or ‘empty house’ address data obtained from friends in council housing departments to develop ‘non-suspicious’ applications for cards. These can be sent to a ‘mail drop’ and will show up as a genuine address on computer systems that check for such things. Applications may have to be supported by employment data, so unless the applicant is merely ‘borrowing’ the identity and creditworthiness of a real person, they may need ‘front’ companies or conspirators with genuine businesses to supply them with their *bona fides*. One couple posed to real estate agents as potential house buyers, pretending to negotiate for homes to which they obtained the keys. They then applied for cards using false names at the empty address, placing ‘mail redirect’ requests in those names to forward their mail to a ‘drop’ that they had rented.

Stolen driving licences or those obtained in false names, plus stolen or computer-generated fictitious utilities bills can be used to open accounts, particularly favouring ‘instant credit’ mass market sales of electrical goods such as stereos, televisions, etc., where credit controllers may have to make decisions within at most five minutes. Since the goods obtained are the latest models, they also have the optimal second hand goods market for resale

## Manufacture of counterfeit cards

Syndicates with hi-tech abilities and financial backing manufacture cards with plastic, holograms and embossing of variable quality. They are usually Chinese-origin gangs based in the Far East, including Malaysia and China, where covert plants are established (Newton, 1994). They then distribute the cards through gang members in their global network, including Canada (Mativat and Tremblay, 1997) as well as Europe (Newton, 1994; my interviews). The gangs obtain the card numbers which are required to ‘pass’ the system checks either from genuine cards that they ‘clone’ after obtaining details from collusive retail outlets (an aspect of retailer collusion or even initiation overlooked by Mativat and Tremblay, 1997), or else from down-

loadable Internet number generators which tell the world at large how to generate logically possible numbers in the 'bin ranges' that card issuers use, which do not correspond to real numbers in issue. The latter are simply another manifestation of the range of criminal possibilities to which the Internet gives rise (Mann and Sutton, 1998; Grabosky and Smith, 1998; Levi and Pithouse, forthcoming). 'Buying in' expertise from corrupt electronic specialists, more adventurous criminals have attempted such things as tapping the line between ATM and bank – though the transmitted data are encrypted and include a Message Authentication Code which changes every transaction – without success. The tougher the routine prevention measures, the more 'organised' and technically skilled that fraudsters have to become.

An alternative to careful counterfeit manufacture is to produce 'white plastic', i.e. cards embossed with genuine card-holder details, obtained by taking an extra copy of cardholders' details, or by loading electronic data from point-of-sale tills into a laptop. Retailer collusion is discouraged by the industry by charging back to the retailer transactions demonstrably fictitious and/or by the risk of being placed on a 'warning' list operated by the Visa network on behalf of the industry as a whole.

### *Thefts of cards*

The best cards to steal are those without signatures on them taken before the intended cardholder realises they are missing: hence the attractiveness to postal workers or sneak thieves of thefts in transit. Such frauds have been cut from £32.9 m. in 1991 to £12.5 million in 1997, reflecting (a) the tightening of accountability of cards passing through the postal system, making repeated thefts much riskier – one postal worker used to come in with multiple self-addressed sticky labels on his shirt sleeves under his jacket and simply put the labels onto letters he believed contained cards, re-addressing them to his 'mail drop'; and (b) the courier delivery of cards to persons living in residences that have been determined as 'high risk' due to (i) previous 'mail non-receipt' and (ii) being multiple-occupant addresses with common mail 'drops' such as student halls.

The next most desirable cards are high-value ones whose owners will not immediately notice their absence. The elite thieves target wealthy victims (for example in hotels) who are likely to have multiple cards, to maximise the chance of a long gap before the card is reported missing: even if victims

notice that a particular card is missing, they may assume that they merely left it at home, since why would they still have their other cards if they had been victims of theft? Hotel, club-house, and night-club/bar security is obviously relevant to this. Bar-tenders can also make use of cards left with them by groups of drinkers who are having a lengthy bar 'tab'.

In London, one in five street robbers obtain cards from their victims, but though many are used, sophisticates in my interview sample avoid cards that come from serious burglaries or muggings, not so much out of morality but because these have priority police interest and they are worried that 'intelligence-led' policing will try to solve them through the credit card transactions: their object is to stay low-key and outside police targeting. Cards from muggings supposedly go to 'the blacks', who (allegedly) don't care and need them to pay for their drugs.

The cards from a variety of sources having been 'used up' by the risk-averse professionals, some are passed on. For credit cards in the second phase of usage, the price is £20, and this hardly ever fluctuates. In general, the more serious offenders used cards in the first wave for a limited amount of expensive equipment, and then passed them on to others in the second wave at a reduced fee. As one person put it, "everyone on our estate is skint and needs fags, booze, and groceries. So that is what they use the cards to buy. We are really performing a public service." They are therefore supported in their local community, who live symbiotically with them. There was a general sense among those we have interviewed of a general disenchantment with conventional society, which offered them no future and no (or, more accurately, little) money to live on. None of them had ever had any moral problems about defrauding banks: several 'part-time criminals' were, however, concerned about the consequences of exposure not only in penal sanctions but also in social stigma and family reactions. For others, however, being caught would mean little except for the status loss involved in no longer being a "successful good earner". The positive side was the pleasure they gained from being able to treat friends to meals in restaurants, etc., which they otherwise would be unable to afford - the card is used at the end of the pleasurable experience, so there is no lengthy risk period as there would be if, for example, the card was used for a ticket at Covent Garden! Industry data reveal that almost 1 in 11 of those card-backed *cheques* fraudulently used are used a year after the original reported theft, showing evidence of long-term storage by at least a few fraudsters: but most fraudsters or 'fences' would not have the discipline to store cards for this long.



### *Obtaining goods or funds from cards and disposing of them*

Over half of fraudsters' gross income (mostly in goods from retailers) comes from lost & stolen cards: £66.2 million in 1997. However, the average ratio of cards fraudulently used to those lost or stolen is taken by the industry to be 1 in 10, though my interviews make a rate of at most 1 in 12 more plausible, and cards stolen from cars, in burglaries and by pickpockets are most likely to be used by fraudsters. (As measured by the 1995 British Crime Survey, these crimes accounted for roughly half the cards stolen<sup>5</sup>.) Regional information is not available to discover if there are different rates in different parts of the country, but it is apparent from these data that even a small change in the rate at which lost and stolen cards are fraudulently used could have a dramatic effect on fraud totals. Credit cards are more likely than debit cards to be used fraudulently, since they have a more certain substantial 'take', being unlimited by how much money is in the person's bank account at that time. Given the age distribution of theft and burglary, a substantial proportion of the non-users may be juvenile offenders who are not yet familiar with resale networks for more sophisticated commodities (see also Sutton, 1998). They and older offenders may also be frightened by the fact that to use the cards themselves requires 'upfront self-presentation' with consequent risk of identified detection and conviction for the primary crime(s), i.e. the crime they committed to get the card(s), perhaps especially for those few cards that have photographs on them, which have substantially lower rates of fraudulent use. As Sutton (1998) found, many heroin users nevertheless persist in doing this, appreciating the risks which led to the conviction of several interviewees but being unable to resist the rewards: the more experienced sell the cards and cheque books on. The velocity of use has been rising, as technological blocking of cards has been getting faster.

To get money from a card requires either upfront self-presentation in a bank or knowledge of the PIN (Personal Identification Number, which requires carelessness by or collusion with cardholders) at an ATM (automated teller machine). The cardholder must have some plausible claim to be the *legitimate* cardholder, except in cases of (1) anonymous use, such as at ATMs, which accounted for £8.2 million of losses in 1997 (i.e. 6.7 per cent of the total plastic fraud losses), and (2) mutual agreement between crooked

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<sup>5</sup> I am grateful to Catriona Mirrlees-Black from the Home Office for this information.

retailer and card user. (The merchants must take care not to have too high a ratio of fraudulent to legitimate business: otherwise, the ability to handle card transactions will be taken away from them.) One journalist I interviewed found that in seven out of the eight times she used her own card, signing 'Mickey Mouse' or 'Saddam Hussein' in extravagant writing, her purchase was accepted. A similar exercise was carried out for Levi and Handley (1998), perhaps illustrating that many retail staff expect the technology to do all the fraud prevention work for them. The extent to which offenders feel confident in committing fraud, particularly in *repeated* use of cards that may have been reported stolen, is a personality as well as probability perception issue. One way of negotiating environmental risk is to have friends in retail outlets who can tell you about those control measures of which they have knowledge, and/or to use stores where employee awareness is low:

We usually go 'shopping' in the late afternoon, partly 'cos that's when we get up but also because the shop girls are all bored and they are not interested in what is happening at all. Ideally, we want shops where staff are like 'Woollies' [Woolworths], but we stay away from places like House of Fraser [an upper middle-market chain] in case the staff remember us, and the tills are too far away from the door for our liking.

However, fraudsters with more self-confidence who are smartly dressed (perhaps with the proceeds of previous frauds) are comfortable with Harrods and Selfridges, which offer better 'pickings'.

Unlike stolen goods, which can have all the ambiguous characteristics of having 'fallen off the back of a lorry' or 'being sold to raise cash urgently', stolen credit cards themselves are unambiguously criminal: they clearly belong neither to the owner (except where the owner is 'lending' them to a friend for deliberate misuse) nor to the criminal purchaser. Any method of neutralising possible feelings of 'immorality' thus depends on images of victims as unharmed or even as deserving to lose their assets<sup>6</sup>. Goods

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<sup>6</sup> In reality, contractual rules of responsibility vary internationally: in the UK, except for so-called 'phantom withdrawals' from ATMs - in which the card-holders claim they never used the card and never lost it - and where they suspect collusion, the banks accept responsibility for losses once the card's loss is reported or - usually - from the moment it has been lost or stolen; but in Australia, for example, cardholders themselves are more likely to have to pay up. But since offenders are very good at 'denial', their perceptions of harm may be unaffected by the true impact on victims. Fraudsters are hardly alone in their capabilities of denial. Apart from war criminals, there are the many thieves and burglars who say that they only steal from people who

bought by credit card are brand new, perhaps in original packaging, and therefore hard to explain away to oneself as anything but stolen. So the 'final consumption' market for goods bought fraudulently by credit card is similar to that for stolen goods generally (see Sutton, 1995, 1998): anyone who comes into contact with the possessors, actively or in a routine social interaction, is a potential market. There is some evidence of inter-generational trends, for as thieves in poor estates become older, they become 'general wheelers and dealers' and both buy cards from the 'younger generation' of burglars and send them or others in their network out on 'shopping expeditions' with the cards that they have stolen. These networks are sometimes also connected to drug markets, as thieves, burglars and robbers of either gender sell cards to and/or obtain goods for their dealers, and also some diversify into other areas such as social security fraud, insurance fraud and other forms of credit fraud which require similar sorts of skills. In short, the ways in which credit cards can be obtained illicitly and used yield a perhaps more varied set of criminal opportunities and modes of criminal organisation than is true for most other types of 'ordinary' property crime.

What factors affect the *scale* of fraud and which *particular* outlets are targeted? Interviews suggest that fraudsters have 'comfort zones' such as stores or parts of stores in which they feel more or less confident. Some do not mind the risk of being challenged, however, for they believe that they can deal with these, perhaps even turning the *shopkeepers'* anxiety to their own advantage by making *them* feel guilty. Few believe that being challenged will lead to arrest unless they are particularly careless, which includes being too 'stoned' to function properly. One skilful fraudster I interviewed – 'Dodger' – stated that by dint of experience and technical knowledge, he understands the rhythm of a normal transaction, and knows precisely what people are likely to be saying and when. So if something is out of place, things are about to "come on top" and he gets out (in a dignified way). For example, he knows that the network's security always ask if the salesman has the card, so when he hears the word 'yes', it is time to leave. He finds the shift to technological prevention reassuring because it tends to remove the human element of suspicion. Just as importantly, technology speeds up the process of buying, reducing the risk of being caught and improving the rate of purchasing before the card is reported. Old-style phone

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can afford it, when the ACORN distribution data from successive British Crime Surveys and their equivalents in other countries show that is either tautological – anyone having property can be defined as 'someone who can afford it' - or often untrue.

calls increase the time of exposure, and fraudsters like to get in and out quickly. If he wants an expensive video-camera from a multiple retailer, he will say that he has a friend who has one or saw a demo of it last week. This would allay any suspicion as to why someone is buying such an expensive item in a couple of minutes without seeing how good it is and how it works. For frequent fraudsters, there is always the risk that you may forget the name on the credit card you are using, particularly in a restaurant or hotel, and fail to reply when addressed in your false name: this has to be covered up, viz. 'sorry: absent-minded professor'!

'Dodger' had given some thought to the question of how to get hold of PIN numbers. Lacking the organisation to do what one person did – train a surveillance camera on an ATM to record PINs and then have others steal the card from users, enabling them to get cash – he has sometimes stolen a card from a wallet in a walk-in, and to telephone the card-holder shortly thereafter, pretending to be from the bank's fraud department. He states that a shopkeeper has suspected that the person presenting their card is not the right owner, and does he have his card with him. The card-holder checks his wallet and finds it missing. Dodger tells him that in that case, he will cancel his card, and asks him for his PIN number, "for security reasons in our new system". Sometimes, given the publicity sent out by the banks (and common-sense), the person says no, but Dodger tells him that in that case, he may become liable for any subsequent losses. This normally does the trick. But the cardholder is normally reassured by the story given to him and the fact that he has been phoned up 'proactively'. Dodger sometimes asks the person to come into the bank, say, at lunchtime the following day (or at his convenience thereafter). If the victim agrees, Dodger knows that will give him some extra grace to use the cards again.

A study of cheque squad files in one large metropolitan force, with substantial ethnic diversity, found that cheque fraudsters are predominantly white, under 30 (though older than offenders generally), uneducated past GCSE, long-term unemployed (excluding criminality as an occupation), and are equally male and female. These factors are accounted for partly by the legitimacy problems (or perceived legitimacy problems) that very young blacks (and whites) might have in obtaining credit (in the case of applications frauds) or in passing off as cardholders (in the case of lost and stolen cards)<sup>7</sup>. Though there are many 'student types' who commit fraud occasion-

<sup>7</sup> One would imagine that those presenting cheques without cards - except in collusion with retailers, and except when the cheques were not reported stolen and were un-

ally, few *persistent* offenders in my or in police samples are 'late onset' criminals. Most plastic criminals started in theft (such as shoplifting) before graduating to more sophisticated and profitable things. Some interviewees mentioned their 'learning society' pattern of acting as 'look-out' for a while before 'fronting' the fraud. Indeed, one interviewee had the salutary experience of seeing the person for whom he was 'look-out' go into a bank, which was immediately closed behind him, while his partner was 'nicked'. (He did not stop around to see what happened next, but it had no major deterrent effect, merely heightening his awareness of certain types of risks.)

Even those who are skilled at fraud would not be described plausibly as 'City types', and would be unlikely to make the leap to much more sophisticated frauds (both in a technological and a social sense). They are well integrated into either a full-time criminal underworld or a part-time culture of poverty, in both of which cards can be obtained and goods can be disposed of readily. The cycle of debt (whether related to patterns of drug use, personality, or the result of uninsured burglaries etc. in high-crime poor areas) leads to a mix of welfare, insurance, and bank frauds depending on what is most readily done and known about/worked out from first principles *by those particular individuals*. Indeed, personal 'networking' is the core concept in determining the organisation of this type of crime, as in many others. In response to questions about how they would cope if they moved to a completely different part of the country, the better class fraudsters stated that although they would find it harder than on familiar patches, they would look up people they had met 'inside': depending on the catchment area of the prisons, they serve as local, regional or national recruitment agencies. Thus, one interviewee was able to buy a master key to the bedrooms in an expensive hotel from a contact he had met some time earlier in prison, even though he had never before been to the town in question. If the fraudsters also steal the cards, they have less dependence on others. What level of fraud they commit and aspire to depends partly on their practical intelligence, and formal education levels have only a modest relationship to 'street wisdom' and their ability to adapt criminally to their environment, sometimes by trial and error to test the limits of prevention. (Hence, the potential impact of early intervention.)

There are certainly some criminals who are 'permanently active' in credit card and cheque/cheque card fraud. (Though this term itself can mask

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derwritten (for a fee) by professional firms such as Transax Equifax - would have to look even more 'appropriate', probably respectable, white, and mature age.

enormous variations in turnover and velocity of activity: compare, for example, two criminals who 'make their living' from card fraud, yet one does it twice a week and the other five times a day.) However, although one can draw misleading inferences from an unsystematic sample such as ours, those interviewed have been predominantly 'criminal opportunists' who drift in and out of fraud. Those more heavily into an 'underworld' - and even some casuals who like to maintain awareness - are permanently on the lookout for gaps in security systems. For example, if a bank allows cheque books to be ordered by post daily, they will order them weekly until they have accumulated, say, ten, and then hit all the branches they can for cash over the counter in the three days grace they believe they have. At ten times £300 for three days, £9,000 is enough money to enable them to rest up and enjoy the leisure pursuits - including recreational use of cannabis, cocaine, and ecstasy - that is their primary goal. The more sophisticated scan all the commercial brochures put out by financial institutions to see if they can spot a criminal opportunity, including variations in practices between different banks and building societies; others pick things up from other prisoners and/or from watching t.v. programmes/reading newspaper articles about card fraud and prevention measures.

One fraudster was in a hotel when he overheard a famous rock star and his manager talking about the pending arrival of security staff for the group. He spontaneously decided to pose as a security staff member from headquarters when the others arrived, and his role as internal security enabled him to steal a gold card from his collection which, coming back from places where the group was playing, enabled him to spend well over a hundred thousands pounds worth of goods paid for by the management company which suspected nothing.

The term 'criminal opportunity' is partly objective - i.e. what 'the system' allows you do - and partly subjective - i.e. what it occurs to you to do, whether as a result of what other people have told you/shown you or as a result of introspection and reflection on what is 'out there'. The best criminals in any sphere show creativity in adapting to the environment: bank robbers are an illustration. However, knowledge about techniques and about risks (or, at least, about *perceived risks*) is transmitted through friendship groups. Prison is a major source of knowledge not just about techniques - the disciplined offender will keep 'the best touches' to himself - but also in generating networks of contacts, so that people who are in a strange place as well as those who are local can find people willing to assist them. Thus, one

interviewee was able to buy a master key to the bedrooms in an expensive hotel from a contact he had met some time earlier in prison, even though he had never before been to the town in question.

One offender stated that he and his friends do not normally steal (i.e. defraud) to order, but rather mention to their local bartender that they have a particular item for sale, and the bartender asks around for potential buyers. Everyone takes their 'turn' on the goods, but the purchasers of digital cameras, video-cameras and other desirable electronic items, will normally pay half the new price for branded goods straight out of their boxes. (This seems to be about standard in many parts of the country: see Sutton, 1998.) As with shoplifted goods, the returns from fraudulently obtained goods are greater than for burgled goods, which are used and therefore have lower resale value. Fraudsters are cautious about second-hand dealers, because they know (or believe) that the police give them a licence to operate in exchange for a certain number of 'bodies' a month. They also offer lower percentages on goods, though 'problem drug users' might be desperate enough if they had no alternatives.

Offenders' objectives are also affected by how ambitious they are and who they meet. One woman had figured out her work without any male assistance and travelled nationwide, using cheques and credit cards to defraud; while two others, whose male friends had introduced them to wider criminal circles, operated more regionally, 'controlling' networks of fraudsters, not in the sense of making them do things but as managers of 'portfolio' offenders searching for criminal employment. Unlike the sort of fraud dealt with (or not) by the Serious Fraud Office (Levi, 1994), this area of fraud is genuinely 'equal opportunity' in most respects, and might be more so if gender identities were specified on all cards and cheques<sup>8</sup>.

Sometimes, there are travelling teams who go around in cars. The driver gets £50 a day, the card-user gets £150 a touch on substantial items, and the thief gets the rest. One interviewee - who needed the money for her hun-

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<sup>8</sup> Setting aside 'cross-dressers' or *anticipated* uninterested salespeople, gender-based card usage would then reflect patterns of gender of victims. Some offenders expressed surprise that this was not the universal practice by card companies: "it is amazing that they don't seem to have clued in to the fact that if you had to be a woman to use a woman's card, this would make it harder for a lot of men thieves who couldn't use it themselves." Some card issuers, however, prefer to use gender of the card-holder as a partial identity check when fraudsters present the card for authorisation and when there is sufficient suspicion for them or the retailer to require further checks.

dred-pounds-a-day amphetamine 'habit' "because I hate to get fat" and "because 'amphets' are wonderful: they keep you thin and happy and you don't need to eat or sleep" - used to go out 'shopping' - as she puts it - to order in teams almost daily.

"We don't like to go shopping too near home 'cos we're too well known [including to the local police]. We go about 50 miles away from home to [large city], sometimes as many as four car-loads of us, and we bring back our orders to the people back home. We mostly get groceries and drink from the big stores, around £100 each a time. We go in like total strangers to each other, but when we have collected our £100 worth, we signal to each other and go to the tills at around the same time. We use tills next to each other, so if anybody gets into trouble with their card, we can cause some problems for the security. But this hardly ever happens. We shop from store to store until our cars are full and then we go home.

We sell our trolley-loads to people on the estate, like, for half-price [i.e. for £50], and the booze - mostly whisky - goes to the pubs, for a fixed price. Some of the bottles are £12; others are £15; but we get the same whatever it is, it's swings and roundabouts. We get the cards from the drivers, and they stay in the cars while we go shopping. We only use the cards for one day and then, only those where the signature has been written on blue ink, because the chemicals can't remove the signature in black ink: these we have to throw away."

The fact that the cards were only used on the one day - she did not know what happened to them thereafter - suggests simple risk aversion on the part of regular offenders, for there are so many stolen cards available and the profit margin per stolen card is so high that it is foolish to risk liberty by 'trading to the margin'.

'Willing fraudsters' become less ambitious when they are aware that stolen cards may be on a 'hot card file' and that the cheque and credit authorisation systems check out periodically all transactions just below the normal authorisation limit: industry sources report lower 'take' per card after introduction of such systems, and though some offenders may compensate by using different cards more speedily, the total fraud levels dropped, indicating that many did not do so. Some may also be deterred by warnings that even before the card is reported, they may be picked up by the industry's 'proactive' behavioural modelling mechanisms which check out on purchasing patterns which are inconsistent with 'normal' behaviour for that cardholder: thus, while we are permitted the freedom to spend and become indebted, we are constrained to live tracked by the Benthamite Panopticon constructed by the credit industry to reduce their credit risks and lower our and traders' card utilisation costs.



The avoidance of conviction is the least problematic task since the police have only a modest interest and forensics such as fingerprinting are difficult in plastic fraud. Fraudsters do run risks at the point of sale (though staff concerns about violence may give fraudsters greater optimism, especially when the store itself is unlikely to lose money). However, police operations such as surveillance and action against merchants who collude with fraudsters to pass genuine or counterfeit cards in large numbers may be difficult without substantial private sector assistance, provided by the card schemes and, sometimes, by the Association for Payments Clearing Services and individual card issuers. In other continental European countries – France, for example – the police may offer more active assistance.

## Conclusions

It may be a truism to observe that frauds tend to be either learned from others or the result of introspection. However, given the limits to co-operation imposed by underworld rivalries and fear of overkill in the use of techniques, the picture tends to be of large numbers of ‘crime entrepreneurs’ sitting down in their separate locations and trying to figure out ways of beating the system. Some form little teams in which one at a time is persuaded to ‘lend’ his card to one or more others until the end of the day, at which point he will report the card as stolen. This generates a plausible defence of workplace theft, etc. leading the ‘victim’ not to notice that his card had been stolen until the end of the day. With sufficient, apparently unconnected people, this generates a very modest but useful supplement to income. Since offenders are so seldom caught, matching known offenders to previous victims will not really help: moreover, there are so many more straight than crooked victims that taking a tough line on victims might not be cost-effective. As with many other areas of card fraud, the motto seems to be “small-scale is beautiful”: people fall when they become addicted to risk-taking and sense themselves invulnerable.

Offenders like shopping centres because there are a lot of credit opportunities concentrated in a small geographic area: each individual offender may not risk detection by multiple purchases in the same shop with different identities, but the store itself is a location for use by multiple *offenders*, whether or not it suffers from losses itself, or passes them on to the merchant acquirer who processes the transaction and then discovers that the

card has been lost or stolen. Indeed, the delay issue - in discovery that a card is missing, and in the financial institutions realising this and communicating it outwards to their 'agents', the retailers - is a key feature of the opportunity structure for card usage.

It is uncertain whether or not the world of plastic fraud could properly be described as a bazaar (Ruggiero and South, 1997): certainly, there are trade-offs and mutual favours in bartered exchanges imbricated in longer-term relationships, and some signs of apprenticeship and inter-generational maturation, as yesterday's thieves become tomorrow's 'general dealers' and 'fences'. However, what must be stressed for a proper understanding of the functioning of markets is that many different modes of organisation can exist in parallel, provided that either technical difficulty or control of corruption (especially in the supply of illegal goods and services) do not operate so as to produce a monopolistic or oligopolistic set of criminal 'supply factors'.

As for the future, technology may drive prevention in the direction of greater *card-holder* authentication by iris-scans, finger-scans, or having the customer - as in France, where fraud on domestic 'smart cards' is very low - tap in the PIN at point of sale against data encoded on the 'chip cards' that are being introduced in the UK. If and when implemented, this will displace some fraud internationally to jurisdictions which do not have smart cards via more developed crime networks (and international travellers such as truck drivers); and the UK will remain attractive for fraudsters using foreign cards (such as American ones, which are unlikely to become 'smart' until much later) which may operate on a different system, and therefore cannot be protected using this technology. More analytical investment into breaking the encryption and re-encoding cards will continue, generating even greater social exclusion for the marginal, technically unskilled motivated fraudster who may nevertheless find a social niche in using the cards. However, the latter category will remain able to commit frauds for some years yet, since smart cards are aimed at preventing 'skimming' other people's card numbers onto genuine cards and other forms of counterfeiting, and have no immediate impact on the presentation for payment of recently lost and stolen cards. The growth of remote Internet sales will enable new fake businesses to be created which pretend to be authorised to accept credit card payments but actually exist only to capture card data (and the 'Card-holder Verification' digits printed on the back of contemporary cards which do not

appear on the magnetic stripe), for later use in counterfeits: but card companies will monitor the Net to try to close them down quickly. In conclusion, although many fraudsters are embedded in wider criminal networks – how else would they get their cards and re-distribute the goods that they buy? – one can be an organised plastic fraudster without being part of ‘organised crime’ as commonly represented in the media, and –where the transactions take place in reality as well as on paper – the proceeds of plastic fraud are distributed through the informal economy.

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## Theft, Stolen Goods and the Market Reduction Approach

MIKE SUTTON

### Introduction

In England and Wales, buying or selling stolen goods (handling) is an offence under the Theft Act 1968. In 1995, the police recorded 41,568 handling stolen goods offences, 34,021 of which were prosecuted, with 22,964 resulting in a successful conviction. Estimates based on official statistics, figures from the 1994 British Crime Survey, and the Home Office handling study (Sutton 1998) reveal that, in Britain in 1995, thieves cleared between £900 million and £1,680 million (net) selling stolen property. Fences cleared between £450 million and £870 million (net).

The literature on stolen goods contains several different classifications and definitions of those who buy and sell. At one extreme, the term 'fence' has been interpreted to mean someone who is law abiding in most other respects but who on one occasion succumbs to temptation and purchases, for example, a stolen television (Shover 1972). At the other extreme, it has been limited to full time dealers in stolen goods (Klockars 1974).

Steffensmeier's (1986) definition of the 'fence' is particularly precise:

"... someone who purchases stolen goods on a regular basis, and for resale. He [sic] is above all a *reliable outlet for prospective thieves*. The critical features of this definition are that the fence has direct contact with thieves, he buys and resells stolen goods regularly *and persistently*, in so doing he becomes a public dealer - recognised as a fence by thieves, the police, and others acquainted with the criminal community."

The single fence studied by Steffensmeier operated from business premises. Therefore, his definition does not include the less visible dealers in

stolen goods who operate from their own homes or lock up garages.<sup>1</sup> Other writers avoid using the term 'fence' altogether. For example, Hall (1952) distinguishes between Lay Receivers, Occasional Receivers and Professional Receivers. Cromwell and McElrath's (1994) typology is similar, with three levels of a receiver: Professional, Avocational and Amateur. They define the professional receiver as someone whose principal enterprise is buying and selling stolen property. The professional may deal in stolen goods and run a legitimate business with legitimate stock that is compatible with the stolen goods they handle. Avocational receivers, we are told, may also run a business - and for them buying and selling stolen goods is not the principal source of their livelihood. Amateur receivers are described as otherwise honest citizens who buy stolen property on a relatively small scale, primarily but not exclusively for personal consumption.

The main limitations with the typologies adopted by Hall (1952) and Cromwell and McElrath (1994) are the difficulties in knowing whether so called 'professional receivers' make most of their money through handling stolen goods or through their legitimate enterprise, and the extent to which one or the other contributes to their income may vary periodically. Receivers sometimes rely solely upon handling stolen goods for their income and do not have any source of legitimate income. They may even steal things themselves.

Seeking to understand more about the distribution system for stolen goods by classifying buyers and sellers as either consumers or distributors is simpler and more useful. This avoids the need to establish the extent to which dealing in stolen goods contributes towards income. Looking at things in this way, consumers fall into three main categories: those who steal and buy stolen goods for personal consumption only; those who buy stolen goods for personal consumption but do not steal; and those who steal for personal consumption alone, but do not buy stolen goods. Distributors also fall into three main groups. They may occasionally keep some things for personal use but mainly: buy stolen goods to sell or sell for commission; steal to sell; or buy to sell.

Consumers and distributors reap benefits from using products stolen from others. Finding out the 'offender's side of the story' helps to establish

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<sup>1</sup> Police searching lock-up garages, in London in 1997, for an IRA cache of the explosive Semtex found (as an unexpected bonus) more than £1m worth of stolen goods (The Independent, 3 July 1997).

their motives and improves our understanding of how stolen goods markets operate.

The Home Office handling study set out to do this by including a series of questions in the British Crime Survey. In-depth interviews were also conducted with a sample of 45 burglars, other thieves and handlers of stolen goods who had been involved in buying and selling stolen goods at different levels and to various degrees. These interviewees include 14 respondents who were followed up from the Home Office Youth Lifestyle Survey, ten from a Young Offender Institution (YOI), four from adult male prisons, seven from the probation service and a total of 10 heroin addicts (or ex-addicts) from two methadone treatment clinics in the London area.

## Markets for stolen goods

The Home Office study found that different types of stolen goods are sold in particular ways. Jewellery is usually sold to jewellers shops. Car stereos are frequently sold through networks of friends; stolen cheque books and credit cards are often sold to drug users - who use them to buy goods to sell for cash to buy drugs; shoplifters sell clothes and food door-to-door or around pubs; stolen cars - even those only a few years old - are frequently sold to car breakers' yards.

In sum, stolen goods markets not only support thieves. They also provide illegal gain for a whole stratum of people supplying 'criminal services', and of course, for consumers. Like other illegal markets, they are localised, fragmented, ephemeral and undiversified enterprises (Reuter 1985).

The distribution and consumption of stolen goods falls within at least five distinct markets: Commercial Fence Supplies; Residential Fence Supplies; Network Sales; Commercial Sales and Hawking:

- In *Commercial Fence Supplies*, stolen goods are sold by thieves to commercial fences (e.g. jewellers) operating out of shops
- *Commercial Sales* involve the sale of stolen goods by commercial fences for a profit - either directly to the consumer or, more rarely, to another distributor
- *Residential Fence Supplies* markets comprise sales of stolen goods from thieves to fences, usually at the home of a fence

- *Network Sales* often involve a residential fence. The buyer may be the final consumer, or may sell the goods on again through friendship networks - where stolen goods are passed on and each participant adds a little extra to the price - until a consumer is found
- *Hawking Markets* involve thieves selling directly to consumers in places like pubs and clubs, or door-to-door.

This typology of stolen goods markets aims to provide a simple framework for structuring, and thus better understanding, transactions involving stolen merchandise. It reveals where markets are likely to be and who will be dealing in them.

### **Demand and supply**

Occasionally burglaries and other serious thefts stem from non acquisitive motivational forces such as thrill seeking or peer status, but these are probably few in number (Sutton 1995). Thieves may also steal items to keep for themselves (see Leitch 1969; Shover 1996), but in the main, a potential thief is likely to know or believe that their intended target is, or contains something someone will buy. So they steal it for the money it will bring.

In the following account, one YLS interviewee explained how he came to be arrested and fined for stealing Victorian roofing slates. He lived in an area where extensive housing refurbishment led to shortages of legitimate Victorian building materials. Derelict properties were being cannibalised illegally to refurbish others from the same period. Roofing slate thieves were selling in a Commercial Fence Supplies market. The slates were then sold on again to builders through a Commercial Sales market:

I got into stealing the slates by seeing other people doing it and asking friends who they were selling the slates to. So they said how much they was making. Fifty pence a slate. So that's how I started doing it. I was selling the slates to one buyer, who knew they were stolen. There was kids taking the slates to his place. He was buying them cheap at fifty pence each and selling them for £1 each to builders.

Research in Canada (Tremblay et al 1994) has found that changes in rates of unrecovered stolen vehicles were highly responsive to many factors that increased the price of cars and car parts. In effect, people were more likely to buy stolen cars for their own use, and garages were more likely to use



stolen car parts in repairs, when market regulations made legitimate cars and parts more expensive.

It seems that this principle applies also to all electrical goods. When new products come on the market, such as video cassette recorders, mobile telephones, personal computers or camcorders, they are frequently targeted by thieves because they are desirable and expensive. Products like these fetch high prices in illicit sales when the retail price is high, but when retail prices fall the illicit demand also falls as stolen goods markets become saturated with equipment. Once retail prices become affordable for those on low incomes, legitimate electrical goods become more desirable than stolen ones. Some older thieves interviewed were aware of this situation. One dealt as a residential fence for stolen VCRs on commission for inexperienced burglars. The peak period was said to have been four to five years after they first appeared on the market:

I mean you used to be able to get £70 or £80 for a video player seven years ago - and now you would be lucky to get £15 or £20 for it, because you can buy a video for £70-£80 pound brand new. You've got to look at the end of the scale there. They [the buyers] say: 'well look I can get a video from a shop brand new no problems, and I'm not going to get no trouble about it.'

More recently the same has happened to mobile phones, as one interviewee from the YO1 sample explained:

I used to be well into mobile phones when they first came out. I used to get a hundred pounds, hundred and fifty pounds a mobile phone. But now you can pick 'em up in the shops for like ten or fifteen quid. So they're not worth fuck-all now. Its all gone, completely gone.

Arguments about whether demand for stolen goods causes supply through theft (Sutton 1993) or whether supply is fuelling demand seem futile when the whole stolen property system is in a state of perpetual motion. Inexperienced thieves generally rely on pre-existing markets, particularly a single Residential Fence who is usually either a relative or neighbour. Where active and ambitious fences encourage thieves to increase their offending, experienced and prolific thieves, particularly the drug users interviewed, were also proactive in finding new buyers and sold to a variety of people. In this way the thieves could overcome local fluctuations in stolen goods markets and sell more goods. They could sell quickly, even if they were not close to their usual buyers, thus reducing risk of arrest by only transporting stolen goods short distances. Others failed to sell items they had stolen in their first burglaries and gave up stealing after two or three at-

tempts. However, burglars who successfully converted stolen property into cash at their first attempts continued with the crime. A criminal 'career' choice of this kind could be explained simply as reward-based behaviour, but is probably more complex. The existence of established markets and provision of guidance from experienced offenders are likely to be almost essential local conditions for them to make successful sales. This is an important area for criminality prevention. Reducing markets for stolen goods might curtail many criminal careers before they 'take off'.

### Stealing to order

When stolen goods are in short supply thieves may be asked to steal-to-order. Interviewees mentioned receiving orders for camcorders, car stereos, computers and other state-of-the-art electrical equipment. From the moment that a price is agreed upon the required item represents hard cash to a thief:

At the age of 15 we used to sort of hang around in the park, mostly the same age, a few older. People would stop in their cars and say: 'oh can you get me this.' Well obviously you like to get as much as you can so you'd say like you want so much for it and you'd come to some arrangement. Sometimes you'd say like you want £100 and they'd say 'yeah fine.' Sometimes they'd say that would be too much. Then we'd go out and look in every car park. Park up on the estate when it gets dark - going out at eight o'clock and not coming back home 'till five o'clock.

Stealing-to-order is particularly common in shoplifting, car stereo theft and school, factory, warehouse and office burglaries. In the main, domestic burglars do not appear to steal-to-order because of the difficulties with knowing which items a house contains without first breaking in.

Issues of demand and supply are not always this simple. For example, the Home Office handling study found that small business owners are frequently offered stolen goods by strangers and many of them buy. One of the female heroin users said:

You can go into your local shop where you go and buy your paper and milk, have a word with them in the back and be guaranteed, nine times out of ten, that he will buy it off you.

Many do buy. The BCS found a significant association between living in a household where the head of the household was self employed and buying (Sutton 1998). Therefore, markets for stolen goods should be seen as both

a consequence of theft and as an underlying motivational force for acquisitive offending.

## The Market Reduction Approach

The Market Reduction approach, currently being evaluated through action research in the Medway Towns in England, is a broad strategy that aims to reduce theft by reducing rewards and increasing the effort and risks associated with buying and selling stolen goods. Situational crime prevention is a key part of the approach. Situational crime prevention has been at the centre of crime prevention activity for many years and was first proposed in the Home Office publication *Crime as Opportunity* (Mayhew et al 1976). Addressing crime from the perspectives of human situations and opportunities, situational crime prevention is particularly useful for designing solutions to prevent specific crime problems in the places where they usually happen.

Initiatives to reduce stolen goods markets might employ one or more of the four broad categories of situational crime prevention (Clarke 1983): those that increase the effort of offending; those that increase the risk of offending and those that reduce the rewards of offending, and (Clarke 1997) those that make it less excusable to offend. These would seek to make it more difficult for thieves and fences to sell, for others to buy, and to increase the real or perceived likelihood that all those involved will be apprehended and convicted. Stimulating this increased risk for sellers should reduce their rewards by either lowering the price of stolen goods or reducing the volume of sales.

Efforts to make dealing in stolen goods less excusable are best directed at buyers, through stimulating their conscience at the point of contemplating purchasing stolen goods. As Henry (1978) points out: '...“criminals” behave in a predatory way, ordinary people, in contrast, need only accept things that come their way.' However, research suggests that people may be prepared to accept some things more than others. Overall, the public find it easier to tolerate the idea of buying new goods stolen from businesses rather than used goods from homes and cars (Sutton 1995). Therefore, schemes aimed at pricking the consciences of consumers will have a greater likelihood of success if they highlight the personal suffering and misery associated with buying goods stolen from households and motorists.

Clarke (1997) points out that:

'Measures must be carefully tailored to the settings in which they are applied, with due regard to the motives and methods of the individuals involved. Where the stakes are high, offenders must be expected to test the limits of the new defences...'

Bearing this in mind, Market Reduction measures will need to be tailored to suit particular markets. Looking, for example, at Commercial Fence Supplies, useful strategies might include:

- use of CCTV cameras to monitor thieves entering certain shops
- imposing statutory, or encouraging voluntary, obligations on shopkeepers and certain other types of business people, to conduct transactions with members of the public 'on camera', or to require that all sellers be photographed
- stricter requirements of proof of ownership.

In Commercial Sales Markets, members of the public are usually innocent consumers. Therefore, measures should focus upon the dealers and thieves:

- increased formal surveillance of shops will increase the risks involved in stealing and selling by making it easier for the police to connect the seller with the thief
- shops that buy and sell second hand goods can be encouraged, or required, to display prominently signs that state they are enrolled in a crime prevention programme aimed at preventing theft and handling.

Hawking Markets might be reduced through surveillance measures and public awareness campaigns that emphasise the deleterious effects of buying stolen goods.

Residential Fence Supplies might be reduced through focusing more police resources on identifying and arresting residential fences.

Some Network Sales might also be reduced by arresting residential fences. They might be further reduced by setting up 'rule setting' schemes to remove any ambiguity in what is and is not acceptable behaviour. Through tackling specific illegal trading subcultures, in specific locations, potential consumers might be dissuaded from buying.

Taken alone it is unlikely that these measures will have any significant impact, as transactions may become more secretive. However, as part of a wider and co-ordinated operation they could send a clear message to thieves and handlers that their activities are becoming more risky and perhaps, for many, no longer worth the risk. This perception of risk can be

amplified, as Sherman (1990) suggests and Clarke (1997) reaffirms, through a process of operational rotation of police crackdowns across different times and places to cause offenders to overestimate the real level of risk at any given place or time.

At a wider level, the Market Reduction approach can involve new ways to make certain luxury goods affordable, legitimately, for low income groups. This might be achieved by encouraging manufacturers to lower prices of new technology through prolonging the period over which they seek to recover their investment. As part of a long term strategy, it is even worth considering tax breaks on such products.

### **Ethical considerations and the law**

The Home Office Handling Study found that buying stolen goods is significantly and independently associated with being young and poor (p. 26). As with most other crimes young males are most likely to buy stolen goods. Disregarding age, lack of personal wealth remains closely associated with buying stolen goods - particularly among men. Cumulative adverse area and personal wealth factors also increase the percentage of females buying stolen goods, but to a lesser extent than males.

The existence of markets for stolen goods undoubtedly provides temptation for young people to become involved in burglary, shoplifting and other kinds of theft. This will be even more likely where the markets are local, with relatives and neighbours openly buying and selling stolen goods. Reducing these markets will be difficult since they clearly exist in areas where people are less well off but are not immune to the 'noses pressed against the shop window' desires promoted by the power of advertising in an increasingly consumer oriented world. Indeed, Parker et al. (1988) argue that without the opportunity to purchase stolen goods, many poor and 'respectable' families would be unable to cope.

Those living in the most economically hard pressed areas buy and use stolen goods to a much greater extent than those living in better off areas. Programmes aimed at reducing inequality and deprivation may go some way to reducing theft and demand for stolen goods. However, Felson and Clarke (1997) argue for a quicker and more pragmatic approach, to reduce temptation to local youths so that they will not get into trouble: 'We owe it to our neighbours not to assist their children in becoming burglars ... If crime opportunities are extremely enticing and open, society will tend to

produce new offenders and offences. By inviting crime, society will make it more difficult for the law enforcement system to prosecute and punish those who accept the invitation.'

On these grounds, reducing crime opportunities by making buying and selling stolen goods less open and inviting might lead to changes in the law to reduce the burden of proof required of prosecutors who currently need to show that purchasers 'knew or believed' they had bought stolen goods (s.22, Theft Act 1968).<sup>2</sup>

Reducing drug markets is also likely to reduce the overall incidence of crime because acquisitive crime is commonly found to fund drug abuse. Parker et al (1988) saw the interface between legitimate and alternative economies as an explanation for the resilience of heroin networks and illegal trading mechanisms in the Wirral (see also Parker and Bottomley 1996). Developing a strategy that combines efforts to tackle geographically located illegal drug markets with schemes aimed at reducing stolen goods markets would tackle two of the principal causes of serious theft.

## Conclusions

While new outlets are often developed by thieves offering stolen goods to strangers, existing markets provide motivation for thieves and influence what is stolen. This is an old problem requiring a new solution. The Market Reduction approach aims to reduce theft by discouraging people from buying and selling stolen goods. In doing so it seeks to deal with particular underlying causes of the motivation to steal plus the vulnerability of victims' possessions. The key new principle is that it does not focus merely upon specific theft situations or specific thieves. It is a broad strategy that essentially aims to squeeze offenders out of the market by using an approach which relies heavily on situational crime prevention techniques.

Tackling theft in this way should also go further towards satisfying the demands of crime prevention practitioners who seek to deal with particular underlying causes of crime such as inequality, discrimination and criminal motivation (Sutton 1996). Linking public awareness campaigns and community action with police operations and situational measures, the Market Reduction approach aims to reduce the ability of thieves to cultivate new outlets while reducing trade in established stolen goods

<sup>2</sup> Clearly, making it harder to deal in stolen goods and more difficult to 'ask no questions' would need to be a prerequisite to such legislative change (see Sutton 1995).

outlets while reducing trade in established stolen goods markets. The main objective is to reduce theft levels. The most desirable outcome would be for offenders to explore non-criminal alternatives, rather than just alternative crimes.

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## **The Business as a Victim: the Unwilling Generator of the Informal Economy? The Pilot Studies**

MARTIN GILL

Legitimate businesses suffer because of the existence of the informal economy. Indeed, the theft or counterfeiting of goods and their leakage onto the black market results in a double victimisation; the costs of crime and its prevention on the one hand and loss of business because of the alternative and cheaper supply of those goods on the other. Yet, crime against business, in contrast to crime against individuals or households, has received very little attention. This paper is based on a survey of 2,618 businesses, over a half of whom admitted to being victims of crime in a twelve month period. What emerges is a picture where some businesses, and particularly smaller firms, are continually victimised, while others remain relatively crime free, where the costs are high and where security remains a low priority and is held in low esteem even when action is taken on independent advice. Overall businesses are much more likely to be victims than households, and in the case of burglary are more than four times more likely to be victimised. Thus businesses offer an important insight into the way the informal economy is able to thrive, and offers opportunities to check its development.

### **Introduction**

Crime and the business sector has remained a largely ignored area of study and a marginal subject of interest for most criminologists. Historically,

rather more attention has been focused on the business as an offender (Box 1983; Pearce 1976; Punch 1997). It is now well-documented that businesses can be set-up specifically to facilitate crime (Levi 1981) and they can act as a front for crime, as has been shown from studies of the work of professional fences (Klockars 1974; Steffensmeier 1986; Walsh 1977). This is one way in which businesses feed the informal economy.<sup>1</sup> But there is another way. Businesses can be the victims of crime, and goods that are stolen are fed into the informal economy. Indeed, Sutton (1995) has shown that at least some of the goods that find their way onto the black market are stolen from businesses. Moreover, as businesses are a part of the community, it is important to understand different dimensions to businesses' experience of crime, including their victimisation. Criminogenic communities, as other papers in this volume testify, provide fertile grounds for a thriving informal economy. Thus preventing the development of at least some of the seeds which make them possible is important. And a thriving black market providing goods at a cheaper price presents a threat to the very existence of businesses. Indeed, the commercial sector is one very obvious victim of a thriving (illegal) informal economy.

So how big is the problem of business victimisation? And how effective is the commercial sector in protecting itself? Answers to these questions would facilitate a discussion on the extent to which effective security and crime prevention in business provide a way of stifling the informal economy.

Until relatively recently there has been very little literature on the extent of business victimisation from crime and although what is emerging is extremely informative it is, as the authors recognise, partial in its coverage (e.g. Bamfield 1994; Brooks and Cross 1995; Burrows and Speed 1994; Gill 1998; forthcoming; Speed et al. 1995; Mirrlees-Black and Ross 1995a; 1995b; Wood et al. 1997). More research is needed to fill the many gaps that exist. A survey of businesses upon which this paper is based cannot answer all questions, but in addressing the costs of crime to business and on the extent to which they organise crime prevention it is hoped to throw light on two issues which have been largely ignored.

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<sup>1</sup> This volume contains papers which help to define the various parts of the informal economy. In this paper I am concerned with the threat that is posed by the illegal economy or the black market. This is, of course, a limited definition but the aim is to highlight some of the ways in which the informal and formal sectors feed off each other in ways that have received scant attention.

The costs of crime are important because cost, and more significantly the 'bottom line' is the language that business people understand. Moreover, at least some of the costs will be passed on to consumers, and this includes those who can least afford it. As Tilley (1993) has noted, when a business closes down, and about 12% are lost annually (Wood et al. 1997), it represents a loss to the community - which may also fuel the informal economy - and affect those who can least afford or are least able to find an alternative. Costs give some insight into the impact of crime, and to its significance on the viability of the commercial sector. Yet, until now there has been very little attempts to measure the cost of crime on business (though see Walker 1996).

It is also important to consider the amount of emphasis businesses place on security and crime prevention. Again this may be expensive and adversely effect those who can least afford it. But also learning about how businesses prevent crime may also provide opportunities for stifling the development of the informal economy. At least one problem is that businesses themselves have placed a low-priority on the need to tackle crime, and the police have traditionally shown little interest (Willis and Beck 1994). However, the economic squeeze has changed the focus, everything that impacts on the bottom-line is seen to be important and now crime in the business sector is beginning to be given a higher priority. It also needs to be stressed that businesses are part of the community, as are the people who work in them, and will be affected by what is happening locally. That 'broken windows' begins to reflect the decline of an area applies equally to businesses as it does to households (Shapland and Vagg 1988). Moreover, and particularly important to discussions about the informal economy, is that studying the extent to which businesses prioritise crime prevention gives clues about the potential for their willingness to prevent the slippage of goods onto the black market.

The findings discussed are based on a survey of 2,618 businesses who were members of the Forum of Private Business. The survey sample contained businesses located throughout mainland Britain (although over a half of respondents were located in London, the South, and the South West). Businesses from all sectors were included although in some cases numbers were small. Business of different sizes were included, although compared to the national structure, the cohort under-represents the very smallest firms - those with no employees and a turnover below £100,000.

Where possible, comparisons have been made with the findings of other recent studies even though this is sometimes problematic because surveys

have used different approaches and have had slightly different foci, concentrating either on different size businesses or firms in specific sectors - mostly retailing. Sometimes offences have been classified differently, for example, in the survey reported here burglary and attempted burglary have been treated as the same, when they are usually presented separately. Moreover, while some surveys have addressed questions to the head offices of premises others have covered individual premises. These limitations need to be borne in mind when interpreting the findings.

### **Levels of business crime: the context**

Elsewhere the author has reported levels of victimisation and repeat victimisation affecting business (Gill, forthcoming). The findings on levels of victimisation show that some firms are more at risk. While large firms suffer more crime than smaller firms, overall it was noticeable that the smallest companies, those in the 'up to £35,000' turnover band, were victims more often than larger companies. This confirms the finding of other studies, for example in noting that small shops are at considerable risk (see Ekblom and Simon 1988; Hibberd and Shapland 1993). Indeed, retailers, along with those in the transport sector, were amongst those at a high risk of victimisation.

A particularly important finding was that businesses are a greater risk of crime than households (although of course there are more households). For example, about a quarter of businesses had been victims of burglary in the previous year, while about a fifth had been victims of theft and a similar proportion of vandalism. These rates are much higher than comparable levels for household crime (see Mirrlees-Black and Ross 1995a; 1995b). Thus levels of crime against business are important. Not only are smaller firms disproportionately victimised, they are victimised to a considerably greater degree than households. But what are the costs and how successful are attempts to prevent them?

### **Cost of crime, crime prevention and dealing with the response**

Calculating the cost of crime is fraught with difficulties. In many cases people and businesses do not know they have been victims, for example in cases of fraud or staff dishonesty (Gill 1994; Levi 1981; 1987), or they

choose to condone crime (Ditton 1977) and so do not report it. Costs of any medical services required and the criminal justice system are also not easy to calculate and are frequently, although not exclusively (see Walker 1996) excluded. However, in this study an attempt was made to gauge the known costs of crime (albeit often estimates) that fall upon business. It will not be a total figure, for example, it has long been recognised that crime can affect people's perception of the business, indeed because of this many companies refrain from making crime public. In a different way, while it is known that some staff feel unsafe (for example, teachers (Gill and Hearnshaw, 1997)), it is less clear what impact this has on their performance. The impact on profits of changes in performance is also unclear. These remain important but unanswered questions.

*Table 1: Average cost of crime by turnover*

Turnover	Average cost per firm (£)	Average cost per firm which experienced crime costs (£)
Up to £35K	1,937 <sup>1</sup>	3,977 <sup>1</sup>
£35-49K	294	1,079
£50-99K	545	1,190
£100-249K	1,293	2,444
£250-499K	3,018	6,284
£500-999K	15,108 <sup>2</sup>	26,527 <sup>2</sup>
£1m - 4.9m	5,451	9,190
£5m <sup>2</sup>	83,181 <sup>3</sup>	121,399 <sup>3</sup>
Overall	8,415	15,703

<sup>1</sup> If the 4 firms in this category, each with abnormal crime costs of £10,000 or more are discounted, the figures are £783.6 per firm and £1,608.4 per business that experienced crime costs.

<sup>2</sup> If the firm in this category which incurred costs of £6m is discounted, the figures are £1,863.2 and £3,271.4 respectively.

<sup>3</sup> If the two firms which reported costs of £3m or more are discounted, the figures are £13,736.9 and £20,048.0 respectively.

Initially, respondents were asked to give their best estimate of the total cost of victimisation, to include the value of property affected plus the cost of repairs, both insured and uninsured. They were then asked to provide details on the costs of crime prevention and then of the management and staff time involved in dealing with the aftermath and in arranging and installing

prevention measures. While, clearly, these do not represent complete measures, they do offer an important insight and arguably go further than most previous studies. Table 1 shows the costs incurred in losses by those respondents who experienced at least one incident of crime.

Just as it was found that the smallest firms, that is those with the lowest turnover, are disproportionately victimised, so it is true they bear a disproportionate cost for crime, although the largest average costs fall on firms with the largest turnover. Predictably, the costs associated with dealing with crime were by no means evenly spread across the sample, in fact 5% of respondents incurred 87.2% of the overall cost of crime to the entire sample. The vast majority of victimised firms (95%) incurred crime costs, and those who were repeat victims had much higher average crime costs (£16,150) than non repeat victims (£4,437).

*Table 2: Average cost of crime by sector*

Sector	Average cost per firm (£)	Average cost per firm which experienced crime costs (£)
Agriculture	1,191	4,051
Construction	7,195	12,541
Manufacturing	17,099 <sup>1</sup>	36,856 <sup>1</sup>
Transport	5,443	7,166
Wholesale	3,080	6,076
Retail	3,435	4,820
Hotel	32,943 <sup>2</sup>	59,213 <sup>2</sup>
Repair	2,731	5,337
Business services	1,143	4,259
Publication	11,927 <sup>3</sup>	20,817 <sup>3</sup>
Other services	9,314 <sup>o</sup>	19,774 <sup>o</sup>
Overall	8,415	15,703

<sup>1</sup> If the firm with costs of £6m is discounted, the figures were £2,676 per firm, and £5,768 per firm that experienced crime costs.

<sup>2</sup> If the firm with costs of £4.5m is discounted the figures were £1,252 and £2,251 respectively.

<sup>3</sup> If the firm with costs of £1m is discounted, the figures were £1,510 and £3,535 respectively.

<sup>o</sup> If the firm with costs of £3m is discounted, the figures were £2,068 and £4,390.

Evaluating costs by sector proved problematic because there were a number of outliers, although the findings are shown in Table 2. If the outliers are ignored then the average costs of crime were highest for the construction industry followed by the transport sector. Those in the business services sector were amongst the least victimised and suffered the least costs as a consequence of crime.

The amount of money spent by businesses in installing crime prevention measures is also a cost of crime and this question was addressed separately. As Table 3 shows, the average cost of expenditure on crime prevention varied considerably by size of business according to turnover. Once again those businesses with the lowest turnover were disproportionately likely to spend money on crime.

*Table 3: Average cost of crime prevention by turnover*

Turnover	Average cost per firm (£)	Average cost per firm which experienced crime prevention related costs (£)
Up to £35K	757	1,555
£35-49K	199	504
£50-99K	393	785
£100-249K	1,137	1,742
£250-499K	1,055	1,582
£500-999K	11,297 <sup>1</sup>	15,746 <sup>1</sup>
£1m - 4.9m	3,116	3,937
£5m+	10,938	14,584
Overall	2,970	4,397

<sup>1</sup> If the two firms which incurred crime prevention related costs of £2m or more are discounted, the figures are £1,362.7 per firm and £1,899.4 per firm that incurred crime prevention costs.

More than two thirds (67.5%) of the sample incurred some expenditure in relation to the installation of crime prevention measures, and thus nearly one third of the sample allocated no resources to this. Of course, these businesses may have purchased adequate security measures prior to the survey period, rendering further expenditure unnecessary. However, victims were more likely than non victims to have allocated resources to crime prevention. In all, 77.1% of victimised firms compared to 56% of

non victimised forms incurred crime prevention related costs, and the costs were much higher (£4,545 compared to £1,059). Moreover, 79% of repeat victimised firms compared to 61.6% of non-repeat victims incurred crime prevention costs and again for the most victimised costs were higher (£6,641 compared to £1,082). As Table 4 shows, the transport sector, wholesalers and retailers claimed to have spent more on crime prevention. Transport and retail firms were amongst the most victimised (Gill forthcoming) and transport firms lost the most from crime.

*Table 4: Average cost of crime prevention by sector*

Sector	Average cost per firm (£)	Average cost per firm which experienced crime prevention related costs (£)
Agriculture	1,340.6	2,291.9
Construction	1,857.5	3,069.0
Manufacturing	1,965.5	2,698.5
Transport	4,439.2	5,944.1
Wholesale	3,847.7	4,947.0
Retail	2,408.0	3,294.0
Hotel	892.3	1,005.9
Repair	1,814.9	2,438.7
Business services	1,507.1	2,458.3
Publication	1,226.3	1,681.7
Other services	1,561.7	2,496.3
Overall	2,969.5	4,397.1

Further analysis established other trends. For example, those businesses which experienced greater crime-related costs were more likely to have spent relatively more on crime prevention measures. Of those businesses which suffered no costs as a consequence of victimisation, 44.3% spent nothing on crime prevention measures, around one half (49.6%) spent up to £2,500, and just 6.1% spent over £2,500. In contrast, of those businesses which experienced crime costs in excess of £2,500, only around one sixth (16%) spent nothing on crime prevention, 43.8% spent up to £2,500, and four in ten (40.2%) spent an amount in excess of £2,500. It is clear that some businesses are more likely to be victims and amongst these are those who lose more and have to spend more on crime prevention to halt the losses.



In an attempt to gauge the full impact of crime upon business respondents were asked to estimate the number of management and staff days they lost as a consequence of crime and crime prevention, and these two issues were dealt with separately. In order to attempt to put a value on this time, use was made of the Annual Abstract of Statistics published by the Central Statistical Office. The average hourly costs of management can be based on the rate for the average owner, spouse, and manager and the cost is £9.33 per hour. And if the average hourly cost for staff is based on the rate for clerical and other staff, the cost is £7.73 per hour.<sup>2</sup> On this basis, and assuming an eight hour day, it can be said that in terms of employee time spent dealing with crime and crime prevention, the cost to the businesses in this survey may be summarised as shown in Tables 5 and 6.

*Table 5: Cost of time spent dealing with the effects of crime*

	Days	Hours	Hourly rate (£)	Total cost (£)
Management	2,924	2,3392	9.33	218,247
Staff	4,534	3,6272	7.73	280,383
Total	4,758	5,9664	-	498,630

Close to a half of victimised firms lost some management time in dealing with the effects of crime. Those who were repeat victims lost an average of 2.5 management days compared to an average of 0.4% amongst non-repeat victimised firms. As many as 41% of victimised firms lost some staff time in dealing with the effects of crime, and again the time lost was much higher for repeat victims (3.7 days) than non repeat victims (0.7 days). Once again firms in the lowest turnover bracket were disproportionately more likely to allocate more management and staff time to dealing with the effects of crime than those with higher turnovers. The highest cost of management time per firm was found in the transport sector while more staff time was allocated in the construction, retail and repair sectors.<sup>3</sup> A similar trend emerges when these costs are considered in relation to dealing with crime prevention, which as Table 6 shows, overall were considerable.

<sup>2</sup> These hourly rates were originally used in the FPB report 'The Impact of Red Tape on the Owner Managed Business' (October 1996).

<sup>3</sup> These figures are based on the average cost of staff time per firm. They differ if the figure of average cost of time per firm that allocated time is considered. However, there is not the space here to discuss this issue.

*Table 6: Cost of time spent dealing with crime prevention*

	Days	Hours	Hourly rate (£)	Total cost (£)
Management	6,910	55,280	9.33	515,762
Staff	4,083	32,664	7.73	252,493
Total	10,993	87,944	-	768,255

Close to a half of victimised firms lost some management time dealing with the effects of crime prevention (this was more than twice as much for non victimised firms). In all, repeat victims lost an average of 5.5 management days compared to 1.2 days for non repeat victimised firms. As above the cost of management and staff time in dealing with crime prevention was disproportionately greater for the firms with the lowest turnover. Wholesalers and retailers spent more management time on the effects of crime prevention while more staff time was allocated in agriculture, transport and manufacturing.

These are important costs and they are often 'hidden'. In fact adding together the costs derived from the various questions discussed here it becomes clear that the average costs to business are extremely high. This information is summarised in Table 7.

*Table 7: The costs of crime*

Total cost of dealing with the effects of crime	£23,031,114
Total cost of crime prevention	£7,774,057
Total cost of management time spent dealing with the effects of crime	£218,247
Total cost of staff time spent dealing with the effects of crime	£280,383
Total cost of management time spent dealing with crime prevention	£515,762
Total cost of staff time spent dealing with crime prevention	£252,493
Total cost of crime	£32,072,056
Average cost of crime per business	£12,251

Recently, Wood et al. (1997) found that the average loss to all the small businesses they included was £1,542 and the average cost of crime prevention was £894. The comparable figures here would be £8,797 and £2,969. Clearly, this is not comparing like with like since in this survey the businesses were much bigger. However, if the costs for just the smallest firms, those in the 'up to £35,000' bracket are considered, the figures are then much more comparable, being £1,937 and £757.<sup>4</sup>

Precisely because there are no agreed figures on the number of businesses, extreme care needs to be taken in extrapolating figures to arrive at a national cost of crime and this will not be attempted here. It can be said that just considering the costs calculated in this survey shows how significant they are. They are likely to have played a role in the failure of some to survive and others to thrive. A particularly significant, although not altogether surprising finding is that these costs are not evenly spread across the sample. The average costs are higher for some businesses, those in the transport sector in particular, including those that are victimised the most. A worrying trend is that smaller businesses were especially burdened.

## Crime prevention

It is difficult in a survey to collect quality information on the effectiveness of prevention measures. Indeed, the jury is still out on the effectiveness of a range of security measures (Beck and Willis 1995; Gill and Turbin 1998; Short and Ditton 1995). Good crime prevention depends on combining a range of management practices, set procedures and technical fixes to meet local circumstances. In a different way it is not easy in a survey to collect data on social crime prevention initiatives, much less to make some comment on their effectiveness. Moreover, even knowing what sort of security precautions or situational techniques are being used is most helpful when assessed in the context of the experience of victimisation. In this survey it was not possible to collect this sort of information. These are important issues which future surveys need to address and the realist school of

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<sup>4</sup> Another way is calculate the figures on the number of employees. However, there is some confusion in the report by Wood et al. (1997). On p 3 they report that while there is no agreed definition of the number of employees a micro business is considered to be one with less than nine employees and a small business as having less than 99 staff. On p 34 they suggest the upper limit is 49 and further confuse the analysis by ignoring firms with no employees. Thus the comparison here should be treated with caution.

evaluation has much to offer here (see Pawson and Tilley 1997; Tilley 1997; and also Ekblom and Pease 1995).

*Table 8: Security measures installed by respondents*

Security measure	Percentage of businesses which had installed measures (%)
Burglar alarm / security system	72.8
Window shutters / reinforcement	40.8
Toughened glass	30.9
Door guards / reinforcement	32.6
Internal / external sensors	55.5
Security marking of costly equipment	16.7
Entry / security locks with codes	13.9
Permanent security guards	11.8
Guard dogs	5.0
Occasional patrols	20.9
Other internal deterrents	4.6
CCTV	9.2
Alarm link direct to police or security contractor	3.0
Formal reception of visitors	3.2
Other	0.6

However, respondents were asked to state whether they had a range of security measures, and the findings are shown in Table 8. They suggest that businesses are certainly not over-protected. While just over 7 in 10 had a burglar alarm, and over a half had internal/external sensors (the two most common measures), only a small minority had a formal reception for visitors, and less than 1 in 10 had CCTV and less than 1 in 6 entry/security locks. A follow-up question asked about specific measures to protect staff and less than half had taken such precautions. In discussing the findings of the SBCI survey Wood et al (1997) remarked on the lack of 'basic' security. The findings here echo that point.

This may in part reflect the low priority that has traditionally been attached to security (for example, see Hearnden 1996). Moreover, close to a third had not sought any advice, and more smaller businesses had not done so. Of those who had sought advice, there were two principal sources, the

police (38.3%) and consultants (29.9%) although some, and more so the largest firms, had contacted a trade body (5.1%). Again victims were more likely than non victims and repeat victims were more likely than non repeat victims to seek advice.

However, there was considerable scepticism about the advice received as Table 9 shows, although this did not seem to vary greatly according to the source.

*Table 9: Quality of advice by source of advice*

Source of advice	Very poor	Poor	Adequate	Good	Very good	No opinion
Police Crime Prevention Officer	2.7	5.6	28.4	45.9	16.2	1.2
Consultant	2.7	3.1	29.3	48.4	15.4	1.1
Trade body	2.4	2.4	33.6	44.8	16.0	0.8

Those who were victimised the most, and those in the agriculture sector (perhaps reflecting the special circumstances of crime and crime prevention here) were the most likely to say that the advice was poor. Perhaps not surprisingly, or even because of this there was some scepticism with the effectiveness of measures that had been installed, as Table 10 shows.

Clearly, there is no great endorsement of security measures here. Even this most cursory discussion of crime prevention measures adopted by businesses in the survey would conclude that it is characterised by indifference and poor standards. Some businesses have not responded to the potential threat of crime at all, while amongst those that had, many felt the advice they had received to be less than good. Some businesses were disappointed with the security measures they had installed. At least one reason why businesses are victims is because they represent an easy target, not only is security often poor, even by the owner/managers' admission, but sometimes it is non-existent.

*Table 10: Rating of effectiveness of crime prevention measures*

Rating of crime prevention measures	Percentage	Valid percentage
Poor	2.0	3.0
Inadequate	4.7	7.1
Adequate	27.9	42.1
Good	20.4	30.7
Very good	7.9	11.9
Hard to assess	3.5	5.2
Missing	33.6	-
Total	100.0	100.0

## Discussion

The findings indicate that businesses are more likely to be victims than households and in the case of burglary about four times more likely. Although there are more households nevertheless it is clear that the commercial sector is an important source of goods. Moreover, just as some households are more at risk from crime so are some businesses, albeit that this issue may be hidden because often crimes are not reported to the police. Where businesses present easy targets, and they frequently do, there is enormous potential to play an inadvertent role in fuelling the supply of goods to the informal economy.

Victimisation brings with it costs, and these were much greater for victimised companies and greater still for companies who were repeat victims. Thus costs were not evenly distributed; 5% of businesses suffered 87.2% of the total cost of dealing with crime for the whole sample (a statistic heavily influenced by a few big spenders). In this survey, the costs of crime prevention were treated separately, although a similar pattern emerges with those most victimised spending more. And these businesses were more likely to lose more management and staff time because of crime and the need to prevent it. Once again businesses in the up to £35,000 turnover band were more likely to incur disproportionate costs compared with larger businesses. Different types of costs were more common in different sectors, although not surprisingly retailers and transport businesses appeared to feature prominently amongst the bigger spenders. Neverthe-

less, it is important to recognise that different businesses suffer different types of threats and therefore the types of measures needed to prevent crime will be different.

But there is scope for much better protection of premises. Indeed, if the informal economy is dependent on a supply of illegal goods in order to exist, then businesses will inevitably be the source of illegal goods because they are so inadequately protected. Many businesses lacked even basic security measures, and they did not think over-highly of what they had installed even when they had sought advice. While agricultural businesses were amongst those who spent more on crime prevention, they were also amongst those expressing most dissatisfaction with the measures in place. One real problem is that in the UK the security world is not subjected to any form of statutory regulation, although at least one argument for regulation is to eradicate poor advice (see George and Button 1996; 1997). But security and crime prevention need not be expensive, and technical and expensive fixes are not always the best solutions, and there may be real and good prevention opportunities for those who are the most marginalised. At least part of the solution, and part of the opportunity for thwarting the growth of the informal economy rests on promulgating this.

This analysis has shown that crime against business is a serious issue, and levels are much greater than they are for households. Some tentative suggestions have been made as to who the likely victims are, and will be, but a study of this kind can only touch the surface. The evidence would suggest that repeat victimisation seriously affects some firms (see Gill forthcoming). Since costs are high, the real impact this has on business needs more focused research. All too frequently, inappropriate measures are being deployed to combat crime, which suggests a greater focus on the appropriateness of different measures to different circumstances is badly needed. Meanwhile, businesses will continue to be victims and this includes staff; consumers will continue to bear the cost; and the commercial sector is making it easier for the informal economy to thrive.

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## **L'Économie Informelle vue du Côté Français Une Économie "Plurielle" ?**

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Comme prévu dans le projet, ce texte propose un premier repérage des travaux français se rapportant à la question de l'économie informelle ainsi que les résultats de l'étude pilote exploratoire menée dans une ville de la banlieue parisienne en parallèle de celle réalisée par le Dr J Smettan dans les environs de Francfort. Cette étude au niveau local a été réalisée avec la collaboration de Sylvie Delaitre et Stéphanie Mollaret.

### **A. Quelques approches de l'économie informelle à travers les travaux français récents**

Depuis quelques années on assiste en France à une préoccupation croissante pour la *face cachée* de l'économie. Une estimation récente situait son montant entre 80 milliards (1,1 % du PIB) et 270 milliards de Francs (4,3 % du PIB)<sup>1</sup>. L'enjeu avancé de façon récurrente est ainsi celui d'un manque à gagner pour l'Etat.

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<sup>1</sup> Sénat, Rapport N°157, décembre 1996

Cette part d'ombre de l'économie officielle, celle qui échappe au regard de l'Etat, recouvre en fait des activités très différentes qui n'ont souvent en commun que d'être non-comptabilisées dans les statistiques ou d'échapper à une ou des réglementations. "L'économie informelle" (les appellations sont nombreuses et ont souvent changées) n'est en fait qu'une construction sans réelle unité.

La première difficulté consiste donc en un problème de champ. Le caractère polymorphe du thème et la porosité des frontières en font tout à la fois un OANI (Objet d'analyse non identifié) suivant l'expression de Ph. Adair (1995) et un lieu où interviennent des chercheurs venus de disciplines différentes.

Depuis une quinzaine d'années les appellations ont varié : économie souterraine, occulte, immergée, invisible, cachée, de l'ombre, au noir, illégale, criminelle, maffieuse ... On recenserait au moins une trentaine de termes selon les différentes réalités prises en compte et les préoccupations dominantes du moment. Cette préoccupation pour la face cachée de l'économie officielle n'est pas en France aussi récente qu'il semble ; M. Schiray dans une analyse de la bibliographie française relative à l'économie cachée recensait au début des années 1980 plus de 300 titres (Gaudin, Schiray, 1984).

Fig. 1 : Champ de l'économie informelle

Mode d'échange	Type de produits	Formes de production ou de distribution	Exemples
non marchand	légal	légal	activités domestiques, bénévolat
Mode d'échange	Type de produits	Formes de production ou de distribution	Exemples
marchand	légal	illégal	travail illégal, contrefaçon
marchand	illégal	illégal	drogues

L'économie informelle -acceptons le terme- prend des formes très diverses et peut s'inscrire dans des logiques différentes correspondant ou non au marché, respectant ou non la légalité. On y retrouve des activités non marchandes ou non monétaires comme l'entraide, le troc ou le travail domesti-

que dont le caractère informel consiste à ne pas correspondre au jeu du marché ou d'autres qui respectent pleinement les lois d'un marché mais pas complètement le jeu de la légalité (les activités marchandes illégales). Cette économie marchande illégale concerne alors tantôt des productions licites (le travail dissimulé, la contrefaçon ou de multiples activités en marge par exemple) tantôt des produits illicites (drogues). L'économie informelle construit ainsi toute une gamme de positions qui vont de l'invisible au visible.

### *Limites de cette recension*

L'acceptation la plus extensive prend en compte les secteurs de l'économie domestique et de l'économie solidaire. Ce n'est pas celle privilégiée dans cette brève recension. Par contre des travaux peuvent avoir un tout autre objet que l'analyse de l'économie informelle stricto sensu mais apporter un éclairage utile. Il m'a semblé pertinent de les signaler.

Le projet d'étude exploratoire retenait les travaux menés au seul niveau d'une ville, *cities level*. Il s'agit donc d'un des critères de repérage des travaux, cependant dans le premier temps d'un état de la question il m'a paru trop restrictif. J'ai donc privilégié les travaux se situant dans cette approche sans pour autant en faire un critère d'exclusion. Certains des travaux retenus peuvent ainsi ne pas relever de ce niveau d'analyse.

Finalement, je me suis efforcé de repérer seulement les travaux les plus récents (depuis le début des années 1990) qui, sans avoir pour objet exclusif ou spécifique le domaine de l'économie informelle ou d'un de ces aspects, comportent une dimension de la question et peuvent constituer une porte d'entrée utile à l'approche du phénomène.

Deux questions émergent alors plus particulièrement des débats publics et scientifiques sur l'économie informelle : le travail au noir et beaucoup plus récemment le développement d'une économie de la drogue dans les banlieues.

Pour ce bref survol, un fil conducteur a été retenu. Il mène des travaux des économistes à la démarche ethnographique en parcourant différentes orientations de la sociologie ; de la mesure économique à la part non économique de l'économie informelle, d'une certaine façon *de l'économie informelle à l'informel de l'économie*.

## *I. Le phénomène et sa mesure : l'approche des économistes*

La prise en compte d'un secteur informel de l'économie, et les questions posées par les rapports entre sphères marchandes et non-marchandes étaient jusqu'à la fin des années 1970 une préoccupation qui ne semblait concerner que les seuls économistes du développement confrontés à l'importance de ces secteurs dans nombre de pays du tiers-monde. Avec la crise que traversent les économies occidentales, quelques économistes ont cherché à intégrer le champ des activités informelles dans leurs analyses de l'économie française.

L'économie non-enregistrée fait ainsi l'objet d'efforts de mesure. Le travail de Willard (1989) sert souvent de référence pour l'estimation de l'ampleur du phénomène. Il utilise les sources de la comptabilité nationale pour opérer une quantification : des seules *activités productives licites non-déclarées*. Cette notion est très proche de celle retenue par EUROS-TAT sous le terme d'*économie au noir*. Ces mesures de l'économie au noir recouvrent pour l'essentiel deux grands domaines, les fraudes et évasions fiscales d'une part et le travail au noir d'autre part. Globalement, les montants en cause ne sont pas négligeables puisqu'ils représentent environ 4% du PIB. Cette estimation a souvent servi de base aux évaluations ultérieures du phénomène et à mobiliser l'intérêt de l'Etat.

Confrontés à la nécessaire clarification des concepts préalables à tout effort de mesure, quelques économistes se sont efforcés de mieux préciser le contenu des activités relevant du domaine de l'économie informelle. Ph Adair et ses collègues du Gratice (université Paris XII) poursuivent depuis de nombreuses années un effort dans ce sens. Leurs travaux qui excluent les activités dites criminelles proprement dites (trafic de stupéfiants, jeux clandestins, proxénétisme, corruption, blanchiment...) permettent d'identifier acteurs et facteurs favorables et d'apprécier les conséquences en termes économiques du secteur informel de l'économie. Adair (1985, 1989, 1995).

## *II. Le travail au noir*

Cette question a souvent servi et sert encore à appréhender la notion d'économie informelle dans nombre de débats publics. Deux veines de travaux peuvent être signalées.

C.-V. Marie mène depuis de plusieurs années des travaux sur le *travail illégal*. Il désigne ainsi toutes les pratiques qui visent à la dissimulation de tout ou partie d'une activité professionnelle en vue d'échapper aux réglementations. Cette notion recouvre donc aussi la part grandissante de la main d'oeuvre employée dans des conditions qui ne répondent pas aux minima légaux. Elle lui permet de dégager la question de l'illégalité du travail de celle de l'illégalité du séjour des travailleurs qui trop souvent dans le débat public la recouvre. C.-V. Marie relie le phénomène global du développement de l'économie du travail illégal aux mutations du marché du travail et de l'emploi. Il observe ainsi que l'émergence du travail illégal, qui n'est souvent que la logique de la flexibilité poussée à l'extrême, a préparé la rupture avec le modèle d'emploi à durée indéterminée. Marie (1994, 1995, 1996).

JF Laé poursuit lui des analyses de situations d'économie informelle à partir d'enquêtes empiriques et se situe de plus en plus dans une démarche socio-anthropologique. Dans ses premiers travaux sur le travail au noir, qualifié de *vestibule de l'emploi* (Laé, 1989 et 1990), il a montré à propos du travail saisonnier par exemple qu'il correspond à une logique migratoire qui pour espérer accéder au marché officiel doit accepter de transiter par le travail au noir. Plus récemment, adoptant une démarche de caractère plus socio-anthropologique, il s'est interrogé sur le continuum supposé qui va de la sphère économique officielle à l'informelle. Il souligne la part non économique, de sociabilités et de cultures, de valeurs en décalage avec la rationalité économique, à l'oeuvre par exemple dans le travail au noir. JF Laé montre bien les différents types de travail au noir secrétés par le monde marchand. Ils correspondent le plus souvent à des *friches du marché*. Il dégage ainsi trois zones de cohérence : le *putting out system* qui ne correspond pas aux normes de la rentabilité, le *travail au noir aggloméré* à l'artisanat individuel et enfin le *travail au noir érigé en système* de marché. JF Laé apporte un éclairage original sur les sociabilités de l'économie informelle. Laé (1989, 1990, 1991, 1992).

On peut mentionner ici, certains aspects des travaux en cours de réalisation dans le cadre du programme TSER de l'Union européenne (*Insertion des migrant dans l'économie informelle, les déviances et les conséquences sur les sociétés d'accueil* coordinateur, Prof E. Reyneri, U de Parme) et réalisés en France par A. Sayad et S. Laacher (Maison des sciences de l'homme, Paris).

### III. L'économie marchande des activités ou produits illicites

Il s'agit principalement des travaux portant sur l'économie de la drogue et dans une moindre mesure de ceux portant sur la corruption ou le recel. D'émergence relativement récente, la question de l'économie des stupéfiants tient maintenant une place importante dans les débats sur l'économie informelle, jusqu'à en masquer parfois les autres facettes.

#### 3.1 L'économie de la drogue

Ce premier domaine est le plus investi, tant par des travaux d'orientation macrosociale que par ceux qui n'abordent cette question que dans sa dimension locale.

Une bonne recension (non encore publiée) de la littérature disponible au niveau européen sur la question *drogue et délinquance* vient d'être réalisée pour l'*Observatoire européen de la drogue et la toxicomanie*. Elle comporte tout un chapitre sur l'économie de la question qui repère assez bien dans l'ensemble les travaux français. On peut utilement s'y reporter (Filleule et Jobard, 1996, p. 51-84 et p. 94-97).

- *Approches macro-économique*

Il s'agit d'analyse économique du marché de la drogue. Souvent la démarche est économétrique et met à l'épreuve du cas d'un bien illicite, la drogue, le fonctionnement d'un modèle et évalue l'efficacité des politiques de contrôle.

Kopp (1994 a et b, 1997), par exemple, examine l'efficacité des politiques de contrôle des stupéfiants à partir d'une analyse formelle des marchés de la drogue et montre qu'en raison de son illégalité ce marché fonctionne de manière atypique.

Morel et Rychen (1994) ont développé des analyses assez proches. Après une analyse économique du marché de la drogue, ils s'interrogent sur les conséquences d'une politique de dépénalisation.

Schiray (1989, 1993) a également mené des approches de ce type, il a examiné la question de la formation des prix et analysé les filières de stupéfiants des paysans aux consommateurs.

Matzuzzi *et al* (1994), étudient le retour dans l'économie officielle des produits de l'économie criminelle. L'approche essentiellement méthodologique, s'intéresse particulièrement à la place et au rôle des ressources financières provenant du trafic de drogue.



- *L'économie des stupéfiants dans sa dimension locale.*

Il s'agit de travaux s'appuyant sur des analyses d'une situation locale (quartier ou banlieue). L'accent peut être mis plus particulièrement sur les questions d'économie des stupéfiants (les questions relatives à un marché des stupéfiants local) ou sur l'approche territoriale d'analyses non spécifiquement centrées sur la question de l'économie de la drogue. Ces derniers travaux peuvent aborder diverses facettes de cette question : par exemple les questions d'intégration et de poids des circuits de distribution de stupéfiants dans l'économie locale sous l'angle des transformations économiques et sociales locales liées au trafic, ou porter l'éclairage des produits aux carrières (Duprez, Kokoreff, Verbeke, 1995) ou encore examiner les questions de réseaux et de communautés (Tarrius, 1997).

Beaucoup de ces travaux relèvent donc aussi des thèmes du territoire et des réseaux de l'économie informelle.

Régulièrement des rapports<sup>2</sup> s'alarment de l'invasion des banlieues par les drogues et le développement d'économies parallèles. L'analyse de la situation marseillaise réalisée par M Peraldi (1996) est beaucoup moins tranchée. Il souligne la vision stigmatisante produite par la presse des phénomènes locaux de toxicomanie et de trafic et les risques pour des travaux de recherches trop cantonnés à l'observation de micro économies de renforcer involontairement cette vision.

Comblant les lacunes de rapports alarmistes souvent assez superficiels, des recherches ont été menées à l'initiative du CNV (Conseil national des villes). Ces travaux engagés fin 1993 (*Réalité des activités illégales liées au trafic des stupéfiants*) sous la coordination de M. Schiray ont porté sur six quartiers, quatre en banlieue parisienne, un dans l'agglomération lilloise et un dans l'agglomération marseillaise. Une première synthèse, *L'économie souterraine de la drogue* (CNV, 1994), a réuni les enquêtes exploratoires d'A. Coppel, D. Duprez, M. Joubert, M. Schiray et M. Weinberger. Un travail d'approfondissement a été mené en 1995 sur cinq terrains : Lille-sud, (D. Duprez, M. Kokoreff et A. Verbeke, ), Marseille-nord (JM Mariottini), Paris banlieue-nord (M. Weinberger, M. Joubert et G. Alfonsi), banlieue-sud (M. Schiray, N. Lalam et C. Bensalem) et intra muros (R. Ingold, M Toussirt) . Ces recherches croisent des données de natures diverses : institutionnelles (police, justice...), biographiques (entretiens),

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<sup>2</sup> Par exemple, Dray J., *La violence des jeunes dans la banlieue*, rapport d'information, Assemblée nationale, juin 1992 ; Jazouli A., *Banlieues : Les nouvelles frontières intérieures*, Rapport de Banlieuscopies, Paris, 1992.

ethnographiques. Ils apportent pour la première fois une vision moins superficielle de la question de l'économie de la drogue dans certains quartiers.

Ce bloc de recherches a fait l'objet de diverses publications, on peut se reporter à Duprez, Kokoreff, Joubert, Weinberger (1996b) ; Duprez, Kokoreff, Verbeke (1995) ; Ingold, Toussirt, Goldfarb (1995) ; Joubert, Weinberger, Alfonsi (1996) ; Mariottini (1995) ; Schiray, Lalam, Ben Salem (1995) ; au dossier Trafics de drogues et modes de vie (*Toxibase*, 1995, 4, p.1-31) ainsi qu'à l'article de P. Bouhnik et M. Joubert (1992).

On peut consulter également sur ce thème une des premières observations ethnographiques sur les logiques des marchés de drogue et leur intégration dans la vie des cités (Fatela, 1992) et une recherche comparative sur six villes européennes (Renn, Lange, 1995).

### 3.2 Corruption

Cette question peut sembler extérieure au champ, les problématiques et les analyses développées recoupent cependant celles développées à propos de l'économie informelle, notamment dans les approches macro-économiques de l'économie du trafic de drogue.

Cartier-Bresson (1993, 1992) considère la corruption en tant que phénomène macrosocial. Il en souligne la double dimension, d'accumulation et de redistribution et insiste sur l'importance des analyses en termes de réseaux pour la compréhension des phénomènes de corruption comme d'"informalisation".

Des analyses économiques de la corruption et de son rôle ont aussi été menées au GREQAM (Matzuzzi *et al*, 1994). Ces travaux resituent cette question dans le cadre d'ensemble des ressources financières illégales.

### 3.3 Recel

Cette question faisait déjà l'objet d'une proposition au début des années 1990 par la Commission des maires sur la sécurité : *Intensifier la répression contre les receleurs organisés*, (proposition N°56)<sup>3</sup>. Les assurances soulignent aussi régulièrement leur intérêt pour cette question<sup>4</sup>.

<sup>3</sup> In Bilan des 64 propositions du rapport de la Commission des Maires sur la sécurité, Conseil National des Villes, Paris, 1992.

<sup>4</sup> Halard, M., *L'importance socio-économique du recel des objets volés*, Agence de lutte contre la fraude à l'assurance - ALFA, Entretien de Gif, Centre national d'études et de formation de la police nationale, 14/2/1995.

L'économie du recel reste cependant extraordinairement sous investie en France. Elle est sans doute difficile à mettre à jour.

Peu de travaux ont été entrepris sur cette question, ils se réfèrent souvent aux travaux anglais ou américains. On peut mentionner ici un rapport de 1993 de la *Direction départementale de la sécurité publique de Seine Saint Denis*. Il comporte quelques brefs éléments sur l'économie du recel en soulignant le terrain favorable que représentent des populations fragilisées de certains quartiers. L'étude de cette question auprès des enquêteurs de police du département dégage trois types de receleurs : les *professionnels*, ceux *d'habitude* et les *opportunistes* qui entretiennent des rapports différents avec des formes diverses de l'économie informelle. Voir aussi l'étude Hug (1995) réalisée par l'IHESI mais elle ne comporte aucun élément sur l'économie liée au recel. Enfin dans le cadre du séminaire sur l'économie en banlieue (Plan Urbain-GRASS) un travail, *les imprévisibles frontières de l'économie souterraine* (K. Guerfoud), comporte des éléments sur les trafiquants de voiture en Seine Saint Denis.

On peut se reporter à certains des travaux signalés sous le thème 4 qui par l'éclairage qu'ils portent sur l'économie de la *débrouille* peuvent fournir des éléments sur l'économie du recel.

#### *IV. Les territoires de l'économie informelle*

A l'initiative du Plan Urbain a été lancé en 1995 un programme « Ville & Emploi ». Plusieurs recherches (réalisées, ou encore en cours) abordent certaines dimensions de l'économie informelle, par exemple les analyses des interactions entre espace urbain et formes d'emploi (Tarrius, 1997 ; Rouleau-Berger, 1996b ; Hatzfeld *et al.*, 1996). Un bilan sur *Ville, Commerce, Economie informelle*, doit être réalisé dans ce cadre (Liane Mozère, CERFISE-Marseille).

Le livre d'A. Tarrius (1997) *Fin de siècle incertaine à Perpignan*, est l'aboutissement de deux recherches : *Jeunes sans emploi dans l'espace public de Perpignan*, pour la Délégation Interministérielle à la Ville (DIV) et le Plan Urbain et *Gitans et Marocains de Perpignan à Barcelone : économies souterraines des psychotropes*, pour le GDR - Psychotropes, politiques et société. Ces deux recherches qui croisent approche territoriale et analyses de réseaux et de communautés sont à l'intersection des thèmes 4 et 5 (voir *infra*).

L. Roulleau-Berger (1996a et b) poursuivant ses recherches sur les *cultures de l'aléatoire*, examine les rapports entre des expériences de précarités, qui vont du travail salarié au travail au noir, et la formation d'espaces intermédiaires à Marseille.

Un séminaire sur l'économie en banlieue a été organisé en 1993 par le Plan Urbain et le GRASS (Lae, Madec, Joubert, Murard, 1996).

La communication d'A. Madec souligne un processus de fracturation de l'économie en banlieue selon trois formes :

- Une forme réglée par le travail, lorsqu'au moins un des parents travaille ;
- Une forme réglée par le social, une économie de transfert réparatrice de la non inscription dans l'économie du travail ;
- Une forme réglée par la combine et la débrouille, dont le champ s'étire du travail au noir aux pratiques illicites. Elle constate une montée de ces économies illicites.

JF Laé s'est interrogé sur la spécificité d'un système économique particulier à la banlieue. Plutôt que de spécificité, il préfère parler *de figures d'adaptation aux contraintes, de figures de débrouillardises dans un labyrinthe d'empêchements et de limitations* à la citoyenneté.

Duprez *et al.* (1996c) à partir de leur recherche sur la banlieue lilloise soulignent aussi l'importance de ces systèmes de débrouillardises et de solidarités de proximité (ainsi que Duprez, 1996a et b).

Les sociétés urbaines avec leur diverses formes d'économies informelles, plus ou moins territorialisées, pourraient être prises dans une double tension, entre ce qui peut être qualifié *d'économie de l'enclave* et le développement de réseaux, commerciaux ou communautaires par exemple, par lesquels peuvent circuler hommes, marchandises et argent qui excèdent les territoires urbains. Les textes rassemblés par M. Péraldi et E. Perrin, (1996) posent la question de la confrontation de ces deux logiques et des rapports entre sociétés urbaines et réseaux productifs.

Ces questions des rapports entre formes économiques, territoires et mondes urbains ont fait l'objet de diverses publications (Tarrus, 1992 ; 1995a et b ; 1997 ; Tarrus et Peraldi, 1995 ; Peraldi *et al.* , 1995 ; Montagne-Villette, 1991 ; 1992).

Ce sont des thèmes assez proches qu'explore Y Moulrier-Boutang depuis plusieurs années. Il s'est intéressé notamment aux rapports entre la mobilité des travailleurs, les mutations des processus productifs, la place d'un sec-

teur informel et les changements de l'espace urbain (Moulier-Boutang, 1991, 1993, 1996).

### *V. Réseaux, communautés et altérités*

Ce thème recoupe des travaux déjà signalés.

A. Tarrius travaille depuis une dizaine d'années sur les questions d'économie informelle, de réseaux et de communautés. Ses premiers travaux ont porté sur l'économie souterraine des produits d'usage licite (Tarrius, 1992 et 1995b). La perméabilité des réseaux et le flou des frontières conduisent cependant assez aisément à l'économie souterraine des produits d'usage illicite (*Marocains, de Marseille à Marrakech, économies souterraines et naissance d'une communauté*<sup>5</sup>). Il y étudie notamment le dispositif commercial international souterrain à Marseille et ses réseaux. Cette dernière recherche rejoint les premiers travaux centrés sur Marseille et ses rapports avec la rive sud de la Méditerranée. A partir du quartier marseillais de Belsunce, A. Tarrius a analysé le basculement d'une économie communautaire locale vers l'économie souterraine mondiale, vers une forme proche du comptoir colonial (au sens de F. Braudel). D'un espace social favorable à l'entrée dans l'identité française ce quartier est devenu un lieu d'affirmation des initiatives de l'altérité (Tarrius, 1995a et b). L. Missaoui (1995) souligne aussi l'altérité radicale de l'économie souterraine de réseaux qui fait à partir de Belsunce de plus en plus richesse et société bien au-delà des seuls commerçants maghrébins de Marseille et permet collectivement ce que les tentatives d'intégration françaises n'ont pu réaliser.

Ces questions de réseaux, de communautés et d'altérité conduisent aux travaux sur l'entrepreneuriat ethnique et à sa contribution à l'autonomisation de certains groupes (voir par exemple Ma Mung, 1994), aux interrogations sur le rôle stratégique de l'ethnicité dans certaines mobilisations entrepreneuriales et ses rapports supposés avec l'économie souterraine.

Ces travaux nourrissent ainsi le débat sur la consistance ethnique des liens sociaux qui structurent certaines formes de l'économie informelle.

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<sup>5</sup> (Tarrius, 1997).

D. Duprez *et al.* (1996c) construisent pour rendre compte d'éventuels effets de l'origine ethnique, une variable « origine maghrébine ». Peraldi (1995, 1996) semble avoir une position plus réservée. Il souligne, à propos d'autres travaux, le risque de postures ethnologiques qui peuvent aboutir involontairement à un renforcement de la stigmatisation et des comportements d'alarmes. L'objet ethnique gagnerait ainsi en clarté et en pertinence s'il constituait une dimension des rapports sociaux susceptibles d'affecter globalement le tissu social.

De leurs divers travaux menés sur la situation marseillaise, Tarrus et Peraldi (1995) concluent à *un dispositif qui n'a rien d'ethnique, à moins de considérer l'ethnicité comme stigmaté, qui partage globalement ceux qui l'ont de ceux qui ne l'ont pas.*

Ces débats conduisent à s'interroger sur la possibilité d'élaborer des analyses de l'économie informelle prenant en compte les dimensions de territoires, de réseaux ou de communautés hors du paradigme stigmatisant. Lorsque l'économie souterraine est territorialisée (référée à des quartiers, banlieues ou cités) ou lorsqu'elle est ethnicisée (référée globalement à une ethnie) ne risque-t-elle pas de devenir une nouvelle version de la dangerosité de certaines populations ?

## *VI. L'informel de l'économie (le non-économique de l'économie informelle)*

Ce sont souvent des travaux à la frontière de l'objet initial, comme l'économie domestique (Weber, 1996) ou les vendeurs à la sauvette du métro parisien (Costes, 1994) par exemple. Ils mettent en oeuvre une démarche éclairant les versants les moins marchands de l'économie informelle laissés dans l'ombre par les approches économiques ou sociologiques (Weber, 1996 ; Sciardet, 1996). JF Laé, 1992 par exemple invite à s'intéresser aux structures d'arrangements et souligne l'importance de la sociabilité et de la culture comme parts non-économiques de l'économie.

La démarche ethnographique conduit à repenser l'économie informelle en dehors des substituts marchands et à s'intéresser aux *pratiques soustraites à l'exigence sociale de la mesure* (Weber, 1996). Elle peut ainsi utilement aider à la compréhension d'une dimension complémentaire d'une des diverses formes de l'économie informelle.

## **B. Une étude locale de l'économie informelle (Aulnay-sous-Bois)**

Cette étude pilote exploratoire a été menée dans une ville de la banlieue parisienne (Aulnay-sous-Bois) avec la collaboration de Sylvie Delaitre et Stéphanie Mollaret. L'objet de cette étude était d'éclairer par une approche au niveau local quelques formes d'économie informelle, d'avoir des exemples de son importance, de la perception des habitants et de son impact sur la vie locale.

Dans un contexte de recul de l'emploi, de précarisation et de désaffiliation, nous nous sommes intéressés aux diverses formes d'économie informelle, de bricolages économiques qui se mettent en place localement, aux multiples activités en marge qui vont principalement du travail dissimulé aux divers marchés parallèles et trafics.

Nous avons réalisé une enquête qualitative au niveau local à partir d'entretiens exploratoires auprès de quelques interlocuteurs sélectionnés.

Dans le cadre de cette étude réalisée sur un temps très court, il ne peut pas s'agir d'un travail d'analyse locale exhaustive où l'on chercherait à mettre à jour les flux, circuits et relations de l'économie informelle sur le terrain retenu. Nous proposons une première approche de quelques formes de l'économie informelle.

### *1. Aulnay : la dimension locale*

#### *1.1 Le choix du site*

Pour des raisons de commodités en raison du temps imparti pour cette étude pilote, le site choisi devait se situer dans la région parisienne où est implanté le Cesdip.

Le site retenu pour cette étude pilote est la ville d'Aulnay-sous-Bois dans le département de la Seine Saint Denis située à 20 km de Paris.

Avec une population de près de 90 000 habitants (pour une superficie de 1600 hectares), Aulnay se situe parmi les cinquante premières villes françaises. Une comparaison avec des villes de province, la placerait entre Pau et Tourcoing. Il s'agit d'une des trois premières villes du département.

Ce choix se justifie en raison notamment de la diversité de son urbanisme et de sa population ainsi que de divers éléments convergents sur le développement d'une économie parallèle.

Cette ville est assez représentative d'une ville de banlieue, ouvrière avec un habitat de petits pavillons (anciens, sur le sud) et de grands ensembles (construits relativement récemment, au nord).

Il s'agit d'une ville de la couronne périurbaine parisienne avec une liaison par le RER sur la ligne de Roissy-CDG. Située à moins de 5 km de l'aéroport de Roissy, elle constitue une sorte de frontière extrême du pôle urbain parisien. Au nord c'est la fin du tissu urbain, zones industrielles, centres commerciaux ou parcs séparent la ville des pistes de Roissy. Au sud un tissu urbain continu conduit jusqu'aux portes de Paris

Des recherches antérieures sur le site d'Aulnay soulignent le développement de certaines formes d'économie informelle.

Les quartiers au nord de la ville d'Aulnay ont suscité l'intérêt de chercheurs qui ont observé le développement d'une économie souterraine de la drogue et plus globalement de systèmes d'économie parallèle faits de trafics licites et illicites qui ont été qualifiés *d'économie des temps de guerre* (Schiray, 1994 ; Royer-Vallat, 1994).

Plus particulièrement, deux quartiers situés au nord d'Aulnay (La Rose des Vents et Emmaüs) figurent parmi un ensemble de quartiers (un millier en France) suivis par la Cellule Ville et Banlieue des Renseignements Généraux (ministère de l'intérieur). Ces deux quartiers sont considérés comme marqués par le développement de trafics divers (recel, drogue notamment) avec des retombées financières pour des habitants coopérants. Soixante et un quartiers seraient dans ce cas en France, dont cinq en Seine Saint Denis. (annexe 1.2, Tab. 5)

## *1.2 Le poids de la situation locale*

### *1.2.1 Le cadre urbain : Aulnay ce sont deux villes*

Tout nouveau visiteur arrivant à Aulnay est frappé par le contraste entre deux zones, l'Aulnay des pavillons qui occupe la plus grande partie de la superficie résidentielle de la ville, au sud et au centre et les cités du nord, marquées par une densité urbaine très forte (un tiers de la population d'Aulnay vit là sur 5% du territoire).

Fruit de son histoire, ce clivage des habitats (au sud plus de 70% des habitants sont propriétaires de leur pavillon, au nord neuf habitants sur dix sont locataires d'un HLM) traduit une barrière physique et sociologique qui sépare deux villes.

Urbanisée au sud et au centre sur un mode d'habitat pavillonnaire depuis la fin du XIX<sup>ème</sup>, Aulnay reste en partie rurale, avec des terres agricoles



au nord, jusqu'au début des années 1960. Aulnay compte alors 47 000 habitants. L'expansion économique (en particulier le boom automobile), des besoins en logements et des spéculations sur le rapprochement entre emplois et habitats ont raison à la fin des années 1960 de ces dernières terres agricoles. A cette époque les grands ensembles du nord (Rose des vents, Etangs, Merisiers...) sortent de terre, les autoroutes déchirent le paysage, zones industrielles et grands centres commerciaux se multiplient.

Au sein des quartiers nord, La Rose des vents (communément appelé les 3000) est un bon exemple de ce deuxième Aulnay, hors d'Aulnay. C'est un ensemble de tours et barres assez laides. Une barre appelée le Galion marque l'entrée dans le quartier et abrite une galerie commerciale qui a périclité. Derrière, il y a 3381 logements, plus de 15 000 habitants. C'est une population de plus en plus étrangère (essentiellement africaine et maghrébine) et souvent très pauvre ; un tiers des bénéficiaires du revenu minimum (Rmi) d'Aulnay habitent ce quartier. La décision de construire ce quartier date de 1969, les logements sont livrés en 1972. Tout à côté, a été édifié un quartier de petits pavillons en copropriété horizontale occupés par des couches populaires en ascension sociale qui ont vu leur patrimoine fondre. Avec la crise du milieu des années 70, les emplois prévus n'arrivent pas et vingt ans plus tard ils ne sont toujours pas là. Dès 1977, les 3000 font l'objet du premier effort de réhabilitation dans le cadre des opérations Vie-sociale, depuis cette cité est l'objet de toutes les opérations.

Bordé par les usines Citroën, les autres zones industrielles et un parc, coupé du reste de la ville par une voie rapide, une barrière physique sépare ce quartier du reste de la ville. L'ouverture récente des équipements publics (poste, mairie annexe ...) ont refermé un peu plus le quartier sur lui même.

Tous les indicateurs démo-socio-économiques ou pénaux confirment cette coupure entre le nord et le sud de la ville (annexe 1.2, Tab. : 6).

### **Population**

La population aulnaysienne est jeune (près d'un habitant sur trois a moins de 20 ans), fortement renouvelée (entre les deux derniers recensements 1982 et 1990, près de 40% de la population a changé) et en accroissement (de l'ordre de 1% par an).

Parmi ces néo-aulnaysiens, nombreux sont les étrangers. La population de nationalité étrangère (un habitant d'Aulnay sur cinq), a augmenté de 45 % entre 1975 et 1990. Au nord, la population est encore plus jeune (la moitié de la population a moins de 20 ans) et plus étrangère (près d'un résident sur deux). Huit étrangers sur dix résident dans ce secteur.

### **Vie économique**

Près de deux-tiers (64%) des habitants d'Aulnay travaillent hors de leur commune de résidence.

Plus de trois mille entreprises sont présentes sur la commune, certaines très grandes (Citroën, L'Oréal). On compte un peu plus de 5 600 demandeurs d'emploi (dont plus de 800 ont moins de 25 ans), en augmentation d'un tiers en 5 ans. Le taux de chômage (11,5 %) est légèrement supérieur (de près d'un point) à la moyenne nationale. Les caractéristiques de la population d'Aulnay, jeune et peu qualifiée, amplifie les traits généraux de la situation de l'emploi en France : un stock de chômeurs de longue durée qui s'allonge, un nombre important de jeunes et des allers-retours répétés entre emplois précaires et chômage (les fins de contrats à durée déterminée représentent près de 40% des motifs d'inscription à l'ANPE (agence nationale pour l'emploi), et 1700 personnes ont eu un contrat de travail dans l'année souvent pour des périodes très courtes).

Ce taux de chômage, somme toute pas plus catastrophique qu'en bien des villes, connaît des variations spectaculaires d'un quartier à l'autre. Il tombe à 6,5% au centre et au sud et monte jusqu'à 21% à la *Rose des vents*. Un tiers des chômeurs d'Aulnay réside au nord.

Pour compléter ces quelques données, ajoutons qu'Aulnay compte 2100 bénéficiaires du RMI (revenu minimum) dont la moitié réside dans les cités des quartiers nord.

### **Indicateurs Pénaux**

La délinquance enregistrée par les services de Police, (un taux de 83 pour 1000 habitants) situe la ville d'Aulnay au dessus de la moyenne française, plutôt assez proche de la moyenne du département et à un niveau bien inférieur à celui de Paris. Les quartiers nord connaissent aussi sur ce point un taux plus élevés (112) mais qui reste bien inférieur à celui de Paris. (annexe 1.2, Tab. : 1 et 2).

*1.2.2 Une action publique fortement concentrée sur les quartiers nord, un refus de la logique des deux villes.*

### **Les actions de la politique de la ville : GPU et PIC-Urban**

Les quartiers nord d'Aulnay sont de toutes les opérations menées depuis de nombreuses années. Aujourd'hui ils bénéficient du double label GPU et PIC-Urban. Seuls trois quartiers en France sont dans ce cas (avec Montfermeil et Roubaix).

*GPU* (Grand Projet Urbain). Il s'agit d'un label créé en 1993, il y en a douze en France. C'est une garantie de crédit d'Etat pour des actions sur le long terme (15 ans) ainsi qu'une des premières mises en oeuvre d'une manifestation d'une politique de discrimination positive.

*PIC-Urban*. Il s'agit du Programme d'Initiative Communautaire de L'Union Européenne qui assure le financement d'actions d'insertion. Huit sites français bénéficient de ce programme. Pour Aulnay, il s'agit d'un crédit de 9 millions d'Euro.

### **Le GLTD (Groupe local de traitement de la délinquance)**

C'est une structure de courte durée sur un site limité où se posent des problèmes importants d'insécurité et d'incivilité. Il s'agit d'une structure en partenariat Parquet, Police avec les acteurs institutionnels les plus concernés sur le site (Mairie, bailleurs, Education nationale). Elle a été mise en place à l'initiative du Procureur de Bobigny pour la première fois en France sur la cité de la *Rose des Vents* entre décembre 1993 et mai 1994 alors que ce quartier connaissait de gros problèmes. Il s'agit notamment d'un renforcement de l'action policière et d'une poursuite systématique des auteurs par la Justice. Depuis le principe de cette structure assurant des moyens renforcés pendant un temps limité sur un quartier particulier a été répliqué sur d'autres lieux en France. Au moment où cette enquête a été réalisée, il y en avait un sur un secteur de la commune limitrophe de Sevran.

#### *1.2.3 Le cadre périurbain*

La dimension locale de la ville tient aussi à quelques caractéristiques de son environnement proche qui dépasse les strictes limites de la commune dont nous pouvons donner deux exemples.

Ville de la couronne périurbaine parisienne, Aulnay est situé sur un axe économique, Paris-Roissy, relativement dynamique. Le bassin d'activités qui environne la ville est plutôt favorable à l'emploi.

Ville de Seine Saint Denis, Aulnay n'échappe pas à certaines caractéristiques de ce département. La Seine Saint Denis fonctionne un peu comme le département " déversoir des populations d'Île de France ". Ce département reçoit au fil des ans les populations chassées de Paris par la rénovation urbaine ainsi que beaucoup de nouveaux arrivants (notamment étrangers attirés par le dynamisme de la région parisienne). Au cours de la campagne de régularisation des étrangers en situation irrégulière, près de 40%

des demandes de régularisation de l'Ile-de-france viennent de personnes habitant ce département.

Ces spécificités, sur lesquelles il nous a semblé pertinent de nous arrêter un peu, pèsent sur la dimension locale des phénomènes d'économie informelle étudiée et permettent d'en mieux comprendre les manifestations relevées.

## *II. Dispositif de recherche et problèmes de méthode*

Dans le cadre de cette étude pilote, il ne pouvait s'agir que d'une première approche de quelques formes de l'économie informelle dont il ne nous a pas semblé pertinent de circonscrire dès l'abord le contenu.

La démarche utilisée a consisté d'abord à tenter de repérer et de collecter quelques signes visibles et ensuite à réaliser une enquête qualitative exploratoire fondée sur l'observation et les entretiens. L'enquête a été réalisée en juillet et septembre 1997.

### *2.1 Les signes visibles*

Ils ont émergé progressivement au cours de l'enquête.

La première mesure du phénomène peut être approchée par les petites annonces chez les commerçants ou dans les journaux distribués gratuitement. Il existe une antenne locale d'un de ces journaux à Aulnay.

Nous avons procédé aussi à une brève revue de la presse locale (*Le Parisien libéré*) pour apprécier la visibilité des phénomènes d'économie informelle ainsi que les formes transcrites publiquement.

Enfin, certains signes visibles émergent à l'observation, comme la réparation automobile sur les parkings.

### *2.2 Les observations*

Nous avons procédé à quelques observations sur des lieux susceptibles d'approcher notre objet d'enquête.

Ces observations (marché, mécanique automobile) ont été avouées et désengagées. Nous étions identifiés comme chercheurs par les personnes observés et sommes restés en-dehors de la situation étudiée.

Vu le thème de la recherche qui pouvait susciter beaucoup de réticences de la part des personnes impliquées dans les situations observées, nous avons présenté le sujet de manière assez vague de façon à ce que notre présence altère le moins possible le comportements des acteurs. Par exemple : *les coups de main sur les marchés, les jeunes et la passion pour l'automobile*.

Ce travail est très consommateur en temps. C'est souvent un facteur essentiel : c'est lorsqu'une relation plus ou moins amicale se noue que des observations, jugées d'abord comme une réelle perte de temps, s'avèrent au bout du compte très utiles et que des personnes habituées à notre présence ont répondu plus facilement aux questions.

Compte tenu du temps imparti pour cette étude, nous sommes donc bien conscients des limites des observations.

### 2.3 Les entretiens

Nous avons pratiqué un certain nombre d'entretiens avec des personnes supposées avoir une bonne connaissance du milieu. Il ne s'agit bien évidemment pas de personnes rencontrées au hasard, ni d'un échantillon représentatif à un titre quelconque ; mais d'un ensemble de personnes que nous avons souhaité les plus diverses possibles au sens de notre objet d'enquête.

#### 2.3.1 Les interlocuteurs

La pertinence de ces personnes dépend largement du mode d'entrée sur le terrain. Ici encore le temps limité imparti à cette étude exploratoire nous a conduit à privilégier des modes d'entrée pouvant nous faire économiser un temps précieux.

#### Modes d'entrée

La liste des interlocuteurs a été progressivement élaborée à partir de trois canaux.

- Acteurs publics de la politique de la ville.
- Acteurs de la protection judiciaire de la jeunesse.

- Policier, chargé du recueil d'informations et non acteur de la répression.

Ces premiers interlocuteurs proches du terrain et ayant une bonne connaissance du milieu nous ont permis de faire une première approche du terrain et de dresser un premier réseau de contacts.

Le croisement de ces réseaux et le recoupement des informations obtenues nous a permis de dresser une première liste d'interlocuteurs possibles et de prendre les premiers contacts. Les interlocuteurs ainsi repérés se situent essentiellement dans le milieu associatif et éducatif. Ensuite, la coopération entre acteurs, la boule de neige, a permis, tout en validant ce premier repérage de l'élargir notamment à des habitants.

Parallèlement, des observations au cours de stationnement sur des points-clés (point d'information jeunesse -le Phare-, salle de danse situés dans le Galion) nous ont permis de compléter le panel des interlocuteurs.

### **Un recueil de données d'origine et de nature diverses**

Compte tenu de la forte structuration nord / sud de la ville, nous nous sommes efforcés, dans le choix de nos interlocuteurs, de ne pas nous focaliser sur les seuls quartiers nord. Cela s'est cependant révélé assez difficile à cause de l'inégale implication des acteurs publics ou associatifs sur la ville. Nous étions souvent orientés par ceux-ci vers le nord.

Finalement, plus de cinquante entretiens de qualité et d'intensité inégales ont été réalisés (voir la liste des interlocuteurs en annexe 1.1).

Types d'interlocuteur (n=56)

- Acteurs du contrôle (n=9)
- Acteurs spécialisés (non - habitants) (n=8)
- Acteurs et habitants (n=27)
- Jeunes (n=12)

### *2.3.2 Les interviews*

#### **Du questionnaire à l'entretien guidé**

Une grille d'entretien sous forme d'un questionnaire avait été construite initialement. Elle était organisée autour des thèmes suivants : l'entraide et le troc, le travail non déclaré et les petits boulots au noir, les marchés parallèles et les trafics. Pour chacun des thèmes, il s'agissait de distinguer les connaissances directes ou indirectes des pratiques personnelles.

Assez rapidement, cette grille d'entretien s'est avérée inutilisable. Le questionnaire imposant une structuration complète du champ proposé à

l'enquête (il ne pouvait répondre qu'aux questions posées) s'est avéré contre-productif en bloquant certains interviewés.

Nous l'avons assez rapidement abandonnée au profit d'entretiens guidés, focalisés sur quelques thèmes, après une consigne d'entrée assez générale. Une des consignes assez souvent utilisées a été la suivante :

Aujourd'hui les jeunes sont souvent dans la galère pour trouver du travail, on s'intéresse à toutes les formes d'activités qu'ils peuvent avoir pour s'en sortir: entraides, coup de main occasionnel payé de la main à la main, petits boulots au noir, trafics, business ...

La prise de note s'est aussi avérée quelquefois être un handicap avec certaines des personnes interrogées. Les langues se déliaient une fois l'entretien terminé. Ces notes *mentales* ont été retranscrites ensuite.

### **Les thèmes**

Les entretiens ont été organisés autour de quelques thèmes adaptés en fonction des interlocuteurs permettant de mieux cerner divers modes *informels* de production et d'échange de ressources.

Les différents thèmes abordés au cours des entretiens ont pu porter sur la visibilité des phénomènes, les types et variétés d'activités et de produits, les revenus et prix, le temps (fréquence, régularité, durée...) et l'espace (lieux, réseaux, degré d'organisation...). A la fin nous avons cherché à recueillir quelques éléments d'appréciation générale sur les conséquences pour le quartier (violence, insécurité/sécurité, exclusion/insertion...) et sur les motivations.

### **Quelques aspects de l'économie informelle à Aulnay**

Une première approche a consisté à tenter de repérer des signes visibles. Une connaissance plus spécifique est fournie par des acteurs du contrôle.

Enfin, nous avons recueilli quelques données sur l'économie informelle vue du côté des acteurs locaux et des habitants.

## **III. Les signes visibles**

Nous avons dû d'abord nous méfier des phénomènes de réputation et ne pas les prendre pour des signes. Dans une ville comme Aulnay où ceux du sud ne vont jamais au nord, les réputation sont fortes, "*les quartiers nord*

*sont des lieux de tous les trafics*". Dès nos premiers contacts nous avons été confrontés à ces rumeurs interprétées comme signes de trafics - "*Compte tenu de ce que l'on peut savoir des revenus des jeunes, ils sont trop bien habillés*" -.

Lors de la préparation des deux recherches pilotes (en Allemagne et en France), nous avons pensé à quelques signes pouvant traduire des formes d'économie informelles. Ils se sont montrés d'intérêt variable.

### *3.1 Les petites annonces et les journaux gratuits*

C'est une première mesure du phénomène mais elle est très vague et n'a rien de spécifique.

A Aulnay comme un peu partout les commerçants sont des vecteurs d'offres de services. On y trouve beaucoup de petites annonces proposant des ventes d'objets ou des offres de services, tels que leçons, garde d'enfants, travaux à domicile. Il ne s'agit là souvent que d'échange de proximité dont on mesure très mal l'ampleur.

Un autre support est fourni par la distribution de journaux gratuits dédiés aux petites annonces. On y trouve à peu près les mêmes types d'offres de services. Cependant la lecture répétée de ces journaux montrent des "annonceurs d'habitudes", ce qui laisse supposer un degré un peu plus organisé et une plus grande importance de ce mode d'échange dans leurs activités. La difficulté est que ces journaux ont une diffusion départementale, on ne peut donc pas connaître la part de ces activités qui concernent les aulnaysiens. Il existe bien une antenne locale de ce journal à Aulnay, mais contact pris il n'a pas été possible d'accéder aux fichiers des annonceurs.

### *3.2 L'observation de l'espace public*

Certains signes émergent lors d'une simple promenade. La présence répétée de carcasses de véhicules et de groupes affairés à les réparer pourra s'interpréter comme un indice d'activités visibles mais dissimulées au fisc.

### *3.3 La transcription des phénomènes d'économie informelle dans la presse local.*

Nous nous sommes interrogés sur la visibilité des phénomènes d'économie informelle à travers la presse et avons estimé qu'une première appro-



che, certes grossière, pourrait être donnée par une revue des articles de la presse locale (*Le Parisien libéré*) traitant d'Aulnay. Un balayage des articles sur les deux dernières années ne nous a apporté que très peu d'informations mais donne néanmoins un premier aperçu.

Les articles trouvés traitent massivement de formes liées à des faits divers ou des problèmes de sécurité. Ils renvoient assez généralement aux cités difficiles des quartiers nord de la ville

En dehors de ces aspects se rapportant à des faits de délinquance au sens strict, nous n'avons trouvé que très peu d'articles relatant des faits en rapport avec une des formes de l'économie informelle.

Signes visibles à travers des articles de presse :

- L'article le plus récent date de janvier 1997. Il relate un vol de coupons de transports par des jeunes de la cité des "3000" pour une valeur de plus de 800 000 F. Une partie a été récupéré deux mois plus tard avec une saisie de 100g d'héroïne au domicile de l'un des auteurs.
- Un article antérieur mentionne le refus de plusieurs grandes surfaces d'ameublement et d'électroménager d'effectuer des livraisons dans certaines cités d'Aulnay, les camions étant pillés ou volés.
- Un article d'octobre 1995 raconte la découverte au foyer des résidents étrangers des "3000" d'une "caverne d'Ali Baba" recelant du matériel hifi-vidéo volé ainsi que des contrefaçons de produits de luxe et vêtements servant à alimenter les business de la cité de la *Rose des vents*.
- Deux articles sont relatifs à l'arrestation de trafiquants de drogue. L'un relate une affaire relative à la saisie en octobre 1996 de 5 Kg d'héroïne pure dans un appartement d'un résident turc de la cité des "3000" à l'occasion d'une enquête sur un trafic international, pour une valeur estimée en bout de course à plus de 20 millions de francs. L'autre mentionne l'arrestation d'un dealer local et la saisie de 250 g d'héroïne. Son commerce lui rapportait entre 20 000 et 30 000 F par mois.

Cette revue rapide qui ne donne qu'une transcription relativement pauvre des phénomènes, cinq articles en deux ans et demi, offre néanmoins une première image des formes de trafics (drogue, matériel hi-fi, vêtements, tombées de camions ...) et de leurs dimensions locales, les cités des quartiers nord.

## IV. L'économie informelle vue du côté des acteurs du contrôle

De nombreuses administrations participent au contrôle de l'économie informelle ou ont simplement connaissances de certains de ses aspects : les services de police et de gendarmerie, l'inspection du travail, les services fiscaux et les Urssaf, les services des douanes, les services sanitaires et sociaux...

Chacun contrôle sous des prismes spécifiques : les activités délinquantes (les services de police), les rapports entre employeurs et salariés (l'inspection du travail), le non paiement des contributions fiscales (les services fiscaux), la consommation de produits illicites (les services sanitaires et sociaux), la contrefaçon (la douane)...

En raison du temps disponible pour cette étude, nous nous sommes limités à deux administrations dont il nous semble intéressant de croiser le regard : les services de police dont le regard porte plus spécifiquement sur les questions en relation avec les formes d'atteintes à l'ordre public et l'inspection du travail pour la connaissance que peut avoir cette administration des formes de travail illégal.

### 4. 1 *L'économie informelle vue du côté des policiers*

- *L'équipement :*

Le département de la Seine Saint Denis comprend 4 districts policiers et 26 circonscriptions de sécurité publique. Aulnay est le siège de l'un des 4 districts, la circonscription d'Aulnay couvre deux communes, Sevran et Aulnay.

Le commissariat central est situé au centre ville. Une antenne de police est installée dans les quartiers nord à Aulnay 3000. Elle comprend une équipe de 19 ilotiers qui patrouillent sur les 7 secteurs d'Aulnay (5 pour les quartiers nord et deux pour le sud). Les gradés sont basés au commissariat du centre.

Cette antenne des "3000" abrite aussi une brigade des mineurs compétente pour le district.

La ville est le siège d'une brigade de Gendarmerie (6 personnes) plutôt spécialisée sur la plateforme du transport routier de Garonor.

Un service de Police municipale rassemble 50 policiers dont 3 maîtres-chien.

Enfin la ville confie parfois des tâches de sécurisation de parkings ou d'autobus à des jeunes issus des quartiers nord rassemblés dans une association "Sécurité-prévention-insertion".

- *L'économie informelle d'après les statistiques de police*

La délinquance enregistrée par les services de police pour la ville d'Aulnay est en diminution à l'exception de faits de destructions de biens qui sont en forte croissance.

Les statistiques policières ne rendent pas particulièrement compte de manifestation d'économie illégale mis à part un nombre relativement important d'infractions à la législation sur les stupéfiants. (Annex1.2, Tab. 3 et 4). D'après ces statistiques, la ville d'Aulnay occupe une des premières places des villes du département pour les infractions à la législation sur les stupéfiants

Du point de vue des interpellations pour trafic et usage de stupéfiants (2824 en 1996), le département de Seine Saint Denis se situe lui même parmi les tout premiers départements français (après le Nord et Paris, au même niveau que Marseille et un autre département limitrophe de Paris, les Hauts de Seine). La plus grande partie des interpellations dans le département (2192 sur 2824), comme dans la circonscription d'Aulnay (162 sur 188), a eu lieu pour usage simple. Les interpellations pour trafic concernent essentiellement un trafic local (349 en Seine Saint Denis en 1996) dont la moitié pour héroïne. Le trafic de cannabis a conduit à 143 interpellations sur le département pour une saisie de 180 kg de produits. Les saisies de cannabis effectuées à Aulnay proprement dit (une cinquantaine de kilos) représentent entre un quart et un tiers des saisies du département.

### **Les entretiens**

Plusieurs entretiens ont été réalisés avec des interlocuteurs policiers (n=5) de statuts divers : policiers de terrain ou spécialisés (stupéfiants, mineurs) ; encadrement et hiérarchie.

Dans la perspective policière, la question de l'économie informelle renvoie aux problèmes liés aux trafics de stupéfiants et aux rapports entretenus par cette économie avec d'autres formes de délinquances (vols, cambriolages, recel, dégradation de véhicules...) comme l'activité de réparation automobile sur les parkings et les divers trafics des jeunes.

### 4.1.1 Les trafics liés au commerce de produits illicites

- *Les produits*

Ces trafics sont circonscrits autour de deux produits, la résine de cannabis et l'héroïne. D'autres formes comme l'ecstasy et tout ce qui tourne autour des "raves" sont réputées ne pas concerner la population aulnaysienne et d'autres produits comme la cocaïne être trop chers.

Les raves on en a eu 2 ou 3 dans la zone industrielle. Lors d'une d'entre elles dans la zone industrielle, on a fait 6000 pillules d'ecstasy. Mais ce n'était pas pour des aulnaysiens.

- *Les marchés*

Les entretiens avec les interlocuteurs policiers montrent la coexistence de deux marchés différents : un marché de masse, celui de la résine de cannabis et un marché limité volontiers présenté comme quasi résiduel, celui de l'héroïne.

Si ceux-ci sont différents ils ne sont pas complètement distincts. Les éléments recueillis auprès de nos interlocuteurs ne montrent pas d'interpénétration forte de ces deux marchés. Cependant, des glissements éventuels de l'un à l'autre sont possibles mais ils ne se font pas entre les consommateurs, ils ont lieu plutôt éventuellement entre des acteurs du marché comme les revendeurs. Par exemple, certains revendeurs d'héroïne ont débuté leur carrière dans l'autre produit.

- ◆ *Un marché de masse : la résine de cannabis (le shit).*

Comme cela a déjà été observé ailleurs (D.Duprez, 1996 ; M. Schiray, 1994), il s'agit d'un produit à la consommation banalisée et très généralisée avec une forte composition générationnelle.

Cette analyse de la situation, si elle s'exprime dans des formes différentes suivant les policiers se confirme chez tous.

*Le marché de la drogue au 3000 a changé. Le shit s'est complètement banalisé. On ferait mieux de le vendre en bar-tabac ... On a 12000 jeunes de moins de 20 ans (sur les quartiers nord), Si j'enlève la moitié qui a moins de 13 ans, j'ai bien 5000 usagers de cannabis.*

Un responsable de l'encadrement exprimera la même idée sur un mode différent :

C'est quasiment tous les jeunes ; qui n'a pas son morceau de shit ? Si on veut faire du shit c'est facile ... Quand je remue ma BAC (brigade anti-

criminalité) en leur disant : vous ne faites pas de chiffres. Ils font du shit, c'est facile, on prend un jeune, on lui retourne les poches et le shit tombe.

- ◆ *Le marché de l'héroïne* est volontiers présenté comme quasiment résiduel.

Il s'agit à la fois d'un produit beaucoup moins généralisé dont la consommation serait en baisse et d'une population de consommateurs vieillissante, durement éprouvée au fil du temps par les overdoses et le sida. Un policier nous indiquera qu'il y avait pratiquement un décès par overdose chaque semaine durant les années 1990-1991 (42 en 1991) et constate qu'il ne fait plus aujourd'hui d'enquêtes pour décès par overdose. Cette régression de la consommation de l'héroïne semble se confirmer aussi au niveau de l'ensemble du département.

Les seuls toxicos sont des vieux. On n'a plus aucun jeune de moins de 20 ans qui se pique.

La population a beaucoup changé depuis quelques années, il y a eu beaucoup de morts.

Si les consommateurs ne semblent plus être une préoccupation policière dominante en tant qu'usagers, il reste pour eux la question des délinquances associées et des trafics avec les retombées financières pour les quartiers.

- *La délinquance associée*

Dans une perspective policière d'ordre public, le trouble le plus grave reste la question des cambriolages ou des vols avec violence généralement attribués aux toxicomanes car source principale de revenu pour eux. Ici encore une fois, la distinction avec le haschich est nette car d'un point de vue policier, le *shit*, à la différence de l'héroïne, n'entraîne pas de délinquances de voie publique. La baisse concomitante depuis quelques temps des plaintes pour cambriolages et de la consommation d'héroïne, conforte l'association qui est faite.

Ce qu'exprime un policier de terrain de façon plus directe:

La baisse des plaintes pour vols, elle est due à la baisse du nombre de toxicomanes ; en fait, il y a très peu de jeunes non toxicos qui commettent des cambriolages.

Le problème avec les toxicos, ce sont les cambriolages. Le tox il cambriole même les copains. Le taux de cambriolage au 3000 est 3 fois supérieur à celui d'Aulnay sud. Ils cambriolent là où ils sont. On n'a pratiquement aucun cambriolage des quartiers sud par des jeunes des quartiers nord. Il y a un esprit cité mais pas de respect pour la cité.

- *Les trafiquants et les retombées financières supposées au niveau local.*

La plupart de nos interlocuteurs estiment qu'il ne faut pas en exagérer l'ampleur. S' il y a des dealers qui gagnent bien leur vie, ils sont loin de faire vivre la cité. Le phénomène se limite à quelques familles :

On n'a pas plus d'une vingtaine de familles qui bénéficient sérieusement de la vente de produits illicites.

◆ *Héroïne*

Si l'on met à part une opération assez exceptionnelle concernant *un gros bonnet* résidant des "3000" et qui a porté sur une saisie de 5 Kg à l'occasion d'un trafic international Belgique - France, et qui n'étaient pas destinés au marché local, la moyenne des prises se situe autour de 200 à 300 g. La moyenne du total des saisies annuelles est de l'ordre du Kilogramme. Il s'agit alors de produits destinés à être écoulés localement. Ces semi-grossistes, au niveau 100 à 300g, gagnent bien leur vie. Ce n'est pas le cas de ceux qui sont en dessous ; pour ceux-ci, derniers maillons de la chaîne, c'est de l'ordre de la survie. Les semi grossistes sont souvent très discrets, ils ne correspondent pas au stéréotype du dealer, flambeur avec téléphone portable et BMW décapotable. Dans le cas d'une affaire de 300g en 1996, c'était tout le contraire du flambeur : un garçon de 25 ans habitant chez ses parents, inconnu des services de police, se déplaçant en Renault Clio avec un train de vie modeste mais dont les comptes bancaires se sont révélés bien garnis,.

◆ *Le shit* (résine de cannabis)

Pour la résine de cannabis, les saisies sont de l'ordre d'une cinquantaine de kilos par an, ce qui ne représente que 1 ou 2% de la consommation d'après un de nos interlocuteurs. Un bref calcul laisse alors supposer une consommation se situant entre 2,5 et 5 tonnes et donc un sérieux chiffre d'affaires!

Sur ce marché aussi les retombées sont diverses. Le petit revendeur ne gagne pas grand chose, mais ses gains contribuent un peu à une économie familiale précaire. Il faut être au moins au niveau de quelques kilos avec des marges de 50% pour réinvestir sérieusement. Il peut s'agir alors d'importation directe depuis les zones de production pour approvisionner le marché local.

Les jeunes se sont recyclés dans le shit ; à tous les niveaux le kg, la savonnette (250g) et la barette.

Le chiffre d'affaires du shit c'est fabuleux. C'est peut-être plusieurs milliers de barrettes par jour, avec la clientèle extérieure.

Les petits, ils utilisent l'argent pour la nourriture, le loyer, acheter une voiture. Ils flambent un peu. Au niveau supérieur ils ouvrent un restaurant, justifient les revenus par la vente de voitures...ou montent une affaire de machine à sous pour blanchir les profits (comme le montre une affaire à Aulnay, il y a quelque temps).

- *Le contrôle sur l'économie des produits illicites.*

La plupart de nos interlocuteurs estiment que leur action est difficile car il ne faudrait pas seulement courir après les saisies de produits mais pouvoir passer à l'étude des revenus, confronter les trains de vie et les ressources, savoir comment est financé l'achat de commerces et poursuivre le recel d'argent provenant des stupéfiants. Ils inclinent à une stratégie sélective, plutôt les réseaux que les consommateurs et cela quel que soit le produit.

#### 4.1.2 *Les autres trafics*

- *Automobile*

C'est une des formes les plus visibles puisqu'elle se déroule sur les parkings aux pieds des immeubles dans les cités.

La cité de la Rose des Vents comportait plusieurs parkings souterrains, dont certains très grands, l'un d'entre eux comportant 8 demi niveaux. Lorsqu'ils ont été fermés il y a 3 ans, on a dénombré alors 75 ateliers clandestins où des gens travaillaient contre une rémunération. Un gros atelier a été démantelé à cette occasion, deux frères réputés excellents mécaniciens tenaient dans le plus grand de ces parkings souterrains en même temps que leur atelier de réparation un marché clandestin de voitures volées (8 voitures ont été récupérées).

Aujourd'hui beaucoup de parkings extérieurs aux pieds des immeubles sont des lieux de réparation mécanique.

D'un point de vue policier l'interrogation porte sur l'ampleur du lien de cette activité avec les vols d'automobiles ou de pièces sur des véhicules en stationnement. Ils estiment cependant que ceux qui sont en relation avec un réseau de pièces ou de voitures volées sont minoritaires. Ils constatent une baisse sérieuse depuis trois ans des plaintes pour vols (548 en 1996) : alors qu'elles ont culminé à une trentaine par semaine, elles sont tombées à 2 en moyenne depuis le début de l'année 1997. Par contre, il y a une explosion des plaintes pour dégradation de véhicules.

## Tolérance

Cette économie automobile, si elle ne porte que sur du travail dissimulé, ne pose pas de problèmes d'ordre public aux policiers. Elle fait donc l'objet d'une large tolérance, d'autant qu'ils peuvent y puiser des informations utiles. Cette attitude, au-delà de cette simple utilité policière, résulte aussi d'une large compréhension pour l'état du marché du travail et les faibles perspectives d'emploi légal.

Nous on tolère, c'est une source de revenus pour la cité, un moyen de laisser un peu de vapeur s'échapper. On ne fait pas de procédures car de toutes façons elles n'iraient pas bien loin. Au niveau de la cité ça nous permet aussi de mieux cerner ce qui s'y passe. Il y a automatiquement des retours de tuyaux. Il n'y a plus d'indics mais on a des gens qui donnent des infos.

Un emploi de manutentionnaire s'il ne travaille pas la nuit ni toute la journée, ça ne rapporte pas beaucoup d'argent. Alors que s'il fait de la mécanique sur le parking ça lui rapporte entre 3000 et 4000 frs et il est maître de son temps.

Un gars qui bosse sur le parking à faire de la réparation, il peut se faire 500 à 600 F/jour. Il ne peut pas gagner ça comme salarié dans un garage.

- *Le business des jeunes et les trafics divers*

Le 'business' des jeunes, pour les interlocuteurs policiers c'est ce qui caractérise les cités. Très peu organisé, il repose sur des réseaux de connaissances et ne se pratique pas en vente en porte à porte. Il concerne des produits en vogue ou recherchés qui peuvent être écoulés facilement (vêtements, matériel hifi ...). Les acheteurs ne se préoccupent pas de l'origine des objets, la notion de recel reste généralement inconnue.

Le foyer de résidence des travailleurs migrants qui se trouve sur le quartier est identifié comme un des lieux de revente et de recel. Celui situé au 3000, par exemple, possède 300 chambres. Les locataires séjournent en moyenne 12 à 18 mois et ont généralement besoin de s'équiper en télévision, matériel hi-fi. C'est un nombre de clients potentiels important pour divers trafics. Divers services y sont aussi proposés : prostitution (50f), cuisine, boucherie, coiffure ...

- *Le commerce de pitbulls, un trafic en pleine expansion*

Réputés très agressifs, ces chiens qui font partie de la panoplie des jeunes des cités se répandent assez rapidement en dehors de ces cités. Ils sont un moyen de gain important par l'élevage (une portée peut rapporter 24 000 F) ou même par des combats clandestins. Ils peuvent aussi devenir une arme redoutable pour des vols.



Y en a partout, on en voit même au centre ville.

Dans 7-8 mois, il y en aura en pagaille. Il y a une personne qui a actuellement 11 chiots. Les mâles, c'est 3500 f, les femelles 4000 f, c'est rentable !

On a contrôlé des gens de l'extérieur qui venaient pour la reproduction ou pour des combats.

- *Le marché.*

Un marché se tient 3 fois par semaine dans la galerie du Galion. Le dimanche, il est extrêmement fréquenté, sa zone de chalandise s'étendant sur plusieurs départements. Pour les interlocuteurs policiers c'est aussi un jour particulièrement propice aux divers trafics, vendeurs à la sauvette (*en liaison avec l'immigration clandestine*), contrefaçon (*Je fais appel aux douaniers de garonar ; je suis très bien avec eux ; c'est mieux de frapper la porte-monnaie, de confisquer, que de faire des P.V.*); commerçants non inscrits au registre du commerce (*le vendeur de l. de la rue s.*). C'est aussi un dimanche de cet été qu'a été tué d'un coup de couteau un vendeur de légumes (butin de 100 000F).

C'est plus particulièrement le dimanche que des jeunes donnent des coups de main pour décharger et assurer la sécurité :

*Ils peuvent se faire entre 100 et 250 f... c'est un travail qui peut être lié aussi à la délinquance, car si les commerçants ne les prenaient pas, ils ne pourraient pas vendre, sauf les gitans. Eux, il ne faut pas les embêter*

Sur le marché, il y a aussi le placier (accompagné d'un garde du corps avec un chien) soupçonné d'être lui aussi dans l'économie souterraine (de percevoir de façon variable).

Enfin il y a des trafics divers d'activités dissimulées (taxis clandestins, confection en appartement) dont les policiers connaissent l'existence mais qui ne constituent pas pour eux des objets de préoccupation particulière dans la mesure où ce ne sont pas des atteintes à leur conception de l'ordre public.

## 4.2 L'économie informelle vue du côté de l'inspection du travail

Il s'agit non des formes d'économie informelle en rapport avec une délinquance de voie publique, mais de celles en relation avec le travail illégal dans le cadre d'activités économiques officielles.

La notion de travail illégal recouvre deux aspects : la dissimulation d'activité (défaut de déclaration d'activité auprès des organismes sociaux ou fiscaux) et la dissimulation de salariés (les salariés employés au noir)

qui ne concernent que de façon très inégale les services de l'inspection du travail.

### **Les entretiens**

Nos interlocuteurs (n=3) sont situés au niveau départemental mais spécialistes du travail illégal, et au niveau local (Aulnay) avec des missions polyvalentes couvrant le contrôle des petites et grandes entreprises .

### **Le travail illégal et son contrôle**

L'administration du travail assure le contrôle de la législation du travail dans son ensemble. Ses agents au niveau local, inspecteurs ou contrôleurs (pour les établissements de moins de 50 salariés), n'ont pas de spécialité, ce sont des généralistes qui interviennent essentiellement dans le cadre des rapports entre employeurs et salariés.

Le travail illégal n'est donc qu'une partie de leur activité et lorsqu'il n'y a pas de salariés impliqués, le travail illégal sous la forme de la seule dissimulation d'activités ne les concerne que de façon très marginale :

A partir du moment où c'est pour eux, où il n'y pas de salariés dans le coup, on s'en fout. On préfère se consacrer aux gens qui viennent nous voir et qui rencontent de gros problèmes, licenciement abusif, non paiement de salaires ... (Un fonctionnaire).

- *La dissimulation de salariés*

En matière de travail illégal par dissimulation de salariés, d'autres services participent parallèlement aux contrôles (police, gendarmerie, Urssaf ...), l'action est harmonisée au niveau départemental par une commission de lutte contre le travail illégal. En plus de ces administrations, deux services de police parisiens (une section spécialisée des renseignements généraux qui privilégie plutôt l'immigration clandestine et un cabinet de délégation judiciaire qui agit sur commission rogatoire) complètent ce dispositif en Seine Saint Denis.

Chacun des services tenant ses propres décomptes, nous n'avons pas eu de statistiques d'ensemble à l'échelle de la Seine Saint Denis. Pour l'ensemble de la France, 21 543 salariés non déclarés ont été contrôlés dont seulement 10% (2234) étaient étrangers. Au plan national, les salariés dissimulés sont massivement des français.

- *Le rôle de la gendarmerie.*

Une des originalités du système de contrôle français tient à ce que la Gendarmerie (une arme sous l'autorité du ministère de la Défense) soit à

l'origine de plus de la moitié des procès verbaux dressés en France en cette matière.

L'analyse au niveau départemental confirme cette forte implication de la gendarmerie sur le contrôle du travail illégal mais déroge par la forte sur-représentation des étrangers parmi les personnes impliquées. Parmi les 276 faits constatés par les services de police et de Gendarmerie en 1996 en Seine Saint Denis, 215 faits impliquant 259 personnes dont 189 étrangers l'ont été par la Gendarmerie.

Cela nous a été confirmé par un de nos interlocuteurs :

Sur le département, il y a une division. Les questions de contrôle de la délinquance relèvent plutôt de la police. La gendarmerie a choisi le travail illégal. Ils sont beaucoup plus actifs que la police sur cette question.

La situation locale d'Aulnay ne suit pas ce trait général. La brigade de Gendarmerie s'est principalement impliquée sur les questions de transports à Garonor, une importante gare routière de camions située sur la commune d'Aulnay. Les fonctionnaires de l'administration du travail n'entretiennent à Aulnay aucun contact avec la Gendarmerie.

### **Les phénomènes de débrouillardises**

Les services de l'inspection peuvent avoir connaissance de phénomènes émergents montrant des passages dans l'économie informelle. Ils recourent des *phénomènes de débrouillardises et de petites magouilles* qu'ils jugent marginaux par rapport à leur activité de contrôle.

Ils concernent généralement des personnes en dehors de toute démarche antérieure classique d'emploi, comme par exemple des taxis clandestins que l'on a vu se développer autour de l'aéroport de Roissy. Ce sont des gens qui n'ont jamais été taxis avant.

On retrouve aussi d'anciens artisans, acculés à la faillite et qui poursuivent des activités en dehors de toute réglementation. Nos interlocuteurs le voient beaucoup, dans le bâtiment notamment. Mais il y a une floraison de situations de ce type et l'on trouve des salons de coiffure, des ateliers de confection, des garages ...

Ils estiment qu'il y a peu d'activités professionnelles qui ne sont exercées que de façon légale. Ces formes de travail illégal sont souvent liées à une volonté d'échapper aux charges fiscales.

### **Les employés illégaux ou travail dissimulé**

Ce sont ces formes qui concernent le plus spécifiquement les agents de cette administration, celles qui interviennent dans le cadre du rapport employeurs-employés. Elles sont qualifiées de travail dissimulé.

#### *4.2.1 Signalement et ampleur*

En dehors de quelques opérations de contrôle, le travail dissimulé est découvert le plus souvent sur plaintes ou dénonciations. Il s'agit souvent de quelqu'un qui s'inquiète de n'avoir pas de contrat de travail après un certain temps ou d'une personne licenciée qui travaillait de façon non déclarée et qui vient dénoncer les autres cas.

Le corollaire de ce mode de signalement c'est que ceux qui sont d'accord ne viennent pas se plaindre. Ainsi un de nos interlocuteurs en charge des petites entreprises (moins de 50 salariés) d'Aulnay nous indiquera n'avoir reçu que 2 ou 3 plaintes depuis le début de l'année.

#### *4.2.2 Les formes*

Concernant l'emploi illégal, le phénomène le plus marquant c'est le développement des diverses formes de *sous-traitance* avec pour conséquences, surtout dans le bâtiment et les transports, la cascade de sous-traitants et la fausse sous-traitance.

- *La sous-traitance en cascade*

Nos interlocuteurs estiment qu'elle a monté en flèche ces dernières années.

On la trouve surtout dans le bâtiment, le plus souvent sur des chantiers assez importants. Entre la grosse entreprise, souvent même la très grosse, qui obtient le marché mais ne fait pas le travail et l'artisan ou pseudo artisan qui va effectuer le travail, il y a toute une cascade de sous-traitants. Au fur et à mesure des passations de marché, les marges de profits deviennent incompatibles avec le respect des obligations de sécurité ou fiscales.

Ces montages de sous-traitance sont complexes et difficiles à déterminer. Nos interlocuteurs nous indiqueront que le plus souvent, lorsqu'ils font des contrôles sur des chantiers et qu'ils demandent à un ouvrier pour qui il travaille, il ne le sait pas car celui qui donne des ordres n'est pas celui qui emploie.

On peut citer l'exemple du chantier du grand stade de football à Saint Denis (construit pour la coupe du monde de 1998) dont l'un des inspecteurs interrogés a eu le contrôle par intérim.

Sur ce grand chantier, le maître d'ouvrage peut sous-traiter par exemple un lot à deux entreprises co-titulaires qui peuvent être domiciliées dans des départements différents. Elles peuvent n'avoir aucun conducteur de travaux qui gère les sous-traitants. L'une d'elle va sous-traiter à son tour à une autre entreprise qui elle-même peut sous-traiter à deux autres et ainsi de suite ... On arrive alors rapidement dans la cascade à des montants de marché qui sont incompatibles avec le travail à faire. A la fin, on tombe sur un égyptien qui trouve des gens au noir pour faire le boulot ...

Ces phénomènes sont complètement dépendants des nouvelles formes de marché et sous l'emprise des conditions économiques qui tirent les marchés vers le bas. Les agents interrogés doutent donc des possibilités réelles de contrôle de ces sous-traitances en cascade et des formes de travail illégal qu'elles génèrent.

- *La fausse sous-traitance*

C'est devenu maintenant une forme de travail illégal. On voit d'anciens salariés d'une entreprise, licenciés pour l'occasion, devenir artisans indépendants et travailler quasi exclusivement pour l'entreprise dont ils étaient antérieurement les employés. Ils restent ainsi assujettis à leur ancienne entreprise mais ne sont plus dans un rapport salarial.

Ce type de rapport s'est surtout développé dans le transport routier. Le développement de ces diverses formes de sous-traitance conduit à la prolifération d'entreprises instables, précaires, pseudo-artisanales, propices au travail illégal, faisant de celui-ci un des éléments de l'organisation économique.

- *Le travail dissimulé*

Il subsiste aussi dans ses formes classiques, de salariés dissimulés par l'employeur.

Une idée de l'ampleur de la dissimulation de salariés sur des courts chantiers nous a été donnée par un de nos interlocuteurs. Il nous a mentionné une expérience de contrôle au printemps 1996 sur le parc des expositions de Villepinte à la limite d'Aulnay.

Avant chaque exposition, beaucoup de gens travaillent sur le site pour installer les stands, quelques salariés m'ont dénoncé du travail clandestin. Je suis intervenu une première fois ; quand je suis arrivé ça a été une vraie volée de moineaux, j'ai pas pu contrôler les accès. J'ai donc demandé une in-

tervention dans le cadre de la commission départementale du travail clandestin ...On a décidé une opération avec une centaine de policiers pour boucler les accès. Sur un seul hall, on a trouvé 71 salariés sur lesquels 14 travaillaient là sans DPAE (déclaration préalable à l'embauche) et un travailleur étranger sans papiers. Si on veut un taux de travail clandestin sur un chantier d'installation d'un parc d'exposition, c'est 20% !

En matière de travail dissimulé, l'inspection du travail se heurte aussi souvent à diverses formes de sous-déclaration des salariés.

L'employeur salarie sur minimum horaire ou à mi-temps et le reste est payé en primes et souvent en argent liquide.

C'est le cas surtout dans la restauration ou pour des entreprises employant des jeunes, même lorsque les employeurs bénéficient d'emplois aidés. Nos interlocuteurs nous ont donné l'exemple d'une entreprise de lavage de voitures sur le centre commercial.

C'est une boîte qui emploie des jeunes des quartiers nord (les cités des "3000" ou Emmaüs). Il y a beaucoup de turn-over, d'heures non payées ou déguisées en primes exceptionnelles souvent payées en liquide. La difficulté c'est que les jeunes étaient contents d'avoir du liquide.

Enfin, on peut mentionner un autre aspect du travail dissimulé rencontré, presque paradoxal, le cumul d'emplois par des salariés régulièrement employés ailleurs et qui viennent faire des extras payés au noir.

Un des fonctionnaires interrogés, en charge précédemment du secteur des transports, mentionnera son expérience lors d'un contrôle d'une entreprise de location de voitures qui employait des salariés de la RATP ou des policiers pour ses convois de véhicules.

#### *4.2.3 Recrutement et populations concernées*

Le recrutement sur le trottoir (des lieux où des personnes viennent attendre d'être embauchées pour un temps parfois très court -quelquefois une journée-) n'existe pas, ni à Aulnay, ni dans le département.

Les employés illégaux sont des personnes qui n'arrivent pas à se placer par le biais des organismes classiques. Lorsqu'elles finissent par trouver un emploi, elles acceptent de n'avoir aucune couverture sociale. C'est souvent le seul choix possible après des échecs par les formes légales.

Généralement le recrutement se fait par le bouche à oreille, les personnes concernées savent souvent qui embauche, ou par le réseau communautaire qui sont localement des modes de contacts très forts.

Enfin, d'après nos interlocuteurs les jeunes (la tranche d'âge jusqu'à 25 ans) ne sont pas réellement concernés par l'emploi dissimulé car il existe de multiples formules qui offrent aux employeurs des emplois à des coûts très avantageux ne rendant souvent pas nécessaire le recours au travail illégal au sens où l'administration du travail le contrôle.

Le travail dissimulé, sous sa forme des multiples petits boulots au noir reste très marginale pour l'administration du travail:

Sur Aulnay, le travail dissimulé, ce n'est pas notre activité principale. Bon, il y a le type qui se fait payer de la main à la main mais ce n'est pas (pour nous. Les chèques clients remis pour payer le salarié, c'est plutôt le fisc. L'activité dissimulée aussi. On fait plutôt ce qui touche au droit du travail, le non paiement de salaires, le licenciement abusif, quelquefois le harcèlement sexuel.

Ces formes d'activités au noir émergent plutôt des entretiens avec les acteurs locaux et les habitants.

## **V. L'économie informelle vue du côté des acteurs locaux et des habitants**

D'assez nombreux entretiens (n=47), plus ou moins approfondis, ont été réalisés avec des acteurs (spécialisés ou non) habitant souvent Aulnay et ayant une bonne connaissance du terrain ainsi qu'avec des habitants plus ou moins impliqués.

De ces entretiens nous pouvons tirer quelques constantes qui s'organisent autour de quatre formes à dominantes locales ouvertes sur un environnement proche :

- Une économie de l'usage de l'héroïne,
- Les formes liés au commerce, qui concernent tous ceux qui se placent dans la chaîne informelle de circulation de marchandises (qu'elles soient illicites ou licites),
- Les formes non pas liées à des échanges de produits mais centrées sur des échanges de services,
- Une grosse activité centrée sur l'automobile.

## 5.1 L'économie de l'usage de drogue (l'héroïne)

Il s'agit ici de l'économie générée par le marché local de la consommation d'héroïne. Elle correspond à la figure forte et perçue très négativement par les habitants du drogué-toxicomane, c'est à dire le consommateur d'héroïne alors que l'usager de cannabis n'est jamais identifié comme tel.

### 5.1.1 Les consommateurs

Aulnay sous Bois, surtout dans ses quartiers nord, est une commune fortement marquée par les questions de drogue. Tous les entretiens confirment un changement depuis 2 à 3 ans et aucune indication ne vient conforter aujourd'hui l'ampleur supposé des trafics.

Après une interruption d'une année, une nouvelle équipe de rue intervient sur Aulnay et la commune limitrophe de Sevran dans le cadre de la prévention des risques. Elle permet depuis le mois de mai aux usagers d'utiliser du matériel sans risque (distribution de seringues et de kits). Il s'agit d'une population relativement âgée, souvent de plus de 30 ans et lourdement atteinte. Nos interlocuteurs nous préciserons que, durant la période d'interruption, il y eut 18 décès. La majeure partie de la population toxicomane suivie est aujourd'hui contaminée. Cette association suit une centaine de personnes que l'on peut estimer représenter la moitié de la population toxicomane. Durant les trois premiers mois de son activité, elle a distribué un millier de seringues et 6 à 700 kits. Le centre de substitution voisin qui a un bassin de recrutement plus large touche environ 600 personnes.

Le Logement français, principal bailleur, se fait aussi l'écho des changements intervenus qu'il mesure par le nombre de seringues ramassées. En 1994, pour la Rose des vents, le chiffre était monté jusqu'à 3000 seringues par mois. Aujourd'hui ses services ne ramassent plus sur le site que 20 à 30 seringues par mois. Des gardiens interrogés confirmeront ne plus trouver de seringues ou ne pas avoir de toxicomanes parmi les locataires. Globalement, le responsable de l'organisme bailleur pense que le nombre de toxicomanes résidents sur le quartier ne dépasse pas la trentaine.

Comme cela a été souvent observé et confirmé ici par l'équipe de rue, il s'agit d'une population extrêmement fluctuante qui se déplace suivant les opportunités d'approvisionnement. Tous ne sont pas des résidents d'Aulnay, certains viennent d'autres communes de Seine Saint Denis (Aubervilliers, Montfermeil) ou du département voisin (Nanterre, Gennevilliers).



### 5.1.2 Les sites

Trois sites de deal ont été particulièrement repérés à Aulnay.

Le quartier des Gros saules, une cité assez morne à la limite de Sevran où le marché concerne plutôt une population de résidents.

Les 3000 avec le Galion et plus loin, à la limite du parc, l'Aquilon où se mêlent résidents des 3000 et consommateurs extérieurs. Les autres cités des quartiers nord, les Etangs et Emmaüs, ne sont plus concernés par ces trafics ainsi que nous l'ont confirmé plusieurs de nos interlocuteurs.

La gare, où il y a pas mal de passage et de petites violences avec une petite population de SDF (sans domicile fixe) dans un parc très proche.

### 5.1.3 Le marché

Dans l'ensemble les produits proposés sont plutôt de mauvaise qualité.

Les positions des acteurs sur le marché à dominante locale se distribuent largement en fonction de l'âge. La sécurité des transactions est assurée par les plus jeunes, des guetteurs (les *choufs* du dealer), recrutés pour aviser de l'arrivée des policiers. Ils ont 10-14 ans et sont rémunérés 100-150 F pour 3 heures ; devenus plus grands ils peuvent s'intégrer comme rabatteurs et gagner un peu plus. En dehors des usagers-revendeurs on rencontre plusieurs types de vendeurs : des "petits jeunes" (15-18 ans) qui vendent sans toucher à la drogue des paquets à 50 f mais pratiquement dépourvus de tout produit actif ; des revendeurs un peu plus âgés (18-25 ans) qui revendent de la *marron* à 5%, de qualité médiocre, à 200f le *jet* ; des dealers souvent plus âgés. Ce sont des semi-grossistes qui se situent à un niveau plus important et dont l'activité suit les arrivages. Ce sont les seuls à tirer des revenus substantiels du marché local. D'après nos interlocuteurs, il n'y en aurait pas plus d'une quinzaine sur les "3000".

Aucun de nos entretiens n'a confirmé l'existence de familles entières vivant du trafic sur le modèle de ce qui a pu être observé ailleurs dans d'autres quartiers où l'on voit parfois une famille (parents, enfants, beau frère, gendre...) bien identifiée tenir le trafic. L'opinion prévaut parmi nos interlocuteurs que seules quelques personnes vivent de ce marché et que les jeunes sont plus massivement impliqués dans des business de vêtements ou matériels hifi-video.

En dehors de ce marché à dominante locale par ses lieux d'échanges mais ouvert sur un ensemble territorial plus vaste par ses clients et fournisseurs, on trouve quelques trafiquants, affairistes internationaux, dont la

seule attache locale se trouve être leur lieu de résidence. Un gardien mentionnera un de ses locataires kurdes actuellement incarcéré dont le loyer est régulièrement payé. Il a été arrêté en 1996 avec plusieurs kilos d'héroïne dans le cadre d'un réseau international.

### 5.1.4 *L'économie de l'héroïne*

A partir des diverses données recueillies on peut tenter une appréciation assez sommaire de l'ampleur des flux monétaires en circulation liés aux consommateurs d'héroïne sur Aulnay.

Si nous retenons l'hypothèse d'une population de consommateurs de 200 personnes avec une dépense moyenne de 600F/j, cela génère un flux de 3 millions de F par mois (calculé sur 25 jours) dont il est assez difficile d'estimer la part qui reste aux divers intervenants locaux, les marges de bénéfiques et ce qui remonte dans la chaîne de distribution aux fournisseurs hors d'Aulnay.

## 5.2 *Le business*

Tous nos interlocuteurs nous ont souligné l'importance de cet intense mode d'échange et de circulation de produits. Ce *business* porte sur tout ce qui est monnayable, immédiatement et facilement. C'est un commerce qui n'est pas structuré dont le vecteur essentiel est le bouche à oreille et qui repose sur une forte interconnaissance générationnelle.

Il peut porter sur des produits illicites mais largement répandus (la résine de cannabis) ou licites -la bonne affaire- quelle qu'en soit l'origine.

C'est dans ce cadre qu'il faut sans doute replacer le marché du cannabis. Il concerne largement les mêmes populations et peut emprunter des modes de circulation et d'échanges identiques au *business* des produits licites. A contrario les entretiens ne montrent en rien une interconnexion entre ce *business* et le marché de l'héroïne.

### 5.2.1 *Le marché de la résine de cannabis (Shit)*

*Généralisé, banalisé et non structuré* sont les mots qui reviennent le plus souvent au cours de nos entretiens lorsqu'on aborde le thème. Nos interlocuteurs soulignent le paradoxe d'un produit interdit qui circule quasi librement. Comme cela a déjà été noté dans d'autres études, cette circulation est une des formes de sociabilité de la cité (Duprez, 1996 ; Schiray, 1994).

Il s'agit d'un marché très diffus qui repose largement sur des solidarités de génération: des groupes de jeunes qui ont grandi ensemble sur un même territoire. En face du grand nombre de clients il y a un non moins grand nombre de fournisseurs potentiels. La répartition des rôles est d'ailleurs beaucoup moins visible, usagers et revendeurs s'entremêlent. Les positions entre revendeurs et consommateurs sont éphémères et changent suivant les moments. La structuration entre demi-grossiste et revendeur se fait plutôt par l'âge. Il s'agit d'un marché relativement atomisé à forte assise territoriale où les différents acteurs : vendeurs à la barrette, à la savonnette (250g) et grossistes à plusieurs kilos se retrouvent sur le quartier et où les arrivages semblent destinés en premier lieu au marché local.

Cette dimension de trafic généralisé est attestée aussi par sa diffusion sur l'ensemble des quartiers d'Aulnay avec quelques marchés plus intenses (cité Emmaüs, des trois-mille...). La spécificité des "3000" tient surtout à l'existence de la voie rapide qui la borde. Elle rend plus facile l'approvisionnement de clients extérieurs et permet l'ouverture sur un marché qui n'a pas pour cette cité seulement une dimension locale.

### Gains

Pour beaucoup, les petits détaillants qui sont les plus nombreux, il ne s'agit que de revenus d'appoint. Dans le meilleur des cas un dealer de shit pourra vendre une vingtaine de barrettes par jour (environ 1000 F) dont il doit déduire le prix d'achat et sans doute pas tous les jours.

La marge sur une savonnette (250g) est déjà un peu plus forte, de l'ordre de 2500 F et permet peut-être un autre horizon. Mais pour vraiment gagner et réinvestir, il faut passer au stade au dessus, au niveau de quelques kilos achetés 10 000 F le kilo et vendus 16 000F. C'est le cas d'un des résidents des "3000" arrêté en juin avec 10 kilos dans son appartement, soit un bénéfice potentiel de 60 000 F. A ce niveau les activités rejoignent d'autres trafics comme celui de voitures utilisées dans le transport et dont le commerce sert souvent à justifier les revenus.

Beaucoup de jeunes vivent chichement même recyclés dans le *business*. L'argent est utilisé pour contribuer au budget familial (la nourriture, le loyer), quelques dépenses personnelles (voitures, sorties...*flamber*). Ces contributions sont le plus souvent modestes. On nous a cité le cas d'un petit revendeur de shit (haschisch) et d'objets volés de la place Jupiter (aux "3000") qui versait 2000F F à sa famille, mais c'est souvent beaucoup moins comme nous l'a déclaré un jeune interrogé.

Mon boulot, c'est cuisinier, je cherche un apprentissage. mon argent c'est le business, je suis bien habillé et je n'ai pas besoin de travailler. J'ai besoin de 4000 f par mois. 1500 pour les vêtements (je porte des marques), 500 f pour ma mère, 1000 f pour l'alcool, les cigarettes le shit, les filles. Je mets 1000 f sur un compte. (S. 19 ans, les 3000)

### 5.2.2 Les trafs-trafs

- La bonne affaire

Toutes les personnes rencontrées soulignent l'importance des circuits informels de circulation de marchandises mais aussi leur caractère éphémère et irrégulier. On voit des arrivages de produits qui circulent massivement pendant 1 mois ou 2, puis plus rien pendant des mois.

Ce mode de circulation repose sur une forte interconnaissance générationnelle, sur des solidarités de tranches d'âges rapprochées, il rend inutile généralement la vente en porte à porte, mais la plupart de nos interlocuteurs (quelles que soient les positions) se sont vus proposer des produits en-dehors des circuits légaux.

Il s'agit de produits habituels, vêtements de certaines marques, matériel hi-fi que désirent les jeunes ou qui peuvent être facilement écoulés.

Ils portent massivement sur les vêtements et tous les accessoires liés à la mode. Ce sont des biens dont le prix dépend du moment et des valeurs partagées ; quelques mois plus tard, complètement démodés, ils ne circuleront plus. Les arrivages peuvent être massifs et se répandre facilement (quand quelqu'un a quelque chose de nouveau cela se remarque).

Les trafics portent aussi sur tout ce qui touche à l'électronique (hi-fi, vidéo, décodeurs T.V...) qui viennent de l'extérieur et seront écoulés dans la cité.

### Les origines

Ce sont souvent des vols (entrepôts, camions, vols de magasins...). La notion de recel est inconnue, l'important, c'est de faire une bonne affaire. La plupart pense que le risque ne concerne que les vendeurs ou dépend de la quantité (*10 jeans ce n'est pas dangereux, 2000 oui*).

### Revenus

Pour les vendeurs il s'agit généralement de revenus d'appoint ou tout à fait éphémères. Ce sont des compléments financiers par rapport à des salaires épisodiques dans une économie familiale où les prestations sociales tiennent une grande place.

- Les pitbulls

Depuis un an s'ajoute l'élevage de pitbulls, la société de logement en dénombre actuellement une quarantaine sur le site de la Rose des Vents et un dizaine de rottweilers. Plusieurs de nos interlocuteurs, jeunes habitants le quartier nous confirmeront l'élevage et le commerce local ainsi que les prix pratiqués. Ceux ci sont d'ailleurs en baisse, si au début une bête pouvait se vendre 7000 F aujourd'hui on est plutôt autour de 4000 F.

Enfin, il y a les trafics qui dépassent le cadre des bonnes affaires mais ils perdent alors le caractère banalisé et généralisé des autres formes. Ils porteront sur de faux papiers (permis de conduire, ou faux certificat de naissance dans un pays africain avec parents français) entre 3000 et 5000 f. Plusieurs de nos interlocuteurs nous mentionneront la possibilité d'acheter des faux-billets de 200 F (acheté entre 50 et 100 F).

### 5.3 *Les activités au noir*

Ces activités au noir concernent les multiples formes de petits boulots et d'échanges de services qui peuvent se faire en dehors de l'économie officielle.

La plupart des personnes interrogées ont eu des expériences de petits boulots au noir (parmi la quarantaine de personnes concernées rencontrées, vingt-deux) mais elles ont été assez souvent réticentes pour les évoquer.

Les domaines les plus souvent cités ne concernent que très peu des formes d'emplois classiques (le travail illégal) telles que peuvent les connaître les administrations en charge du contrôle de l'activité économique mais plutôt des offres de services dans un réseau de relations limitées. La plupart de ces personnes sont des jeunes et il semble bien que de ce point de vue l'âge fasse d'une certaine façon clivage. Les employeurs bénéficient en France de diverses formules leur permettant d'employer des jeunes à des conditions avantageuses qui rendent moins intéressantes pour eux l'emploi dissimulé de jeunes dans l'économie officielle.

D'autres sources ont été utilisées. Les indications collectées auprès d'acteurs spécialisés connaissant bien le terrain institutionnel confirment ces données recueillies auprès des acteurs primaires.

Par exemple, des interlocuteurs qui interviennent dans l'aide à la recherche d'emploi nous ont dit voir souvent sur des CV des mentions telles que *travail chez des particuliers, pratique du bricolage, travail sur les mar-*

*chés, vente ambulante, missions d'intérim sans mention des entreprises ou, pour le bâtiment, emplois dans SARL en création ou qui ont fait faillite.* Pour eux ces mentions veulent toujours dire petits boulots au noir.

Ces interlocuteurs constatent aussi une entrée relativement tardive de la plupart des jeunes dans le circuit de recherche d'emploi officiel (vers 23 ans). La plupart d'entre eux restent jusqu'à cet âge dans des situations précaires où se mêlent toutes les facettes de la débrouillardise et diverses formes de petits boulots.

Concernant les plus âgés, le responsable de l'organisme de logement pour les quartiers nord a quelques éléments sur les revenus des locataires au moment de l'entrée dans les lieux. Il voit souvent des artisans, commerçants ou taxis qui déclarent être en début d'activité et dont les situations légales ne sont pas très claires. Après l'entrée, il a quelques informations par les gardiens sur les implications éventuelles de locataires dans des activités à domicile ou sur les parkings, de la confection ou de la réparation automobile.

A la Rose des vents, un gardien est responsable d'une dizaine de cages d'escalier, soit environ une centaine de logements. L'un des gardiens rencontrés mentionnera 20 logements sur 120 concernés par de la confection à domicile et 6 ou 7 locataires se livrant à de la mécanique automobile sur les parkings.

### 5.3.1 *Quelques exemples*

- Mécanique automobile

La réparation automobile sur les parkings est très répandue. Cette activité extrêmement visible est mentionnée dans tous nos entretiens. Elle peut aller jusqu'à des activités assez lourdes comme l'échange de moteurs ou de la carrosserie qui requièrent de vraies qualifications. Si elle est particulièrement visible sur les parkings des cités du nord, elle est aussi répandue dans d'autres secteurs de la ville.

Elle peut prendre la forme d'emplois occasionnels qui dépassent le cadre de l'activité de parking. Un de nos interlocuteurs nous a mentionné le cas de jeunes (parfois moins de 16 ans) qui pour 300f/j peuvent aller démonter occasionnellement des pièces dans des casses automobiles.

- La confection

Il n'y a pas à Aulnay, selon nos interlocuteurs, d'ateliers clandestins comportant de nombreux ouvriers dans un seul lieu, salariés illégaux d'un em-

ployeur. Cela a été observé dans d'autres communes de Seine Saint Denis, Montfermeil par exemple. Ce n'est pas la spécificité d'Aulnay malgré la présence de communautés étrangères (asiatiques, turcs ou yougoslaves) souvent associées à cette activité.

Par contre au cours de nos entretiens, on nous a souvent mentionné des mouvements de rouleaux de tissus dans les quartiers nord ainsi que des mouvements de camionnettes venant récupérer des vêtements fraîchement confectionnés. Nous avons pu observer ces mouvements, mais nous n'avons eu aucun entretien avec des acteurs directs, la pénétration de ce milieu demandant beaucoup de temps

Des interlocuteurs qui ont l'occasion de pénétrer dans certains appartements de ces quartiers signalent la présence assez générale de machines à coudre (2 ou 3, guère plus) dans les appartements de résidents asiatiques ou turcs. Pour l'un des gardiens interrogés, dans un des escaliers dont il a la garde il y a 5 appartements (sur une dizaine) concernés par cette confection à domicile. Un second mentionnera, lui, trois appartements pour un seul de ses escaliers.

Il semble que ce soit une pratique assez généralisée dans ces communautés. Il s'agit généralement d'un travail effectué au domicile par les femmes qui n'implique pas les enfants.

Les prix de fabrication cités étant extrêmement bas, 15 F pour un jeans, 2,5 F pour un T-shirt supposent une grande quantité produite par famille.

Il s'agit à la différence d'autres formes d'activité au noir, d'une économie sans attache locale autre que la résidence des personnes. Relativement autonome par rapport aux autres formes d'activités au noir, elle fonctionne largement sur un mode extra-territorial.

- Petits travaux de bâtiments

Pour ces petits travaux (peinture, plomberie, ...) il est toujours possible de trouver quelqu'un parmi un réseau de proches avec souvent de vraies qualifications. Parfois cela tient plus du coup de main et de l'entraide que du travail rémunéré. Un petit appartement peut être refait pour 3000 F.

- Electronique

Suite à l'introduction de la télévision cryptée en France, il y a eu un marché parallèle de décodeurs généralement fabriqués de façon artisanale. Un de nos interlocuteurs nous a donné son exemple, ayant activement participé à la fabrication de ces matériels. Aujourd'hui responsable d'une association

de jeunes, il estime avoir ainsi réussi à valoriser ses compétences dans une activité à la charnière entre petits boulots au noir et "business".

Ayant une formation en électronique, Hassan se lance un défi : trouver le système de décryptage de Canal +. Ainsi pendant un an et demi, il vend plus d'une centaine de décodeurs. Cela marchait très bien, il y avait une demande. Pour ses amis, le décodeur revenait à 200 f (prix des composants nécessaires). Pour les autres, les prix variaient, 600, 700 ou 800 f. Parfois, deux ou trois intermédiaires permettaient la vente. La vente ne fonctionnait que par le bouche à oreille. Il affirme en avoir fabriqué deux ou trois par semaine. Si on estime qu'il en vendait 10 par mois avec un bénéfice de 400 f, il avait ainsi un revenu de 4000 f.

- Le déballage sur les marchés,

Au cours de plusieurs entretiens, il est apparu que l'emploi des jeunes sur les marchés est assez courant.

Les jeunes seraient assez nombreux à se présenter sur le marché situé dans la cité du nord de la commune, afin d'aider à l'installation et au rangement des étals. Pour l'installation, ils gagneraient ainsi 50 F. et pour la vente de fruits et légumes durant toute une matinée le dimanche, 100 F. Un autre contact nous précise que pour déballer, remballer les stands et assurer la sécurité sur ce marché, le coup de main peut rapporter de 100 à 250 F.

Nous avons pu constater, au cours de plusieurs matinées d'observation, l'existence semblable de coups de main pour l'installation du marché de centre ville.

- Observation du marché

Nous avons procédé à l'observation répétée du marché du centre ville. Nous avons pu vérifier la présence de quelques jeunes en train de vendre. De plus, au cours de matinées successives passées sur ce lieu, nous avons repéré deux personnes, âgées d'une trentaine d'années, qui aidaient à l'installation et au emballage d'étals de charcuterie et de fromagerie. Les tâches consistent à laver les vitres du présentoir, installer le parasol, débarrasser les cartons et les chariots inutiles. Ajoutons qu'au stand de charcuterie, le jeune fils du patron est aussi présent pour donner un coup de main.

A l'issue d'une discussion avec le charcutier, il ressort qu'il embauche pour le déballage et paye 70 f pour cette tâche Il faut être présent dès 5 heures, à l'arrivée des camions. Il constate que maintenant il y a de moins en moins de jeunes intéressés, les heures de réveil sont trop tôt !

- Emplois de maison

Ce type d'emploi qui concerne les femmes fait appel aussi à un fort réseau d'interconnaissance. En règle générale, il s'agit d'un travail rémunéré mais



il peut aussi y avoir échange de services. Les prix relevés dans les entretiens auprès d'employeurs ou d'employées sont cependant très variables.

La garde d'enfants: Une personne interrogée nous dit avoir déjà fait du baby-sitting par l'intermédiaire d'une amie, elle était payée 36 et 38 f de l'heure.

Pour une autre le tarif horaire est de 30 f.

Enfin, une troisième femme fait appel à 2 nourrices pour s'occuper de sa fille, elle les paye 10 et 15 f de l'heure. L'une de ces nounous exige d'être payée en espèces à la fin de chaque mois.

Le travail chez des personnes âgées: Parmi les personnes interrogées, deux nous précisent avoir travaillé chez des personnes du troisième âge au prix de 50 f de l'heure.

Le linge: Une femme fait effectuer son repassage par une de ses voisines au tarif de 25-30 f de l'heure.

- Animation musicale, Sécurité

Il s'agit là de revenus assez épisodiques et plus distanciés par rapport aux formes d'emplois classiques.

L'un des interlocuteurs rencontrés, au passé assez lourd, s'est spécialisé dans des tâches de sécurité.

Il intervient souvent pour des associations, des restaurants ou des boîtes de nuit. Ses rémunérations sont variables 1000f si il est tout seul jusqu'à 2000 f pour des restaurateurs chinois du 13e arrondissement.

Un membres d'un groupe de Rap gagne lui 1500 F par soirée.

- Transports, alimentation, coiffure

Il s'agit souvent d'entraide au sein d'une même communauté mais qui se fait contre rémunération.

*Taxis clandestins : Cela concerne des africains qui font du raccolage à l'aéroport de Roissy à l'arrivée des vols venant d'Afrique. C'est un petit réseau de quelques personnes habitants les cités du nord qui retranspose le taxi africain. Généralement ils font cela avec leur voiture personnelle*

*La cuisine: Au sein de foyers et des cités, il y a tout ce qui tourne autour de l'alimentation africaine.*

*Coiffure : Une jeune fille (17 ans) coiffe des femmes africaines au prix de 100-150 F pour 4-5 heures de travail (au lieu de 600f). Elle a eu ses premiers clients par une annonce qu'elle avait passée, puis le bouche à oreille a fait le reste.*

*Cela se pratique aussi entre garçons mais les réseaux sont différents (30 f pour une coupe).*

### 5.3.2 Rémunération

Pour la plus grande partie des personnes interrogées, ces activités non déclarées restent un complément par rapport à d'autres ressources (familiales, transferts sociaux).

Ils arrondissent des fins de mois parfois difficiles. Pour les jeunes, la recherche de petits boulots traduit un besoin d'argent de poche et d'avoir un certain train de vie : les vêtements (importance de la marque à la mode), les sorties, la voiture, le permis de conduire, le téléphone portable...le *shit* éventuellement. Ils citent aussi assez souvent une participation à l'économie familiale.

A noter que plusieurs jeunes interrogés nous ont dit aussi économiser pour des projets, parfois lointains qui leur tiennent à cœur : créer une affaire (de transport) ou même s'installer au bord de la mer.

Souvent il nous a été indiqué que l'intérêt résidait aussi dans les gains considérés comme plus intéressants dans ces petits boulots que dans l'économie officielle.

Il est difficile d'estimer un revenu mensuel. D'une part, ces petits boulots au noir peuvent être très irréguliers. Il peut y avoir une période où la demande sera très importante, et une autre où aucun travail n'aura été effectué. D'autre part, la rémunération de ces activités est très fluctuante, les prix "c'est à la tête du client".

### 5.3.3 Attitude

La réticence et le refus de ces petits boulots et du travail non-déclaré augmentent avec l'âge. Si peu de jeunes ont une vision négative des petits boulots au noir qu'ils identifient à des formes de business, ce n'est pas le cas des plus âgés.

Par l'intermédiaire d'une association d'aide à la recherche d'emplois, nous avons rencontré des personnes plus âgées (37 et 40 ans pour les deux femmes et 54 ans pour l'homme) devant faire face à des situations très difficiles et sans beaucoup de ressources. Elles nous ont toutes trois indiqué

de fortes réticences ou même un refus catégorique de se faire employer de façon non déclarée.

Ce refus nous a été confirmé par une autre femme (mère célibataire d'une trentaine d'années) rencontrée par le biais d'une association d'aide à domicile.

Je connais trois filles qui travaillent chez des gens au noir. Moi, ça ne m'intéresse pas. Je préfère avoir quelque chose de stable et puis il faut penser à la retraite. Je veux du stable, car j'ai une petite fille à ma charge. Celles qui travaillent au noir sont surtout célibataires (Mme.A.).

### 5.3.4 *Le réseau de connaissances et la reconnaissance*

- *Le réseau de connaissances*

La plupart des formes de petits boulots au noir mentionnés dans les divers entretiens relèvent plutôt d'activités de services dissimulées dans un réseau de relations assez limitées que des formes de travail illégal.

Ce qui prime alors c'est le réseau de connaissance: *il faut être connu*. C'est le voisinage, le copinage quelquefois la communauté : maghrébins, africains, asiatique, turcs constituent autant de sous-réseaux.

Y a un voisin à qui on donne la voiture à réparer quand elle est en panne. On se rend service. Ce voisin il travaille dans un garage et en dehors il dépanne. Nous on le paye, mais lui il ne demande pas. Nous, on lui donne par politesse.(Z, les Etangs)

Parfois, il arrive qu'il y ait un intermédiaire entre les deux bouts, mais la chaîne ne s'étend guère. On reste dans des réseaux de connaissances resserrés.

C'est toujours l'ami de l'ami, c'est jamais un étranger, ça fonctionne par le bouche à oreille (S., les 3000).

Le réseau de connaissance est d'autant plus fort que c'est lui qui permet de faire le prix.

Le prix c'est à la tête du client selon qu'il est connu ou pas, agréable ou pas.(E., les 3000)

Les prix se déclinent effectivement sur une gamme très large qui va de l'entraide gratuite au prix commercial (en dessous du marché) en passant par le prix d'ami.

- *Reconnaissance et maîtrise du temps*

Si le client doit être connu, celui qui fait le travail doit être reconnu.

On trouve du bon boulot et du réellement mauvais boulot. Maintenant tout le monde veut tout faire, c'est devenu une jungle totale, il faut connaître. (E., les 3000).

Il y a deux mécanos qui sont bons, moi j'ai le mien (M., les 3000).

Ces petits boulots au noir sont pour lui l'occasion de faire reconnaître son savoir-faire, ses compétences, le métier appris. Il y a une dimension symbolique forte, ils ont une compétence reconnue par les leurs : *Ils sont "notoires" dans leur quartier. (A., les 3000)*. Le point de comparaison c'est celui qui ne sait rien faire, eux ils utilisent ce qu'ils ont appris.

La mentalité c'est un peu comme ça : Tout le monde fait du business, moi aussi mais je valorise ce que je sais faire.

Ce qui revient ensuite le plus souvent, c'est la référence à la liberté et la maîtrise du temps.

La fréquence du travail n'est pas définie, il n'y a pas d'horaires (N., les 3000)

Ces petits boulots au noir ne rapportent pas énormément, compte tenu de leur irrégularité, mais ils n'obligent à rien, ni aux horaires, ni à la discipline du travail, ni à subir un chef.

- *Capacité à entreprendre*

Ils sont reconnus mais restent à la marge. Ils n'ont ni le capital ni les compétences pour franchir le pas de l'installation.

Il y a des gens biens qualifiés mais je ne sais pas s'ils pourraient travailler dans un vrai garage avec les contraintes.

Cette activité ça les marginalise. (A., les 3000).

- *Vers une économie localisée non marchande ?*

Cette capacité entrepreneuriale est assez bien identifiée par les acteurs sociaux des quartiers qui s'interrogent sur la façon de passer de certaines des formes de l'économie au noir à de l'économie solidaire, d'assurer sur le quartier la rencontre des besoins et des compétences.

C'est dans cette optique que des projets émergent, sous forme d'entreprises d'insertion, comme la laverie de la cité Emmaüs ou l'atelier

mécanique en cours d'installation destiné à faire émerger et sortir des parkings une bonne partie de l'activité automobile.

Ces projets (comme le nettoyage et l'entretien du parc de caddy de l'hypermarché voisin) cherchent à aménager des espaces intermédiaires, ils constituent une forme d'économie informelle non-noire, une économie localisée non-marchande.

#### *5.4 Economie informelle de l'automobile*

Plusieurs de nos interlocuteurs ont souligné au cours de différents entretiens l'importance du développement d'une économie informelle de l'automobile. Elle concerne tout ce qui tourne autour de la vente, de la récupération ou de la réparation des véhicules.

Il s'agit d'une activité assez généralisée dans le département de Seine Saint Denis. Plusieurs éléments favorisent son développement. On trouve dans ce département des salles de vente aux enchères spécialisées dans les véhicules, un marché noir des véhicules d'occasion aux portes de Paris qui drainent des acheteurs et vendeurs qui peuvent venir de très loin (plus de 200 km), de nombreuses casses automobiles qui facilitent les commerces et la récupération. Ce département possède aussi beaucoup de surfaces de stationnement où il est facile de s'installer pour la réparation. C'est aussi une activité pour laquelle il existe un potentiel de clients important, beaucoup de voitures sont vieilles, et où tout le monde peut s'établir assez facilement.

Aulnay est le lieu depuis environ cinq ans de rodéos (course de voitures sauvages) nocturnes les vendredi et samedi sur la route bordant l'usine Citroën à l'extrême nord de la commune avec pour point de rassemblement le parking du centre commercial de Parinor. Ces courses qui rassemblent des jeunes amoureux de la mécanique et du *tuning* (la transformation des modèles d'origine quelquefois un peu anciens) et parfois des centaines de spectateurs étaient aussi des lieux de trafics divers. Un nouvel aménagement des parkings rendant impossibles les courses sur les aires de stationnement et des interventions policières y ont mis fin au début de l'été. Ces courses nocturnes qui ne concernent pas spécifiquement les jeunes des cités ont cependant repris à la rentrée sur une échelle plus limitée. Ajoutons que le lycée professionnel d'Aulnay fait l'objet d'une forte demande en formation aux métiers de l'automobile.

Les entretiens réalisés et nos observations montrent que si ces activités qui tournent autour de l'automobile sont assez répandues et visibles sur les parkings des quartiers nord, elles ne sont pas spécifiquement liées à la dimension *citée*. On peut les retrouver sur l'ensemble de la commune.

#### 5.4.1 Dans les cités des quartiers nord

- *Une activité dissimulée voyante :*

Se déroulant à l'extérieur sur des endroits extrêmement visibles de tous, les parkings devant les bâtiments, la réparation automobile *dissimulée* est une activité particulièrement *voyante* qui se traduit par la présence sur les parkings de carcasses de voitures calcinées et des restes de voitures désossées ainsi que la présence de groupes de jeunes affairés sur des voitures qui ne sont jamais les mêmes.

C'est cet aspect que nous signaleront en premier les gardiens interrogés

J'ai de la réparation automobile sur le parking devant ma loge. Tous les jours, sur le parking devant, il y a 5 ou 6 jeunes dont 2 qui sont toujours les mêmes et qui ne vivent que de ça. Le week end dernier, la nuit, il y a eu une voiture qui a brûlé, il les pique pour les pièces. L'année dernière, il y a eu une quinzaine de voitures qui ont brûlé. (Mr M., gardien au 3000).

C'est pas seulement de la réparation, il y a aussi des voitures volées. Par week-end, je vois 4-5 épaves. Ils font des rodéos, après ils les dépouillent. Avec les copains, c'est bien 25-30 personnes (Mme. B., gardienne au 3000). On voit un véhicule qui vient, la carcasse reste mais il n'y a plus de moteurs ou de roues (F, les 3000).

Hier au merisier, il y a une Peugeot qui est arrivée, elle est en train d'être désossée. (E., les 3000).

- *Vue du côté des clients : une activité entre l'entraide et les trafics de voitures*

Beaucoup des habitants des quartiers nord possèdent des voitures assez vieilles souvent en panne. Nos interlocuteurs nous ont indiqué se méfier des garages jugés trop chers et préfèrent avoir recours à leur réseau de connaissances capables de discerner parmi tous les bricoleurs les bons. Les clients restent généralement très fidèles à celui qui répare bien.. Ils pourront aussi participer au bricolage et ainsi diminuer le prix des réparations. Suivant le degré de proximité avec le réparateur, l'activité dissimulée relèvera plus ou moins de l'entraide et du coup de mains dont le prix, toujours fait à la tête du client, tiendra compte. La transaction monétaire n'est alors qu'une partie de l'échange. *On se rend service.*

Être connu sert aussi à éviter biens des ennuis, car il n'est pas rare que la voiture laissée pour une réparation serve à alimenter le trafic relativement important des pièces automobiles.

Je ne sais pas si quelqu'un qui habite le quartier va chez un garagiste. Quand la voiture a un problème on va chez un tel qui a un savoir faire. (A., les 3000).

Moi, j'ai le mien. Quand je ne le vois pas, je ne demande pas à l'autre. Je préfère le mien. (M., les 3000).

On reste très fidèle à celui qui répare bien (S., les 3000)

Il faut être connu. Si vous vous amenez votre voiture, il y a des chances qu'elle perde des pièces. C'est un vol à la barbare, on ne se cache pas (F., les 3000).

Le rapport de ces activités dissimulées avec le *business*, les vols et recels de pièces, de moteurs ou de véhicules est l'autre aspect qui revient souvent dans les entretiens avec nos interlocuteurs habitant les cités du nord et en contact avec nombre de ces bricoleurs de parking. Les gains sont alors beaucoup plus importants et mêlent différentes classes d'âge.

Il y a ceux qui sont dans un business de pièces de voitures. Ce sont des jeunes qui volent des pièces de voitures pour les revendre, ils savent à qui. Ils anticipent même la commande du garagiste. Ou alors, ils ont une commande précise et fonctionnent sur des délais : "reviens dans deux jours". Très vite, il peut mettre en branle une équipe capable de fournir la pièce en temps et en heure. (A., les 3000).

### **L'apprentissage au noir**

On trouve sur certains parkings des activités assez lourdes, de la grosse mécanique (comme le démontage de joints de culasse). Ces réparateurs sont souvent des spécialistes ou considérés comme tels : les cardans, l'embrayage, l'électricité, la carrosserie (tôlerie, peinture)... Ces activités de réparation sont souvent effectuées par des adultes dont les spécialités sont reconnues et qui défendent leurs territoires. Il est important pour eux de ne pas voir l'autre spécialiste situé sur un autre parking dont ils ne sont pourtant séparés que par quelques bâtiments. Il y a un respect des territoires. Ces spécialistes qui sont souvent de vrais professionnels avec de vrais compétences sont fiers de leur notoriété qu'ils transmettent à des 'petits jeunes' dans une espèce d'*apprentissage au noir*.

#### *5.4.2 Aulnay sud*

Cette activité de réparation et restauration ne concerne pas que les parkings des cités des quartiers nord. Nous avons pu lors de cette étude rencontrer

trois personnes directement impliquées et oeuvrant dans la partie pavillonnaire d'Aulnay. Ils donnent un bon aperçu de l'importance de ces activités.

Le premier, Bernard (22 ans); carrossier-peintre travaille dans un garage Renault d'Aulnay. Les deux autres personnes Michel (65 ans) et Mouloud (26 ans), employeur et ouvrier ont organisé un mini *garage clandestin*.

- *Bernard, entre passion et business*

Bernard est un passionné d'automobile et spécialiste de la restauration des coccinelles VW. Il possède deux CAP, peintre et carrossier, mais estime avoir acquis ses compétences professionnelles en travaillant au noir. Il a commencé il y a cinq ans, quelques mois après avoir intégré l'école d'apprentissage pour s'amuser, s'entraîner et se faire un peu d'argent de poche. Il pense que c'est comme cela d'ailleurs qu'il a le mieux appris.

Dans le garage où il est employé actuellement, il n'y a pas de travail au noir, mais la plupart des employés font de la réparation au noir à l'extérieur en utilisant parfois le matériel de l'entreprise. Des garages d'Aulnay plus artisanaux, louent des emplacement pour effectuer des réparations le soir ou le week-end.

Pour les mécaniciens, c'est plus facile que pour lui de faire du travail au noir. Il reste cependant dans sa spécialité, la peinture et la carrosserie. Il travaille par le bouche à oreille.

Les revenus de ses activités au noir ne sont que des revenus d'appoint, en moyenne de l'ordre 1000 f par mois. Il prend 500 f pour repeindre une aile (il peut en faire au maximum trois dans le mois), quelquefois mais c'est plus rare il fait la peinture d'une voiture complète (*il faut compter 5000 f*). Il lui faut alors louer une cabine (700 f).

Quand son activité au noir rejoint sa passion, la restauration des coccinelles, le monde des sportives (les GT), le *Tuning*, la relation commerciale s'estompe. Il fait des "prix d'amis", ce qui compte alors c'est son image, sa réputation.

Les clients, ils parlent entre eux...ils ne t'oublient pas. Dans le monde des sportives, cela se répand vite..

Il signe ses plus belles peintures, *soigne son image de marque* et songe à ouvrir un garage.

Le "monde des sportives" et sa passion l'amènent aussi parfois au *business*.

Comme à Parinor lors des courses de rodéo,



C'est un lieu favorable pour récupérer des pièces, on peut passer commande de voitures complètes, elles sont volées. Tu l'achètes, tu récupères les pièces que tu veux, tu découpes et puis tu jettes.

Il peut se fournir aussi à la fourrière, si on connaît quelqu'un on peut passer commande et acheter pour pas cher les pièces nécessaires.

Bernard ne voit pas de risques pour ses activités qu'il juge *sans danger*, les policiers connaissent son box mais ne lui posent pas de questions.

- *Le garage M&M*

Les deux autres personnes se sont organisées un mini garage *clandestin*. Mr Michel est le patron, un mécanicien Mouloud travaille avec lui. Ils sont situés dans un quartier pavillonnaire, le patron loue trois boxes parmi la vingtaine appartenant à la municipalité mais n'en utilise que deux pour la mécanique.

L'activité du garage parfaitement visible de la rue et des voisins est très irrégulière. Il est généralement ouvert tous les jours. Lorsqu'il n'y a pas d'activités, Michel est au café voisin qui joue aussi le rôle de relais en lui adressant des clients comme le font d'autres commerces à proximité (l'alimentation, le salon de coiffure...). Lui-même vit dans le quartier, dans un des pavillons à une centaine de mètres.

### **Michel, la passion au noir**

Michel pratique cette activité depuis 7 ans et demi, lorsqu'il a pris sa retraite. Il a eu plusieurs *ouvriers* avant Mouloud qui est avec lui depuis 2 ans. Ils ont été mis en contact par quelqu'un qui travaillait précédemment avec Mr Michel. Le garage est aussi un lieu de contacts pour d'autres petits boulots au noir, nous observerons une personne venant commander une pièce qui indiquera être à la recherche de petits boulots de réfection d'appartements ou d'autres cherchant quelqu'un pour un déménagement.

Le garage se charge de l'ensemble des travaux, peinture et carrosserie comme de la réparation mécanique. Michel se procure les pièces dans des casses ou en magasin. Il a conservé de nombreux contacts et reste inscrit dans les fichiers comme professionnel, ce qui lui permet de bénéficier d'une remise (de l'ordre de 40%) qu'il garde pour lui. Pour la main d'oeuvre, il demande 100-150 F par heure (au lieu de 280 dans un garage officiel). Michel insistera lors des entretiens sur la variabilité de ses tarifs, *Il évoluent ... c'est à la tête du client*. Il se montrera très fier de la confiance et de la fidélité de sa clientèle. C'est sa satisfaction, il ne fait pas

cela pour vivre mais par passion. Si Michel avait été un peu plus jeune, il aurait bien repris un garage.

Généralement, Michel supervise et conseille. Il fait la relation avec la clientèle pendant que Mouloud travaille. Michel est satisfait de Mouloud, *il travaille vite et bien mais n'a pas beaucoup de discipline, s' il sort la veille il a tendance à dormir un peu dans la journée.*

### **Mouloud, entre petits boulots et trafics**

Titulaire d'un diplôme de carrossier-peintre, Mouloud ne connaissait pas grand chose en mécanique, il estime que c'est Michel qui lui a tout appris.

Il a un revenu fixe, il gagne 400 F par jour quel que soit le temps de travail effectué dans la journée. La durée de travail est de 5 heures par jour mais en l'absence de clients elle peut être moindre. Inscrit à l'ANPE (agence nationale pour l'emploi), il perçoit le RMI (revenu minimum).

Mouloud contribue à l'économie de sa famille en versant 4000 F directement à sa mère. Il économise aussi un peu pour plus tard (*quitter la banlieue*) et pense repasser dans *l'économie officielle* quand il aura une famille. Un de ses frères fait aussi de la mécanique les week-end et ce de façon non déclarée. Un autre, que nous avons rencontré, mécanicien au chômage plus âgé (marié, 4 enfants), recherche assez activement un emploi mais déclaré. Récemment, il a été embauché comme mécanicien, il n'était pas déclaré pendant un mois mais devait l'être par la suite. Il a abandonné car ça n'a pas été le cas. Il se voit souvent proposer des postes, mais toujours au noir alors il refuse.

Michel n'a pas l'exclusivité du travail de Mouloud qui a une autre activité. Il restaure des voitures accidentées qu'il achète à la casse, répare et revend. Il effectue ces réparations dans une autre commune de la banlieue, où il loue un emplacement pour 200 F. Ici ce ne sont que des clients de Michel qui ne veut pas que *ça ressemble aux Etangs* (une cité du nord d'Aulnay). Mouloud vient de gagner récemment 40 000 F en réparant et revendant une BMW Cabriolet accidentée.

Il touche aussi à d'autres trafics : sur les vignettes auto récupérées dans des casses ou celles d'assurances avec l'aide d'un copain. Il lui est arrivé aussi de partir en week-end avec quelques faux billets de 200 F. C'est un bon client pour les divers trafics de vêtements.

Ni l'un ni l'autre n'ont de craintes particulières, Michel connaît beaucoup de monde et ils ont des bons clients parmi des policiers ou des gens de la mairie.

Deux traits semblent émerger de cette première approche de l'économie informelle de l'automobile :

- Il s'agit d'une économie à fort ancrage local, très peu autonome par rapport à des réseaux relativement rapprochés de connaissance. C'est par ce biais que se recrutent les clients, que se transmet un certain savoir ou que se forment les prix par exemple.
- Cette forme d'économie informelle couvre toute une gamme de positions qui va du quasi légal (la passion partagée entre amis) à l'illégal (les trafics de véhicules volés).

Les analyses macro économiques du marché du travail montrent la réelle difficulté des jeunes à entrer dans la vie active. Non seulement l'insertion professionnelle se fait plus longue et difficile, mais elle suppose le plus souvent emplois provisoires et périodes de chômage. L'entrée dans la vie du travail, mais aussi dans la vie adulte, se fait ainsi de plus en plus tardive.

Les éléments qui ressortent des divers entretiens de cette étude menée à un niveau local confirment d'autres observations. L'absence d'emplois et d'activités valorisantes renforcent les situations de rupture où se développent la *culture de l'aléatoire* faite de système de débrouille et de modes de vie marquée par l'incertitude.

Entre la sortie du système éducatif et une insertion dans des emplois formels, classiques, une population de jeunes adultes en état d'attente s'est installée dans des formes souvent très localisées "d'économie informelle".

## Conclusion

Malgré les limites inhérentes au caractère exploratoire de cette étude, on peut avancer quelques enseignements.

### *L'échelle écologique*

Un des points importants de cette étude pilote était de la conduire au niveau local. Se pose alors la question de l'échelle écologique à prendre en compte. A-t-elle été la bonne?

Dans le cadre d'une première approche nous avons fait le choix de la mener au niveau de toute une ville. Ce choix peut faire problème pour certaines formes d'économies informelles.

Certains des phénomènes d'économie informelle, notamment ceux les plus imbriqués dans les formes les plus concurrentielles de l'économie excèdent la ville. Ils n'ont pas d'assise territoriale mais sont liés aux nouvelles formes de concurrence qui prévalent dans certains secteurs. Une analyse menée au niveau local sera de peu d'intérêts pour ces formes.

D'autres formes, celles qui se déroulent dans un réseau de relations rapprochées, à faible rayon d'action, devront s'analyser sur une unité écologique plus réduite, souvent le quartier en mesurant mieux les effets de stigmatisation mais aussi de discrimination positive qui y sont attachés.

Par contre l'activité automobile gagnerait à être analysée sur un ensemble plus large, la commune pourrait alors se révéler trop étroite.

### *La méthode*

La démarche adoptée a consisté principalement dans des entretiens avec des acteurs concernés par le thème ou supposés en avoir une connaissance directe. L'expérience de cette étude pilote nous conduit à proscrire l'enquête par questionnaire.

Le mode d'approche par entretiens peut se révéler par contre valide sous réserve d'un temps de recherche adapté et de limiter l'objet d'enquête sur une des formes de l'économie informelle.

Ce mode d'approche s'est en effet révélé extrêmement chronophage. D'autre part si nous avons pris le parti initial de ne pas circonscrire l'objet de l'analyse, une recherche ultérieure devrait être centrée sur un aspect spécifique. Toute l'activité qui tourne autour de l'automobile pourrait être intéressante à explorer.

Sous ces réserves, l'approche utilisant les outils de l'ethnographie urbaine que sont l'observation, la méthode des réseaux croisés pour repérer les acteurs et la cooptation nous semblent valides.

### *Résultats*

Les limites d'ordre méthodologique de cette enquête n'en minimisent pas pour autant des résultats certes provisoires et limités mais qui donnent déjà quelques enseignements.

S'il y a de profondes différences entre les diverses formes d'économie informelle qui rendent illusoire une approche d'ensemble du phénomène, il n'y a pas de clivage entre les formes informelles ou formelles de l'économie. L'une se nourrit de l'autre.

Il en est ainsi par exemple pour ce qui concerne des formes à fort ancrage territorial, celles des quartiers relégués.

Pour toute une population de jeunes adultes, l'économie formelle ne se traduit que par des emplois faits de revenus très faibles sur des temps discontinus ou très partiels qui laissent des niches où l'économie informelle sous ces formes de débrouilles et trafics divers peut se loger. Ces "petits boulots informels" ne rapportent sans doute pas beaucoup plus que les "autres petits boulots" mais ils n'obligent à rien (ni horaires, ni chef). Dans des univers de relations très limitées, on peut y gagner en plus la reconnaissance des siens.

Un système diffus de position et d'échanges se développe alors sur certains quartiers où se retrouve toute une gamme de positions qui vont des franges de la légalité à l'illégalité sans que ces notions aient toujours beaucoup de sens pour les acteurs. Dans un contexte local de pénurie des formes de revenus par l'emploi, le business, les pratiques de débrouille et trafics apparaissent ainsi normaux voire légitimes.

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## **Annexes**

### *Annexe 1.1*

#### *A- Interlocuteurs (n=56)*

- *Acteurs du contrôle n=9*
  - Police 6
  - Inspection du travail 3
- *Acteurs spécialisés non-habitants n=8*
  - Assistantes scolaires 3
  - Educateurs de rue 1
  - Société de logement 2
  - Equipe d'intervenants en toxicomanie 1
  - Mission locale emploi 1
- *Acteurs et habitants n=27*
  - Commerçants au Galion 2
  - Gardiens (Rose des vents et Chanteloup) 3
  - Chômeurs en recherche d'emploi 4
  - Jeunes femmes (aide à domicile) 2
  - Responsables associatifs et habitant les quartiers 4
  - Habitants (acteurs ou non) 12
  - Jeunes (Phare et centre de danse) n=12

*B- Types de produits et services mentionnés**Automobile*

Un moteur, 1000 F de main d'oeuvre ; Les freins à disque 300 F ; Une courroie de distribution 400 F ; Une bobine électrique 100 F ; Une peinture 5000 F ; Peindre une aile 500 F ; Embrayage 500 F

Main d'oeuvre 100-150 F/h

Une courroie de distribution, (2 ou 3 h de boulot, 400 F) ; Une bobine électrique pour une Fiat environ 100 F.

Revenu : entre 400 et 500 F/jour

*Revenus divers*

**Confection** : Prix de la main d'oeuvre : un jeans 15 F, un t-shirt 2,5 F

**Marché** : décharge et installation 70-100 F ; installation et sécurité 250 F

**Sécurité** : 1000 à 2000 F par soir

**Travail à domicile** : repassage 25-30 F ; ménage 35 -50 F

**Prostitution** : 50 F (au foyer des résidents étrangers)

**Coiffure** : 100-150 F (femme), 30 F (homme)

**Elevage de Pitbulls** : mâle 3500 F ; femelle 4000 F

*Drogue**Héroïne*

1g coupé à 5% 200 F ; 1 paquet 50 F (avec très peu de produit actif)

*Shit*

1kg 10 000 F ; savonnette (250 g) 4000 F ; barrette 80-100 F.

Chouf (un jeune qui surveille) 100-150 F pour 3 heures

*Produits divers*

**Vêtements** : blousons (Schott), chemises (Ralph Lauren, 150 F), chaussures (Timberland, 300 F), basket (Nike, ), jeans (Levis 501, 200 F), parfums, lunettes ...

**électronique** : CD (50 F), jeux vidéos (100 F), Décodeurs (Canal+, Canal satellite), autoradios, portables, magnéscope, télé ...

**Faux** : Papiers permis de conduire, carte d'identité de 3000 à 5000 F) ; billets de 200 F (de 50 à 100 F)

**Lieux** : (Les lieux de la Rose des vents les plus souvent cités)

Drogue: Le Galion (le café et les 6 tours), l'Aquilon, Paul Cézane

Garage : Les parkings de la rue P Cézane

## Annexe 1.2 : Tableaux

**Tableau 1: Délinquance enregistrée par les services de police (1995)**

	Aulnay (circonscription)	Seine Saint Denis	Paris	France
Nombre	9080	106138	276114	26026 83
Taux pour 1000 hab	69,42	79,3 (49,3 - 101,4)	129,6	63,2

source : ministère de l'Intérieur

**Tableau 2: Taux de criminalité pour 1000 habitants**

	Ville d'Aulnay	Aulnay nord
Taux pour 1000 hab	83	112

Source : services de police, Aulnay/Cesdip

**Tableau 3: Délinquance enregistrée par les services de police  
(Ville d'Aulnay)**

Années	1995	1996
Nombre de faits (total offences)	6073	5934
Cambriolages ( <i>burglaries</i> )	650	543
Vols d'auto ( <i>thefts of cars</i> )	628	548
Vols à la roulotte ( <i>thefts related to motor vehicles</i> )	1083	962
Infraction à la législation sur les stupéfiants ( <i>drugs offences</i> )	125	110
Destruction de biens privés ( <i>damages of private property</i> )	666	1153

Source : services de police, aulnay



**Tableau 4: Délinquance enregistrée par les services de police (1995)**  
**AULNAY (circonscription)**

<b>Homicides et coups et blessures</b> <i>Homicides &amp; assaults</i>	<b>407</b>
<b>Vols</b> <i>Thefts</i>	<b>6504</b>
Cambriolages <i>Burglaries</i>	920
Vols liés à l'automobile <i>Thefts related to motor vehicles</i>	2731
Vols à l'étalage <i>Shoplifting</i>	567
Vols à la tire <i>Pickpocketing</i>	230
Recels <i>Receiving</i>	140
<b>Infraction à la législation sur les stupéfiants</b> <i>Drug offences</i>	<b>188</b>
Trafic <i>Trafficking</i>	18
Usage-revente <i>Street pushing</i>	7
Usage <i>Personal Use</i>	162
Autres <i>Others</i>	1
<b>Destructions de biens privés</b> <i>Damages of private property</i>	<b>1055</b>
<b>Police des étrangers</b> <i>Immigration Offence</i>	<b>146</b>
<b>Falsifications, usages de cartes de crédits et chèques</b> <i>Forgery, fraudulent use of cheques and credit cards</i>	<b>78</b>
<b>Travail illégal</b> <i>Illicit work</i>	<b>10</b>

source : ministère de l'Intérieur

**Tableau 5: Classement des quartiers suivant les types de trafics**

Niveau	Quartiers	Formes	Franc e	Seine denis	saint Aul- nay
0	Sans drogue	seulement conso. intime	95 80		
1	Conso. visible et banalisée de canna- bis	Conso en groupe financée par une délinquance de profit	210 207	4	
2	fourmis et petits business	revendeur-usager et déli. de profit	106 86	7	
3	Trafic visible et organisé cannabis dominant	va et vient de tra- fiquants	88 106		
4	Trafic visible d'héroïne	délinquance errati- que	116 132	5	
5	Economie souter- raine, business or- ganisé	Retombées finan- cières pour la po- pulation	61 57	5	2
6	Violence pour le contrôle du territoire		51 87	5	
For- mes 3 à 6	Total Quartier avec business drogue		316 382	26	2

Sources : Enquête RG, Ville et banlieue / Cespip  
enquête janvier 1995 sur 727 quartiers  
(enquête avril 1997 sur 774 quartiers)

**Tableau 6: Aulnay : Opposition Nord / Sud**

		NORD	SUD
AGE	moyen	24	40
	Jeune (< 20 ans)	50%	20%
	Agé (>65 ans)	1%	12%
NATIONALITÉ	Français	55%	91%
	Etranger (non eu- ropéen)	42%	4%

		NORD	SUD
LOGEMENT	HLM (locataire)	80%	7,6%
	Mais. Individ. (propriétaire)	17,5%	71%
CHOMAGE	taux moyen	18%	7,5%
	taux 15-24 ans	25%	17%
	taux 35-54 ans	15%	4,7%

(Source : Indicateurs démographiques, Aulnay sous Bois en 18 secteurs, Cerdes, 1993)

## Annexe 2

### Annexe 2.1 : Bibliographie thématique

	Le phéno- mène et sa mesure	Travail illégal	Activités illicites	Territoires	Réseaux	Le non écono- mique
	1	2	3	4	5	6
Adair (1995)	*					
Adair (1989)	*					
Adair (1985)	*					
Bouhnik et al (1992)			*		*	
Bui Trong (1997)			*			
CNV (1994)		*	*	*		
Cartier-Bresson			*			
Cartier-Bresson			*			
Costes (1994)						*
Debare (1992)	*					
Dubet (1995)				*		
Duprez et al (1996a)			*	*		
Duprez et al (1996b)			*	*	*	

	Le phéno- mène et sa mesure	Travail illégal	Activités illicites	Territoires	Réseaux	Le non écono- mique
	1	2	3	4	5	6
Duprez et al (1996c)			*	*	*	
Duprez et al (1995)			*	*	*	
Duprez (1996a)				*	*	
Duprez (1996b)					*	
Fatela (1992)			*	*		
Filleule et al (1996)			*			
Gaudin et al (1984)	*					
Hatzfeld et al (1996)				*		
Ingold et al (1995)			*	*		
Joubert (1994)			*	*		
Joubert et al (1996)			*	*	*	
Kartchevsky (1995)	*					
Kokoreff (sp)			*	*		
Kopp (1994a)			*			
Kopp (1994b)			*			
Kopp (1997)			*			
Laé (1989)		*				
Laé (1990)		*		*	*	
Laé (1991)		*				
Laé (1992)		*		*	*	
Laé et al (1996)				*		
Lalam et al (1996)			*	*		
Lubell (1991)	*					
Marie (1994)		*				
Marie (1995)		*				

	Le phéno- mène et sa mesure	Travail illégal	Activités illicites	Territoires	Réseaux	Le non écono- mique
	1	2	3	4	5	6
Marie (1996)		*				
Mariottini (1995)			*	*		
Matzuzzi et al (1994)	*		*			
Missaoui (1995)					*	
Morel et al (1994)			*			
Moulier-Boutang (1991)				*		
Moulier-Boutang (1993)		*		*		
Moulier-Boutang (1996)				*		
Peraldi et al (1995)				*	*	*
Peraldi (1996)			*	*		
Péraldi & Perrin (1996)				*	*	
Renn et al (1995)			*	*		
Roulleau-Berge (1996)				*	*	
Schiray (1989)	*		*			
Schiray (1993)	*		*			
Schiray (1996)			*	*		
Schiray et al (1995)			*	*		
Sciardet (1996)						*
Tarrius (1992)					*	
Tarrius (1995)				*	*	
Tarrius (1995)				*	*	

	Le phéno- mène et sa mesure	Travail illégal	Activi- tés illici- tes	Territoires	Réseaux	Le non écono- mique
	1	2	3	4	5	6
Tarrius (1996)			*	*	*	
Tarrius et al (1995)				*	*	
Vallée (1995)	*					
Van Oustrive (1989).			*			
Wagner (1995)	*					
Weber (1996)						*
Willard (1989)	*					
Yonnet et al	*					

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## **The Shadow Economy in Frankfurt-Bornheim: Results of an Empirical Study**

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The aim of this paper is to examine different methods which can be used to obtain data about the 'shadow economy', within the context of a small pilot study which was carried out in Frankfurt am Main, Germany. The pilot study succeeded in describing a number of the aspects and facets of the shadow economy in the local area, but also raised a number of different concerns about methods.

### **Research questions and the focus of the study**

#### *The shadow economy and illegal money making*

As Pommerehne et al. (1994) have said, "the term 'shadow economy' includes all those achievements which are normally part of the National Product but which are - for whatever reason- not included in the Gross National Product." (see Pommerehne et al., 1994, 851, transl. by author). A large part of the Gross National Product is created by black-market transactions, in goods and asset markets, labour markets and capital markets. Estimations of the magnitude of the black market share range between 8 and 14% of GNP (see, for example, Weck-Hannemann et al. 1989; Pommerehne et al. 1994; Schäfer 1992; Karmann 1990). But there are several open questions about the effects of these transactions on legal markets and about the patterns and mechanisms of illegal money making in these markets. We do not know much about the origins and motives of those undertaking

'black' work, illegal money making or other activities in the black market. Nor do we know the magnitude and extension of the phenomenon, nor do we have many answers to questions about what kinds of people are involved in the markets. Is the problem growing or not? Is black work and illegal money making an important factor in social integration?

Furthermore, there is the question of the damage that may be being done by these activities lying within the informal sector. Is the potential harm caused by black work and the shadow economy as high as we can estimate by using macroeconomic methods? Not every black business can be transformed into legal business and there is no simple shift from legal to illegal markets. Most of the illegal jobs would not exist if they were legalised. They would be too expensive and there would be no demand for it. The conclusion that legalisation and more intensive prosecution would lead to more legal jobs may not be correct. We also need, in considering the impact of the informal sector, to look at the acceptability of working in this sector. The general acceptability of black work and the shadow economy amongst the population has become very high in Germany during the last few years. People and citizens have their own moral attitudes about this phenomenon. Particular reactions to black work or tax evasion seems to differ considerably from the reaction to other kinds of criminality, such as drug dealing. The apparent increase in the amount of black work and of tax evasion seems to enhance the distance between citizens and the state. People tend more and more to recognise the state's organisations which are concerned with taxation not as supportive or necessary institutions, but as hostile enemies. Another aspect of this, which we need to take into account when evaluating black markets, is that they satisfy needs are satisfied which could not be satisfied in legal markets. It can be assumed that every economy needs some illegal services and black work to provide markets which could not exist if they were forced to be legal.

### *Which aspects are important?*

The focus of the project is making money illegally outside the legal frameworks, which we shall term the 'shadow economy'. The phenomenon is very widespread, with several types and classes of offences being part of the shadow economy. The nub of the phenomenon must be seen as 'money making'. What else could it be? Everyone who is engaged in black markets

or black work wants to make money and wants to enhance his income. But there are still differences in the motives for making money, from sheer poverty to the craving for wealth. And readiness to break norms to obtain illegal money is very different in high and low income groups. We can distinguish a number of other aspects in money-making behaviour: high need versus low need groups, high income versus low income groups, incentives within the markets themselves, legal opportunities and legal income sources, acceptance of illegal behaviour, market and price pressures on business, the taxation system and the extent to which the authorities prosecute illegal behaviour etc. These factors seem to have the most important influence on the phenomenon and need to be examined in further research (see also Weck-Hannemann et al. 1987; Pommerehne et al. 1994; Karmann 1990).

### *Which aspects can be examined?*

Not all the interesting aspects of the phenomenon can possibly be looked at in one research project. Nor are all suitable to all research methods. For example, people will not normally give complete reports of their own criminal behaviour. They will tend to hide the illegal parts of their income. The idea behind the pilot project is that it should provide some answers to the question of how limited the research in this area will be. The magnitude of the black markets cannot exactly be calculated because the markets are hidden. But some aspects of the motivation and patterns and mechanisms of money making in different parts of the shadow economy can be examined.

### *The research questions*

The project has two aims. The first is to identify some methodological approaches to the phenomenon. The second is the identification of the importance and implications of the shadow economy in a specific local area, to identify the aspects which could be the subject of further research. Existing studies about shadow economy either are concentrated on the macroeconomic level, trying to estimate the magnitude of the shadow economy, or they are based on widespread samples using short questionnaires (see, for

example, Niessen and Ollmann 1987). The pilot study will be focused on a local area and on the importance and implications of several local methods of illegal money making. The major questions for the project are: (a) What roles does illegal money making play in everyday, visible life and in local community structures? (b) In what ways do illegal or black labour markets affect the integration of people into local areas or villages or districts? (c) Which aspects of the shadow economy and illegal money making can be examined using social science research methods?

### *Research methods*

The study is a pilot, feasibility study at the local level, looking at, for example, how local politicians face the problem and how local oriented citizens estimate the problem. The main focus, therefore, is *local* activities and the origin of these activities. The pilot study was carried out in Frankfurt/Bornheim, in tandem with a parallel study in Aulnay/Paris.

Some of the basic research problems with which we were confronted are well known problems in criminology. The offenders will try to cover up their criminal behaviour and may not talk about their activities. Knowledge about the black economy will always necessarily be incomplete, because of these hidden aspects. Previous studies have tried to solve this problem by using estimations, based on regression analysis or modelling. Direct interviews about black work or illegal money making have in fact not been carried out in Germany in the last decade, so this pilot project was breaking new ground (see Niessen and Ollmann 1987, Vogel 1991; Pelzmann 1985; Schäfer 1992; Schwarze 1990).

### *Choosing the area: Frankfurt and Bornheim*

A specific city, Frankfurt am Main, and furthermore a specific part of the city, Bornheim, was chosen for the research. Bornheim was chosen because it contains several urban phenomena and aspects of the informal economy within the same district. We could look at all these aspects in one pilot study. Drug dealing, black work done by German citizens, foreigners from different ethnic groups, groups of youngsters and pensioners are all clearly present. Equally, in Bornheim, there is little physical separation of the dif-



ferent social groups. Hence the local shadow economic activities of Bornheim spread over a considerable number of different criminal offences and are carried out by different groups of citizens or groups from different social backgrounds. Another reason to choose Bornheim was that its social structure and criminal profile is not unique. Bornheim is some miles away from the very specific criminal scene around the main railway station of Frankfurt. It has an interesting and separate scene with its own dynamics, micro structures and local, restricted social networks. Bornheim is not part of the recognised organised crime area and the red-light district around the main station, but is still confronted with many facets of crime.

Bornheim is an old traditional part of Frankfurt. Urban life is mixed with traditional living patterns. Bornheim has its own centre, with a main road running through it. The district of Bornheim has nearly 27,000 inhabitants, compared to the population of Frankfurt of 650,000. The population of Bornheim comprises 12,380 men and 14,408 women (53.8% women); with 19,565 Germans and 7,223 foreigners (27.0% foreigners) (Amt für Statistik, Wahlen und Einwohnerwesen 1996). The percentages of the different age groups are 11.5% between 0 and 15 years, 69.3% between 15 and 65, and 19.2% over 65. Bornheim is mainly a residential area with shopping centres, several churches, and five main squares with parks and pedestrian areas. There are no large factories. Non-German nationals live scattered amongst German citizens, without ghettoisation. There are many second-generation immigrants.

The group of foreigners (27% in total) can be divided into Italians (9.2%), people from the former Yugoslavia (29.6%), Turks (18.7%), Spanish (3.6%), Greeks (2.5%), Moroccans (3.6%), and others (32.6%). Though all these groups have been integrated to a high degree, when some residents were talking about living in Bornheim, they indicated that Bornheim is changing in this respect. It seems to be that the former high standard of living in Bornheim is decreasing. Some of the older citizens of Bornheim are looking to move to another quarter. Some complained that within the last three to four years the streets had become much dirtier than before. There exists, for example, a very complex plan for the removal of refuse, whereby there are specific times for specific kinds of refuse. It was claimed that some of the foreigners are not able to read the complex plans or to identify the times when the dustmen would be coming, so they tended to put the garbage out on the street whether the sanitation service was coming or not. It seems the refuse collection plans are too sophisticated.

Most of the people living in Bornheim do not work in Bornheim itself, but in the industrial areas of Frankfurt outside Bornheim. The unemployment rate in Bornheim is the same as the average for Frankfurt, about 11-12%. But this means there are nearly 5,000 young people unemployed and their numbers are increasing. This also seems to be having an effect on the social climate in Bornheim. Several citizens reported that, over the last 4-5 years, the social climate in Bornheim has become more aggressive and more destructive, with the perception of lessening informal social control. Our interviewees talked about how, previously, older people would shout at kids who were misbehaving or at aggressive youngsters on the street. Today, it was said, these people do not intervene any more on the street, because they are afraid of becoming victims of attacks or violence. They do not exercise social control, they tend to withdraw.

## **Choosing four different research methods**

The different activities of the different social groups make it difficult to describe the shadow economy as one entity. Equally, however, several of the markets are mixed together, for example the drug scene with markets for stolen goods, black work and tax evasion. If we then understand illegal money making and shadow economy as one complex event, it needs several approaches to the phenomenon to obtain a picture of the money-making processes in the local area. There are several research methods which can be used to examine the shadow economy in European cities or in parts of these cities. We chose four of these for the pilot study.

### *1. Looking for visible signs in the city*

There are a considerable number of visible signals, features and signs which could tell us something about illegal market activities. Notices and signs put up on the trees in the local area can give us information about the local illegal labour market. Local newspapers are another possibility. Black boards in schools, restaurants, bars, clubs and meeting points might give some information about the specific activities of informal groups in the local area. For the informal economy to succeed, supply and demand have to search for each other. It would seem that the number of contacts in the

black markets which people are seeking is much higher than they can get through private, informal means (friends, relatives etc.). Those who then depend on open signals and those who do not have enough private contacts must emit some signals somewhere. These signals should be visible to researchers: market activities like advertising on black boards, notices put at trees or walls, visible supply of black economic activities, notices pinned on the notice boards of supermarkets, waiting rooms, at key public sites and so on.

## *2. Direct observation*

Another aspect of the visibility of the shadow economy is the possibility of doing observations of local activities in the streets. The idea was to examine the open observable behaviour of people in the street. What can be observed in Bornheim? Who are the offenders? Who is observable? To obtain an overview on the informal economy in a distinct area of a larger city, it is necessary to target particular social groups. These might be: (a) young people without work (or, rather, without legal jobs), who must be earning illegal money to survive; (b) asylum seekers who are not allowed to do some work until they get the 'allowance to work' (permission granted by the German authorities to work) (c) pensioners who want to obtain some supplement to their monthly pension; (d) business people who are running illegal businesses alongside their legal business; (e) recipients of social payments who don't declare other income from jobs in the black market; (f) jobless people who receive unemployment benefits and do not declare income from other illegal jobs; (g) private job finders who connect enquirers with illegally operating entrepreneurs; (h) firms run by families in which members of the families work without contracts and without tax payments and other related payments being made to the state; (i) people in restaurants, bars and clubs, working as cleaning staff, service staff, or in the kitchen without legal contracts. There is a large number of possible social groups to observe

## *3. Analysis of advertisements and announcements*

Local newsletters or local business magazines could give us some information about local labour market activity. Some of these magazines or newspapers may be being used by illegal employers to find new illegal partners.

#### *4. Interviews*

Another approach to obtaining information about illegal money making is to ask people what they know about illegal markets. Interviews are very often used in social sciences and they are a very strong and useful method. This is also true in the case of illegal money making. But it is not clear whether persons from the several different groups who are in contact with illegal economic activities would be able or prepared to talk about their knowledge and about the size and importance of the informal sector and black economy. To obtain an insight into deals and specific economic activities, people from different groups should be asked: offenders, victims, insiders, and of course members of the authorities, policemen, members of city parliaments and members of public institutions. The purpose of using interviews is to obtain contacts with well informed people and with persons who have professional contacts to several kinds of illegal money making in the local area.

#### *Other methods which could have been used*

Other methods might have been used in the pilot research, but have considerable ethical or practical difficulties. They include offering illegal activities, surveys and making macro-economic estimations of the extent of the informal economy.

Attempting to entice people to take part in the informal economy, by offering illegal services by telephone, means that the researchers themselves would be close themselves to operating illegally and would certainly be entrapping others. The method has been used by some journalists (see, for example, *Der Stern* 1997). They telephoned firms, car repairers, hairdressers, restaurants etc. and asked for specific services without a written bill being presented. The results were that nearly 70% of the firms contacted said they were immediately ready to offer services or work without paying tax or other duties.

Questionnaires could have been used instead of interviews. However, we felt that offenders, businessmen and shop owners would be highly unlikely to acknowledge any criminal activity in a questionnaire.

Another method is to make an estimation of the possible extent of the informal economy through using local statistics about labour markets, the

demographic structure and other variables. This is the local equivalent of the national estimates of the extent of the informal economy. However, the availability of relevant statistics is a problem, as is the extent of overall knowledge about many illegal activities.

## **The results of the study: the shadow economy in Bornheim**

The possibilities for data collection in Frankfurt were very limited in respect of time and money (only a few weeks in the summer of 1997). But in spite of the few interviews and the small amount of data gathered, the picture which can be drawn about the shadow economy in Bornheim is very complex and includes a lot of interesting facets about the local activities. The results are presented separately for each research method used, so that the usefulness of each method can be judged.

## **Looking for visible signs of the shadow economy**

### *The search for visible signs of the shadow economy*

Five trips through the streets of Bornheim were carried out. In April, May, July, September and October 1997, all visible signs of the shadow economy in the streets of Bornheim, particularly the main street (Bergerstrasse) and several side streets and parks, were collected. Each visit took three to four hours. Notices were collected and photos of several notice boards were made.

To what extent were such visible signs found - and are they useful for an attempt to quantify illegal economic activities?

a) noticeboards of supermarkets: At the entry of several supermarkets, noticeboards were hanging, on which contacts of several different kind could be made. Notices at five supermarkets and shops were found with similar attributes. Most announcements concerned selling and buying goods, for example used furniture, musical instruments, electronic equipment, crockery and clothes. About 15-20% of the notices offered services in the household, cleaning, working on private gardens, car washing, and private lessons, mostly private music lessons. But all the notices and announcements seem to indicate very low amounts of income for the suppliers. This seems

to be a usual communication form of the informal economy between private persons at a low income level. Offers of more complex work or harder and more time-consuming work could not be found.

b) noticeboards in schools: Nearly every school had its own notice board. But the visible supply and demand also included only low level activity. Services for households, selling and buying of used goods and private lessons were offered. But no offers for jobs in bars, restaurant or professional cleaning services could be found.

c) noticeboards in restaurants, bars and clubs: The notices in restaurants, bars and clubs mostly concerned cultural events, such as concerts, films and plays. Though it is likely that there is a lot of informal economic activity in bars and restaurants, the findings were that this is not being advertised openly.

d) noticeboards at meeting points: Even the noticeboards at meeting points in schools and youth clubs did not provide any evidence of black market supply and demand. Only a few announcements could be found, offering to move furniture. The average notice on this kind of notice board could not be classified as an offer of market activities which might be seen as a part of the shadow economy.

e) visible signs of private mediation: We were not able to find any visible signs announcing private mediation for black market activities. Mediation of illegal work is not happening by means of written signals or written communication.

f) notices pinned on trees: Several notices were pinned on trees in the parks or in the streets. These notices offered, for example, meditation weekends, dancing lessons, cooking lessons and other services. On every notice which was observed there could be read a full address and telephone number and the name of the firm or institution offering the service. No sign of these being illegal offers could be found amongst these papers.

g) visibility of the drug market: The drug market appeared to be operating through verbal communication. No visible written signs could be observed.

h) visibility of prices for illegal services: There was one report in the interviews of the public offering of illegal services. A hairdresser told us about a friend who was also a hairdresser, who had put price charts for (non-tax-paying) hairdressing services in the window of his flat or house. Anony-

mous others had told the authorities and he had to pay a high fine. But such 'mistakes' made by people engaged in illegal activities seemed to be very rare.

### *The usefulness of observing visible signs as a research method*

A lot of economic activities are mediated through noticeboards in supermarkets or by bill-posting or noticeboards at several places. But only in a few cases is it possible to classify the notices or the advertised activities as illegal. It is really the researcher's guess that a particular notice is advertising illegal activity. Advertising on noticeboards or on notices pinned to trees or walls are mostly used for services in the household, cleaning or teaching. Here we meet the problem of identification. Several notices offer economic activities. But without additional information about the suppliers nothing can be said about the quality of the economic behaviour behind the offer. The offers are nearly all of informal quality with low income. Black markets which include higher turnover and larger amounts of money are not visible in this manner. It must be assumed that these markets are running by mouth-to-mouth and face-to-face contacts.

But the question is still open: what are people doing who are looking for black work or who offer black work and have not enough private contacts? How are people communicating if they need to depend on mediation? It seems that they do not leave visible signs but that they are looking for face-to-face contacts. The visibility of black markets in terms of notices, signs and signals in the streets of Bornheim is very low. The results of the interviews concurred with this assessment (see below).

### **Participant observation in Bornheim**

Several hours were spent in different places in Bornheim to find out the degree of visibility of the informal economy to the observation of researchers. The most interesting places, places which were suggested by several people, were watched several times. These were mainly the Merianplatz, the Höhenstrasse and a named restaurant. A citizen maintained that he knew that young people were being interviewed by people looking for employees in the informal economy at a particular special restaurant. The res-

taurant has been contacted several times. Further trips and observations were made through the Sonnemannstreet at the southern border of Bornheim.

The observation of people's activities in the centre of Bornheim and observations at interesting places where, as some people maintained, black work was being mediated led to some interesting impressions about the ongoing activities but the information gathered was not very reliable. Several activities could be observed in Bornheim which seemed to be illegal but it was difficult to judge that it was really illegal. Here we meet the same problem as with the previous method. Without further information classification of the behaviour is not possible. However, some activities were particularly interesting:

a) observation of drug dealing in Bornheim: An exception to the difficulty of working out what was going on and whether it was illegal was drug dealing close to the metro stations and at the Merianplace. Drug dealing was being carried out very openly and could be observed at several places, with several of the interviewees naming the same places.

b) observations of labour prostitution: A very specific phenomenon can be observed in the south of Bornheim. The phenomenon, which is well known among Frankfurt's citizens, is also called 'Polish prostitution' (Polenstrich) by several newspapers (*Frankfurter Rundschau*, *FAZ*). It is easy to observe. During the average working day nearly 100-150 Polish and Russian men, together with men from other eastern European countries such as Romania, the former Yugoslavia and Hungary, stand in the Sonnemannstreet. They stand around like tourists. Their age lies between 20 and 45 years. Essentially, they offer their manpower. They have come to Germany with a tourist visa. They then stand in the Sonnemannstreet and wait for customers asking them to work for them. The customers, people who are looking for cheap workers, drive cars through the Sonnemannstreet, stop and ask them whether they will work for certain hours. Negotiations go on in the cars. This phenomenon is a very singular and specific phenomenon which does not exist in other streets or parts of the city.

Several task forces have already tried to examine the phenomenon and tried to get some relevant information to combat the black workers. They have made covert investigations. When visible contacts on the street could be observed some officers followed the cars and tried to observe the men on a building site or at work. The press and the media also made several investigations and tried to get contacts with the involved persons. For us,



this phenomenon was easy to observe and photos are easy to get. But we meet the same problem as in the two methods above. The phenomenon is well known but the criminal aspect of the behaviour are difficult to pin down. The possibilities of classifying the behaviour as illegal behaviour are very limited. Also the opportunities for the police or task forces to combat the black work are very limited. Standing around is not punishable. Standing in the street is no offence. And usually it is not possible to observe that illegal job mediation is going on. Before the task forces can identify specific behaviour as an offence they must get further evidence that it is illegal behaviour. They must get evidence that illegal labour is actually being carried out. Normally there is no significant proof. For us, it was not possible directly to observe the mediation of job opportunities in the cars. Our observations could not lead to new information about the phenomenon.

### **Analysis of announcements in the media**

Two local papers were examined for advertisements for work which might be related to the informal economy. These were papers which typically lie around in Bornheim's bars and restaurants, youth clubs and at the entries of supermarkets: *Das Blättche*, *Ihre Stadtteilzeitung*, and *Bornheimer Wochenblatt*. Some of these papers have been picked up in pizzerias and beer gardens. The normal issue has about 20 pages. The content of these papers are local news, dates in Bornheim and close districts, fashion, catering, local economic events, home DIY, over 65's activities, gardening and a lot of small announcements.

Two issues of two newspapers were examined with respect to illegal announcements, particularly any announcements which included some evidence of illegal economic offers. Among announcements for catering or shops no such offers could be identified. But among small announcements there are in every issue nearly 30% of announcements which include suspicious offers like the following: 'Private lessons in English and Latin, Tel.: ...'; 'Interesting additional job for people with driving licence and telephone, call Nr. ...', 'Painter and paper hanger is looking for further part-time job ... Tel.: ...'; 'Older man is looking for additional income, call ...'; 'Offer ideal additional job for attractive and sympathetic girls. Super income ... Tel.: ...; 'Ironing service, quick and cheap, call ...'. The quota of suspicious announcements of this kind among small advertisements was nearly the same in all the issues analysed at 30%.

Local papers clearly were including a large number of announcements, which seemed to be illegal offers and seemed to offer black work. But the assumption that it is an illegal offer can not be proved in specific cases from the newspaper evidence alone. In most of the announcements there were telephone numbers. It would be necessary to call these numbers to obtain further information to see whether the activities were illegal. In many cases proof will be very difficult to obtain. In further studies this could be a useful way of data collection, but much more time would need to be spent on making direct contacts with people offering such services or goods by using such announcements. This method of course would include the problem that researchers would need to be involved in illegal transactions.

### **Interviews about the shadow economy in Bornheim**

An interview guide was constructed including questions about several aspects of the shadow economy. Each interview took about one hour. All the interviewees were asked the same questions. The main aims of the interviews were to estimate the quantity and quality of the shadow economy in Bornheim, to explore any signs or evidence for illegal activities, to explore the effects on victims and on legal businesses, and to examine any specific behaviour necessary to obtain contacts in the markets and the behaviour of job mediators and illegal job agents. The interviewees were told that:

The Max-Planck-Institut for foreign and international criminal law in Freiburg is carrying out a research project in several European cities together with a French and an English criminological institute. The focus of the project is illegal money making and especially illegal money making as an offence of young people and of some socially excluded groups. To get more information about the different ways that young people are using to make illegal money, we would please ask you to answer some questions about the conditions and circumstances in Bornheim. All your answers remain anonymous. Your answers are solely taken for scientific research. Neither your name nor your address will be given to persons outside the project.

Twenty eight people were interviewed about the shadow economy in Bornheim and Frankfurt. The interviewees can be divided into four groups: (a) offenders, (b) members of institutions who have contacts with potential offenders, (c) members of task forces, (d) well informed citizens of Bornheim.

1. *Offenders*: Contacts with offenders were mediated by social workers and citizens who knew offenders personally and asked them whether they would take part in interviews. We found that approaching offenders nominated by other kinds of people led to refusal to take part. We were able to interview 5 people who said that they themselves had taken part in informal economic activities.

2. *Members of social institutions*: Several members of institutions and organisations who could potentially know something about the shadow economy were interviewed. We were able to identify a lot of organisations and public institutions which are concerned with the phenomenon of the shadow economy as social helpers. They are engaged to try to persuade people back into legal employment or in helping them manage their problems etc. Teachers, for example, know something about the activities of their pupils in black markets (drugs, services, households etc.). Street workers can tell a lot about the illegal activities of their clients. A lot of black market activities are started in clubs, meeting points, discos and other places where the owner of the clubs or the leaders can observe these activities. Members of the youth bureaux have information about the illegal income of young people and about the illegal activities they observe in their daily work. They know a lot about children's work in restaurants, households, cleaning services and so on.

3. *Members of task forces*: People from local government and regulatory are likely to have information about the quantity and types of semi-illegal activities by firms and registered companies. For example, the business control office is responsible for providing allowances to businesses starting up in the local area. It might well have some information about the amount of active, but not registered, illegal businesses in the area. Other possible institutions with information about black market activities and which have special task forces to combat the shadow economy are the courts, public prosecutors, the police, and the tax authorities.

4. *Well informed people in Bornheim*: The final group of individuals asked to take part in the interviews were local insiders knowing something

about the local activities of people engaged in the informal economy. People who are likely to know something about tax evasion, illegal business or informal trading are those who have a lot of contacts with many people living in their district, such as taxi drivers, teachers and so on. They can possibly provide some information about demand and supply in the illegal sector, the kinds of people who demand and supply illegal work, and about specific activities in their local area. Others will not directly be in contact with black markets or the shadow economy, but will be engaged in local affairs and know the local scene very well. Some of these people have been asked to take part in the interviews, such as local politicians, members of trade unions, members of political parties, and priests.

### *The interviews achieved*

The sample of course was not representative. In this pilot study, we looked for those who we thought might have relevant information and talked to 28 people. Several institutions selected a specific member to talk about the phenomenon. In further research the construction of the sample must be made on a more systematic basis and the number of interviewees enhanced.

The interviews were carried out between July and September 1997. Before the interviews started, the interviewer had to classify the background of the interviewee in a broader sense. The 28 interviewees can be divided into four groups: offenders (N=5), who told us that they themselves had been involved in black work or had evaded taxes or had unreported income or other offences; members of social institutions (N=7) with professional contacts with offenders (youth centres, street workers and professionals); members of local authority or statutory task forces (N=6) with professional contacts to offenders as prosecutors, members of tax investigation, labour inspectors or public affairs officers; well informed people (N=9), such as politicians, members of trade unions, or priests.

### *The usefulness of the interviews*

The most useful information about the shadow economy in fact came from the interviews. Interviews with experts, offenders and well informed people were the most productive instruments to obtain information about the

shadow economy and illegal money making in Bornheim. The next chapter includes a report about shadow economy from the point of view of these 28 people. The interviews revealed several interesting aspects, but very different views of the phenomenon came from different sources.

Using interviews to obtain information about the shadow economy is, however, not without its problems. One problem which often appears during the interrogation of experts is that the person's own individual knowledge is mixed with information gathered from the media. Even if the interviewees are asked for their direct experiences, the answers are often mixed with information from newspapers and television. Another problem is that most offenders are not willing to talk about their own behaviour and about their specific knowledge, but only more generally. Hence it is important to make contact with those knowing several groups of offenders.

## **The results from the interviews**

The results of the interviews are presented in the order of the questions asked, in order to facilitate further development of the research methodology.

### *1. Local knowledge*

The first section of the interview asked about people's local knowledge.

#### *1a) Do you live in Frankfurt? In Bornheim?*

The question was asked to make sure that all the interviewees had contacts to the local situation in Frankfurt and Bornheim. All the offenders came from Bornheim and nearly 50% of the other interviewees. The members of task forces came from institutions which spanned the whole city. However, some of the members of local institutions did not live in Bornheim. So the sample includes several interviewees from outside of Bornheim, but all of them were citizens of Frankfurt.

#### *1b) Do you know the local conditions and circumstances in Bornheim?*

This question was answered using a scale with five steps (very well - well - a little - badly - very badly). The offenders believed that they know the lo-

cal conditions and circumstances very well, whereas the members of local task forces were less sure of their local knowledge. The table and subsequent tables show the mean level at which respondents answered the question.

1b) N=28	offenders (5)	soc.helpers (7)	task forces (6)	citizens (10)
Do you know the local conditions and circumstances in Bornheim?	very well	well	a little	well

*1c) How well are you informed about the criminal scene in Frankfurt?*

This question could also be answered by a five step scale (very well - well - a little - badly - very badly). The answers corresponded with people's knowledge of local circumstances, but the degree of subjective knowledge decreased a little.

1c) N= 28	offenders (5)	soc.helpers (7)	task forces (6)	citizens (10)
How well are you informed about the criminal scene in Frankfurt?	well	well	a little	a little

*1d) How well are you informed about black markets in Bornheim?*

This question could also be answered using a five step scale (very well - well - a little - badly - very badly). Citizens from local institutions believed themselves not to be well informed about local black markets. Even the members of the task forces said that they do not believe they were well informed. But both the offenders and the professional social helpers thought they were very well or well informed.

1d) N= 28	offenders (5)	soc.helpers (7)	task forces (6)	citizens (10)
How well are you informed about the black markets in Bornheim?	well	well	a little	badly

*1e) Do you have professional contacts in relation to the criminal activities of young people? Or with offenders in Frankfurt?*

All members of the task forces and professional social helpers reported that they had professional contacts with offenders in the black markets. The citizens did not. This is a very important difference between interviewees. Citizens are speaking about a topic on which they have no personal contacts or experiences. The table gives the number of respondents who responded positively to the question.

1e) N= 28	offenders (5)	soc.helpers (7)	task forces (6)	citizens (10)
Number of interviewees who said they had professional contacts with offenders	1	7	6	0

*2. The location and types of black market activity in Bornheim*

In the second part of the interview the interviewees were asked about their knowledge of the location of black market activity in Bornheim and about the kinds of business which are carried out, as well as about their knowledge of mediation of black work and illegal jobs at these locations.

*2a) Do you know places and locations in Bornheim where illegal business is carried out?*

The answers to this question were very similar for all the groups. The locations were well known to all the groups of interviewees. Several places in Bornheim were named. It seems to be an open secret for nearly everyone as to where these places are. Only a few (4) provided no answer, but in the case of the offenders it seemed to be that they knew several places but did not want to talk about them.

In Bornheim it seems that different types of illegal business are carried out at different places. Drug dealing is concentrated around the subway stations. Several interviewees reported that the number of drug dealers and the number of observable addicts on the streets in Bornheim were increasing but the statistical data for Frankfurt show the opposite tendency in the last few years. The total number in Frankfurt overall is decreasing, but at the

subway stations of Bornheim an increasing hustle and bustle of junkies and dealers can be observed. It can be assumed that this has to do with the new drug politics in Frankfurt and stronger controls at the main station. The centre of Bornheim has become one of several new meeting points of the drug scene in Frankfurt. A street worker emphasised the danger for Bornheim's children, with an increasing number of syringes found in children's playgrounds.

The business of stolen goods is larger than the amount of drug dealing carried out in private rooms. For stolen goods, the trading places are not the open places and the streets but private rooms. Open places are the meeting points where suppliers and purchasers talk about the transaction, but the exchange of goods and money is carried out in covered surroundings. Several addresses of bars, restaurants and private locations are known by the task forces.

2a) N= 28	offenders (5)	soc.helper (7)	task forces (6)	citizens (10)
Do you know places and locations in Bornheim where illegal business is carried out? (named places)	- Merianplatz - Höhenstrasse - Bergstrasse - Bornheim (subway) - Falltorstrasse - Maimkurstr.	- Merianplatz - Konstabler Wache - Anlagenring - Unigelände - Uhartürmchen - Germanipl.	- Uhartürmchen - Merianplatz - subway - main station	- main station - Konstabler Wache - Uhartürmchen - Merianplatz
what kind of business is carried out there?	- drugs - stolen goods - cigarettes - weapons - pimping	- drugs - stolen goods - clothes - weapons	- drugs - stolen goods - sex - drugs - weapons	- drugs - weapons - sex - stolen goods
no answer given	n = 2	n = 0	n = 0	n = 2



*2b) Do you know of places and locations in Bornheim where illegal jobs are mediated?*

The interviewees named only a few places where illegal jobs are mediated. Job mediation seems to be concentrated on these few places, the Sonnenmannstreet and at the Uhrtürmchen in Bornheim. And there seem to be only a few mediators.

In those areas where black work is mediated no drug consumers can be observed. They can not do such work there, because most of the junkies are too weak to carry out hard black work or can not work a whole day to obtain money for their drugs. Drug consumers seem to be engaged more in robbery and drug dealing, rather than black work.

2b) N= 28	offenders (5)	soc.helpers (7)	task forces (6)	citizens (10)
locations where illegal jobs are mediated	- Bergstrasse (in some bars) - Sonnenmannstrasse - Großmarkt	- Uhrtürmchen - Sonnenmannstrasse - Großmarkt	- Sonnenmannstrasse - Uhrtürmchen	- Großmarkt (Ämtchen) - Sonnenmann- - Hanauer Landstrasse
no answers provided	n = 3	n = 3	n = 1	n = 3

*2c) Can you describe how illegal job agents behave in the markets?*

Most of the interviewees said that they could not report personal observations about illegal job agents in Bornheim, with even the members of the task forces reporting that they had only a few contacts with illegal job mediators. It seems that only a few professional job agents try to mediate illegal jobs in Bornheim. Most jobs are mediated directly between employers and potential workers on the street. The mediators seemed not to be acting in a way that they could be observed. In particular, they did not seem often to be contacting new, unknown potential workers in a way which can be compared to legal mediation. Several officers and members of task forces could not give an answer on this question. But we must distinguish between open and covert mediation:

1. The few open contacts between employers and potential workers for black work seemed to be concentrated in the Sonnemannstreeet in the Ost-End of Frankfurt. People drove there in their cars, picking up some of the Polish, Rumanian, Russian or Yugoslavian men, with negotiations about prices and conditions being carried out in the cars. Openly obvious mediators were not necessary. Those who wanted to employ black workers just drove to the Sonnemannstreeet.

2. Covert contacts cannot be made without colleagues, friends or well known others. A few locations were named, including restaurants and the "Uhrtürmchen" in Bornheim. But none of the interviewees said that they had observed such mediation themselves, neither in Bornheim nor in other parts of Frankfurt.

3. Covert contacts in the building trade: Members of task forces indicated there was mediation between foreigners and construction companies. They could report some cases from this field in Frankfurt, but the cases did not happen in Bornheim. There were apparently several limited companies in Frankfurt, run by men from Yugoslavia or Romania, which worked as sub-contractors on building sites. The owners of the companies hired new people coming from Yugoslavia or Romania, who were known to them from their own country. In the case of mediation of foreigners for black work, most of the mediation activities were happening in the countries where the aliens came from, with, usually, no visible mediation to observe in Frankfurt. Those who came from their home towns had specific addresses with them and looked for specific contacts.

4. Mediation by foremen: Another common pattern of mediation in the building trade was reported by members of the task forces. Usually mediated black workers on the building sites are not Germans but foreigners, because most Germans will not accept the very low wages. But some are known as foremen who would drive to the building sites with a group of workers with them. These foremen received about 25 DM per man an hour on the building site and paid about 15-20 DM to their workers. They were organised as semi-legal working groups, in part paid legally, but to a large degree paid 'on the black' without any invoices or paying any tax. Cash was paid in the evening to the foreman.

5. Another kind of covert mediation happened in relation to private house building. People who built their own houses often tried to get black workers, because they could not use any invoices to reduce their own taxation.

Every reduction in payment was a net reduction of their house building price. There was, hence, the maximum of incentive for black work in this way. Such work was normally mediated by mouth. If not, and if private house builders were looking for workers or craftsmen they often asked on the telephone during their first call whether the firms or craftsmen were willing to work without anything in writing.

6. Legal mediators and illegal activities: Task forces reported that the number of identified cases of illegal mediation of work in Frankfurt was decreasing. People were more frequently starting to mediate employment legally. There were a considerable number of private job agents in the market. The job agents were frequently inspected by regulators and there was obligatory registration for these agents. They had to report the number of jobs they had mediated. But there was also some grey areas. For example, often a secretary would be appointed in addition if an executive position was filled. Only the filling of the executive position would be reported.

7. There was a grey area between the illegal mediation of employees and legal hiring. A case was reported where an employer hired a lot of secretaries and agreed with them to sign contracts that the jobs were freelance or self-employed. The freelancers went to several banks and firms and did their jobs, with only a tenuous connection to the banks. In some cases there were signed contracts between the bank and the secretaries. Up to this date they had written contracts and payments. Then they became employees, but illegally mediated employees. This case shows how difficult it is to distinguish between illegal mediation and legal hiring out of employees.

8. In different cities of Germany there are completely different structures of mediation. Mediation in Frankfurt is completely different from mediation in Stuttgart or Munich. In Frankfurt most of the black workers on building sites were coming from Yugoslavia, while in Stuttgart there were at the time many people from Portugal with completely different group relationships and contacts.

### *3. The offences*

#### *3a) Please, can you tell us the kinds of work or activities which are practised in Bornheim to obtain illegal money?*

The interviewees named a lot of different jobs. But most of them emphasised that they did not have direct contact with such offences, not even with

offenders. Each of the interviewees had knowledge about a certain field but not about the whole scene. Therefore each of the different groups named nearly the same set of jobs and businesses.

3a) N= 28	offenders (5)	soc.helper (7)	task forces (6)	citizens (10)
Kinds of work or activities which are practised in Bornheim to obtain illegal money	- renovation - renovation of rooms and houses - catering trade - drugs - private lessons - stolen goods - hair cutting	- drugs - car repair - stolen goods - painting - cleaning - household - catering trade - taxi driving	- removal firms - drugs - catering trade - building sites - cleaning - garden - household services - stolen goods - taxi driving	- private lessons - music lessons - cleaning - catering trade - craft trade - packers - stolen goods - drugs - building sites - hair cutting
no answers given	n = 1	n = 1	n = 0	n = 0

An interviewee told a story about his own experience, which is typical of interviewees' information sources. He said that he was sitting in the hairdresser's chair when a man came in. He saw the man receive a lot of cash from the owner of the hairdressers. The owner asked him whether he could do any further work to renovate several more rooms. The man answered that he had just registered as being ill but that he could not do this for another week. This revealed that he was working on the black and was getting normal wages from his employer. He made black renovations and got double money during his time of illness. The owner of the hairdressers had paid for black work.

*3b) Which of these activities are carried out in Bornheim most frequently?*

It can be assumed that the most common black jobs were those for which cash would often be paid. These included the catering trade, taxi driving

and cleaning services. Another characteristic of frequently carried out black work was the less intensive use of materials, where there is a high chance of evading taxation and making illegal money. There was little possibility of control if no materials were being used to produce goods or services.

It is necessary to distinguish illegal and legal but not taxed activities. Illegal money making was dominated by drug dealing and dealing in stolen goods. Most of the interviewees named drugs first. Most frequently named legal but not taxed activities were the catering trade - cleaning, cooking, serving in bars and restaurants - and craft work.

Other activities were cited by interviewees as opportunities to make illegal money, but these were not assumed to be practised in Bornheim. High incentives for making black money existed in most of the medical-related services, for example, physiotherapy, massage, alternative medicine practitioners and related services. It can be assumed that these services are often paid for in cash and without bills. People who carry out these business were said often to declare some plausible amounts of income but to be hiding a lot of supplemental income.

Task forces reported an often used trick by people selling cars to reduce taxation. If a car seller took a used car in part exchange and, therefore, reduced the selling price of a new car by a certain amount, he would normally be required to pay tax on the full sale price. However, most just declared the reduced price. This is illegal because value added tax would be reduced, together with the seller's overall turnover.

### *3c) Incentives included in the different offences*

The shadow economy includes a considerable number of different offences, each of which provides different incentives.

1. One incentive for offering black work is that it is very profitable to carry out black work. The differences between legal and illegal prices can be estimated as in the ratio of 3:1. The calculation of an average craftsman is that he has to work for three hours to finance another craftsman working for him for one hour. The differences are very large. Employers and employees have the same interests and motives. Employers can pay lower wages and employees get higher amounts of cash. The incentives are higher profits and higher wages.

2. Another incentive is the anonymity of the amounts which are stolen or evaded from the state. The state budget is an anonymous amount. Nobody is personally damaged if black work is carried out.

3. A third incentive is that many people feel that they have to pay unjustifiably high amounts of money to the state. They feel very angry and they want to withhold some of this from the anonymous budget.

4. The incentive to carry out black work for minor jobs, for example cleaning services, is to resist unemployment. Some people prefer to take black jobs instead of being jobless. Those who have not enough money to pay their rent or debts or health insurance can be found in cleaning services or other minor jobs.

5. The most important incentive for demanding black work is the lower price of the work or service. Most of the people who provide the demand illegal services are looking at price. They mostly do not appreciate any lack of quality. Most of the customers have no consciousness about the fact that they are acting illegally. For example, legal workmen may often arrive late, be too expensive or not come at all. They are unreliable. So often illicit workers do the same work for much lower amounts of money. And customers feel it is right to demand black work.

6. The incentives for drug dealing lie in the dynamic of being an addict. Drug users need a lot of money and normal markets and even black work and illegal jobs are often not profitable enough to finance daily the required amount of drugs. Hence, drug users are normally not engaged in black work because they do not earn enough money by minor jobs.

7. Incentives for black services without writing a bill: It often happens that customers of car repair firms or the building trades ask the supplier not to provide an invoice and to reduce the price. They do not pay value added taxes and the trader or the business gets the job.

8. Incentives for evasion of social security contribution or pension payments: There are high incentives to evade payments to the federal pension scheme. For example a 20 years long monthly payment of DM 500 paid for a life insurance scheme leads to a much higher "pension" than the payments from the state pension scheme. However, this motive to evade pension payments is dangerous for the functioning of the public system. Every individual who becomes, for example, freelance or who evades payments makes the system weaker. People are not aware of the total system but they instead look at their own case. This is rational in many cases. For example, people coming from third world countries to Germany are really not interested in pension systems because they really don't plan for their old age.

And most of the Yugoslavians or Romanians or Polish people have worked without any social security. These peoples have really no incentive to pay their contribution to the social security system but punishment.

A question for further research would be why people who are willing to make illegal money choose specific offences and how this relates to their incentives.

#### *4. Number of personal contacts with illegally operating companies or persons*

Interviewees were asked to say something about their own personal contacts with illegally operating companies and business, but not to name specific companies or individuals. Several interviewees reported a lot of contacts.

##### *4a) Have you already had contacts with illegal business in Bornheim yourself?*

4a) N= 28	offenders (5)	soc.helpers (7)	task forces (6)	citizens (10)
Have you already had contacts with illegal business in Bornheim yourself? (number of positive answers)	4	4	4	7

The contacts have of course very different qualities. Task force contacts are those of professional prosecution.

##### *4b) If you have such personal contacts, how many people or companies do you know?*

Task forces estimated the percentages of firms involved in black work and illegal money making. Their estimate was that nearly all the limited companies on building sites, nearly every limited company from Yugoslavia

and 95% of the catering trades were involved in black work and untaxed employment.

4b) N= 28	offenders (5)	soc.helpers (7)	task forces (6)	citizens (10)
How many persons and companies do you know personally?	2, 1, 2	?, ?, 10, 10	5, 10, 10-50	?, 5, ?
Number of persons involved:	10, 50, 100	45, 30, 40, 10	5, 10, 100	2, 4, 30-40
no answer given:	n = 2	n = 3	n = 3	n = 7

Some interviewees answered that they knew some people working in an illegal business but they could not estimate the number of firms. This is marked with a '?'. Several interviewees rejected this question because they could not estimate a number, because the firms with which they had had contact were widely spread geographically or not locatable to Bornheim.

#### *4c) Kinds of activities*

The interviewees were asked for examples of the illegal businesses they knew. Some kinds of business are clearly dominant, but related to the kinds of offences named in the earlier questions. It seems to be too specific to differentiate between illegal money making and the illegal operations of firms and companies. The dominant private experience lies in the field of the building trade, black work in the household and the catering trade. None of the interviewees reported personal experience with the drug scene.

Members of the task forces gave some information about the kinds of businesses and about the structure of the companies which are involved in black work. A significant feature of being involved in black work and illegal employment seemed to be the size of the companies and was used by these interviewees to estimate the probability of illicit work in the company. Large firms and well known companies with well known images they felt were normally not engaged in black work. But subcontracted firms at building sites were felt to be heavily involved, with firms further down the network of subcontractors being more likely to have black workers. Several members of the task forces set the critical size for black working to be 8-10 employees.



### 5. Questions about the volume of black activities

Questions about the volume of black business also produced quite complicated answers.

#### 5a) What do you believe to be the magnitude of the turnover of these individuals of whom you have personal experience per year?

Interviewees were asked to estimate the amount of the turnover in DM per year for each person they knew. The estimated amounts were very different and ranged from some hundred DM a month up to several thousands. But none of the interviewees talked about contacts with companies in the area of Bornheim which made more than 100.000 DM illegally per year.

Some specific reports have been made by members of the task forces who reported cases where limited companies on building sites have been discovered with more than a million DM turnover which was undeclared black money. But these cases did not stem from Bornheim, but from other parts of Frankfurt. The estimate was that of DM 1 million turnover the limited company normally gets 30-40% net undeclared profit a year.

5a) N= 28	offenders (5)	soc.helpers (7)	task forces (6)	citizens (10)
how high is the turnover of these personally known individuals/companies per year?	10.000 2.000- 12.000 60.000 20.000	50.000 50.000 6.000	10.000 ?, ?,?	2.000, 3 - 5.000, 10.000 40.000
no answer given	n = 2	n = 4	n = 3	n = 6

#### 5b) Are these individuals able to exist on their illegal income or is the illegal money only money on the side or a bit of extra money?

Most of the interviewees agreed that, for businesses and firms, illegal money was additional money. The usual description was that the firms have legal income and make some illegal jobs on the side to get some supplemental money. For example, a tradesman might make DM 30,000 a year in additional income, but this income is needed to keep up even a modest lifestyle.

5b) N= 28	offenders (5)	soc.helpers (7)	task forces (6)	citizens (10)
Are these individuals able to exist on their illegal income or is the illegal money only money on the side ...?	money on the side additional additional	additional both, some are living on illegal income additional	additional additional additional	depends on their needs additional additional depends on debts
no answer given	n = 2	n = 4	n = 3	n = 6

The question whether people can live on their illegal income and from black work or not depends on whether they are involved in further criminal activities or not. It is useful to distinguish between different kinds of businesses:

1. It was said that there were several firms in Frankfurt which obtained 100% of their income from illegal sources. This illegal business was closely related to organised crime and the Mafia, using violence to put pressure on customers and so on. This type of business is 100% built on illegality.

2. Then there are different kinds of "normal citizens", firms which were trading legally but which were earning additional illegal income by undeclared jobs. They were putting some money aside to survive or to get some more income or to pay debts.

3. Thirdly, there are firms which only had business contacts with other businesses, rather than with individuals. Providing they were not part of organised crime, they had few incentives to employ black workers, because, for them, using bills and accounts reduced their taxation, so they were interested in using accounting systems - which of course are dangerous sources for discovery in relation to investigations by task forces.

4. A lot of firms mostly had private individuals as customers. The incentive for these customers was to pay no value added taxes, so reducing the cost of the work. The incentive for the firms was to pay no on-costs on wages. This combination includes a maximum of incentives to evade taxes

or to work on the black. They were often forced by their customers to accept illegal jobs or black work or they would lose the job.

### 6. Motivations to enter the shadow economy

Answers to this question were very diverse. A large number of answers revolved around making money. This is not surprising. Everyone who is involved in illegal business wanted to obtain money. But the interesting aspect was the range of different income generating needs and drivers: greed, financial circumstances, poverty, lack of legal opportunities, profit-seeking, becoming rich, comparisons with one's peers, low inhibition, special unused skills and others.

#### 6a) Why do these people try to make illegal money?

6a) N= 28	offenders (5)	soc.helpers (7)	task forces (6)	citizens (10)
Why do these people try to make illegal money?	<ul style="list-style-type: none"> <li>- not enough money</li> <li>- having some luxury</li> <li>- needs</li> <li>- getting no other jobs</li> <li>- flexibility in the job</li> <li>- additional money</li> </ul>	<ul style="list-style-type: none"> <li>- no legal jobs</li> <li>- surviving</li> <li>- need and poverty</li> <li>- no parents</li> <li>- no other income</li> <li>- consumption</li> <li>- no education</li> </ul>	<ul style="list-style-type: none"> <li>- unemployment</li> <li>- debts</li> <li>- competition in business</li> <li>- survival of the business</li> <li>- poverty</li> <li>- surviving</li> <li>- quick and easy money</li> </ul>	<ul style="list-style-type: none"> <li>- poverty</li> <li>- no legal job</li> <li>- to get everything</li> <li>- more luxury</li> <li>- prestige</li> <li>- existence</li> <li>- consumption</li> <li>- no other perspectives</li> </ul>
no answer given	n = 1	n = 4	n = 3	n = 5

Answers from the four groups of respondents were somewhat different. While the offenders' most common answer was to obtain a little more money, the professional members of helping institutions mainly emphasised poverty and surviving, whilst the members of task forces stressed the

business aspect of money making - surviving in the market and business and the other citizens gave very mixed answers. It needs to be remembered that most of the responses were ascribing motives by hearsay, without direct personal experience.

*6b) Which motives/reasons do you think are the most important motives?*

This additional question about the most important motives led to no further information. All the motives were declared to be important by at least one respondent. In future research, analysing more important motives will need to be carried out in another way.

This mixture of motives is not surprising. Obtaining a lot of money is probably a motive for almost anyone. The important question in relation to the shadow economy is who may be willing to break norms to satisfy their wishes. From this pilot study, it seems to be useful to think of three dimensions in terms of the informal economy: groups, motives and offences. Different groups of illegal money makers have different motives and they are seeking to satisfy them by committing different offences (note the list of offences which may be involved in section 3.6 above. A preliminary typology of motives might be the following:

1. Surviving: The illegal money making motive of people who have been unemployed for a long time is simply surviving. Unemployment benefits and assistance were not sufficient to finance daily life, let alone leisure activities. Most long-term unemployed, for example, cannot afford to go to the cinema. But the estimation of a streetworker was that only one per cent of the long-time unemployed people he knew were working on the black so that they could increase their consumption potential. The others were working in illegal jobs because their minimum needs could not be met without these jobs.

2. Existential needs: Feeling poor and poverty were often the motivation to take bad jobs, legal or illegal. In Bornheim, too, more and more people are becoming poorer and don't have as much money as before to spend on simple services like hair cutting.

3. Debt: An increasing number of private people from the middle class, well educated and integrated into the system, had rising amounts of debts and cannot pay for it. Normal, legal income was in many cases not high enough to reduce their debt.

4. Addiction: Social disadvantaged people who fell into addiction needed most of their illegal money for living and for financing their drug habit. Street workers estimated that 99% of the addicts needed illegal money to survive. Most of the hard drug users had no savings left at all. Dependence was forcing them to make quick and dirty money. One street worker said that no drug addict on the streets of Bornheim came from rich, intact families and they normally earned no legal money.

5. Job flexibility: A very different motivation for illegal jobs is the nature of the job itself. Some jobs could not be carried out if under legal conditions because they are over-regulated or insecure or very short term. Some people were involved in illegal employment because the jobs based on legal activities could not be carried out legally. A lot of these employees would like to work in legal businesses, but could not obtain legal jobs.

6. Black work to avoid being on social security: We mentioned above that a lot of young people were said to be working illegally to avoid the labelling process of being on social security. They preferred to work without health insurance and other social security benefits rather than not work at all.

7. Lack of legal consciousness among illegal workers: Several street workers emphasised the lack of legal knowledge of illegal workers. Many jobless people who carried out illegal jobs did not know what was legal or illegal about what they were doing. They were just happy to have a job and were not aware that it was an illegal job and that it would make their situation worse if they were to be detected.

8. Feeling of injustice: Many people thought that the system, particularly the taxation system, was not fair. They believed that it could not be wrong to pay no taxes and contributions. Many ordinary citizens were said to be becoming more and more angry about the high percentage of their income they had to pay in tax and they did not understand the system.

9. Self-defence: The national sport of tax evasion seems to be changing into a system of self-defence against the state. Some of the interviews showed a switch of motivation from fun and joy to self-defence. The self-defence was in some cases described as rational behaviour. Several interviewees evaluated tax evasion, black work and other kinds of illegal money making as rational behaviour and understandable reactions to market pressures.

10. Decrease of intensity of relationships: Relations between people and communication between, for example, family members, were seen to be reducing to stereotypes. Several street workers complained that, as a consequence of weaker relationships within families or between friends and colleagues, young people seemed to have poorer development of their ideas about law and legal relationships. They said that this lack of consciousness, in combination with an increasing consumer orientation and hardsell marketing was leading to a very short-term orientation of the needs of young people.

11. Decline in norms: Several interviewees emphasised a decline in norms as a motive for illegal money making. Most of the interviewees believed that only a few people would stick to the norms if they could be sure that they would not be detected. Norms were seen to have less control mechanisms or punishment attached. Equally, there was seen to be a weakened contract between the generations, so that younger people were less willing to pay pension contributions.

12. A consumption culture among kids and young people: An increasing number of 13-15 year old kids in Bornheim were felt to be stealing goods from supermarkets because the consumption climate has changed. A lot of young people were thought to feel a kind of pressure to consume, so that they were willing to pay a lot of money for goods, such as clothes, shoes, sportswear and so on. Amongst these young aliens were the most disadvantaged. It was felt that, not only in the younger generation, the gap between the wish for consumption and level of income was growing.

13. Seeking for a little more luxury: This motive appeared if people already had legal income from legal jobs but were not satisfied with their income level. They earned enough to support daily needs, but they want to get more and to have a little more luxury. This motive appeared at different income levels.

14. Having fun: A completely different category of motive could be found among high income groups. It was considered a national sport, a kind of peccadillo and harmless crime to obtain more and more money from the state. Many people appeared to be enjoying evading taxes. A lot of managers talked very proudly about their own tax evasions or at least secretly enjoyed their success.

15. Seeking a maximum of free time and luxury. There was a group of people who tried to satisfy several hedonistic desires: a maximum of free

time and a maximum of money and fun. But those pure hedonistic motives seem in general to be overestimated. People who were driven by those motives and who were able to satisfy them and who were committing crimes to satisfy their wishes seemed to be rare, though they are very much a media pre-occupation.

The two extremes of these 14 motives are existential needs on the one hand and the maximum hedonistic motives in combination with law breaking on the other hand. This list of motives is of course not complete. But in further research this typology could be used to produce a more sophisticated system of the motivational background of the different groups of offenders. Using a systematic combination of offenders, offences and motives could make the basic processes within shadow economy more transparent. At every level of money-making motivation, legal and illegal options are open. In further research the shift from legal money making to illegal money making for different income levels needs to be examined.

### *6c) Illegal money makers*

In answers to questions about who was involved in making illegal money, interviewees cited a long list of groups (which is still probably not complete):

1. Young German people, coming from broken homes, with no job, little education, and wanting more luxury.
2. Young foreigners, coming from poor families, with no money, little education, and an insecure status in Germany.
3. Workers with legal jobs, who undertake additional black work, who usually have a family and a low income level, insufficient for small luxuries. They pay taxes, social security and other duties. Some are not content with their income level.
4. Unemployed older people, looking for work and employment without a chance in the legal job market.
5. Businessmen from legal businesses and tradesmen, who are in competitive markets, who have debts or whose business becomes weak so that its survival in the markets is threatened (for example, the owners of small shops).

6. Businessmen from legal businesses, relatively wealthy, with no debts, who are high tax evaders, who live in luxury and have powerful positions, who find it fun to obtain illegal money.

7. Pensioners with time on their hands and low pensions, making some money on the side.

8. Foreigners on tourist visas, with no work permit, who need illegal money to live and are willing to work in dirty trades.

9. Drug users who are addicts, and need quick money to finance their addiction.

10. Asylum seekers, with an insecure status in the country and a low income.

11. Low income groups, people on social security and those in poverty.

12. Long-term jobless. Many who have been unemployed for a long time are very demotivated in looking for legal work and are willing to take any job.

13. We must not forget those who demand black work. The most important reason to ask for black services is to get a price reduction. Many of those offering illegal work are not completely aware that they become offenders by offering work on the black market.

14. Those offering black work include businesses or firms. A lot of businesses allow black work mixed with legal business. They are winners in the shadow economy if they are not detected and are able to produce with lower costs and lower wages. They get a better market position if they can produce with lower costs and lower security for members of the staff.

### *6c) Combining motives and groups: some examples*

Not all motives are normally found in every group. There seem to be systematic patterns in the combinations of motives and groups. Some typical cases were reported:

1. The case of a young women was provided by a street worker: A young women aged 20, a drug user, was clean for a long time. She was unemployed and received social benefits. But she wanted to be independent of social benefits, because of the authority's power over her, so she tried to get her own money. She earned a little additional money and went over the limit for social benefit payments. She went to suspicious firms and did more than eight hours telephone marketing. She earned more than 610 DM



and had to pay taxes on this income. As a consequence of paying this tax, she fell back to the income level on which she had to be dependent on social benefits.

2. Another typical case was that of an unemployed German bricklayer, 40-45 years old, who got about 1,800 DM a month on illegal work, which was 63% of his former unemployment payments. If he worked all four weekends on illegal work, he earned the same as doing the normal 38.5 hours a week, but of course was free on weekdays, which was his aim.

3. An officer said that, in his experience, there had been a significant increase in the number of people who were not willing to work even if jobs were found for them by labour offices. On the other hand, an increasing number of employers were saying that they would like to hire bricklayers, or plumbers, or other tradesmen, but many of those unemployed but taking illegal jobs preferred to keep their unemployment benefits.

## 7. Coming into contact with the shadow economy.

### 7a) How did the individuals you know personally become part of the illegal scene in Bornheim?

7a) N= 28	offenders (5)	soc.helpers (7)	task forces (6)	citizens (10)
How did the individuals you know personally become part of the illegal scene in Bornheim?	<ul style="list-style-type: none"> <li>mouth to mouth</li> <li>- personal contacts</li> <li>- notices</li> <li>- calling</li> <li>- customers ask not to write bills</li> <li>- minor of fences first</li> <li>- slow increase in amounts</li> </ul>	<ul style="list-style-type: none"> <li>- friends and colleagues</li> <li>- no perspectives</li> <li>- meeting points</li> <li>- school contacts</li> <li>- relatives</li> </ul>	<ul style="list-style-type: none"> <li>- private contacts</li> <li>- well known others</li> <li>- compatriots</li> <li>- mouth to mouth</li> </ul>	<ul style="list-style-type: none"> <li>- family trade</li> <li>- private contacts</li> <li>- being asked by customers</li> <li>- friends</li> <li>- peers</li> <li>- personal contacts</li> </ul>
no answer given	n = 1	n = 1	n = 0	n = 5

The background to this question was to find out for example, how employers and black workers get together. What are the pathways through which people become involved in the shadow economy?

The interviewees agreed that nearly all the contacts were personal face-to-face contacts. Many of the interviewees emphasised that it was necessary to distinguish between the criminal scene and black work. The 'criminal scene' for them was the drug scene and dealing with stolen goods, not 'normal' black work. Hence this question was interpreted as a question about becoming part of the drug scene or becoming a receiver of stolen goods and so on. Even most of the members of the task forces stressed that black workers are not part of the 'illegal scene'. They are part of normal business.

*7b) Please can you give us one or two short examples?  
(max. 5 minutes).*

A lot of examples were given as to how people had made contacts with the shadow economy.

1. A man aged between 40-45 years had a serious psychiatric illness and received a small pension and social security support. He had craft skills and was very skilful in repairing bicycles. He repaired the bicycles in a cellar, with custom from friends and others who had been told by his friends. His total income was high enough to buy a car and to have modest luxuries. The social security office was informed about this man by anonymous others and investigated. His problem was that his social security benefits would be cancelled, because he had his own income from repairing bicycles. But this man will not be able to live only on this low income. In order to keep up his modest standards, he needed both income and social security benefits. Nor would he be able to get or hold down a normal job. Taking away social security would mean poverty for him.

2. Freelance work is increasingly common. One example was that of a mechanic who repaired lifts. The mechanic, who worked for a special firm, became a freelancer but still worked for the same employer. He still performed the same tasks, but had to bear his own risks and pay his own state dues.

3. Another similar case arose when a forwarding company changed all its contracts with its employees. All drivers who had been employees became freelance. The trucks were given to the freelance workers on the basis

of leasing contracts, with pension scheme payments, social security payments and health insurance payments becoming the responsibility of the drivers. Freelance workers were not entitled to demand holiday payments or Christmas money. It was a completely changed risk situation for them. Many of these new born freelance drivers had less income than before and drove several hours illegally, taking out the registration forms from the lorries.

4. Young unemployed people in Bornheim make contacts through friends and peers: "Go there and there, ask this and this person ....". But interviewees reported that the illegal markets in Bornheim are not profitable enough for the young people to finance their daily lives. Some of the poorest who come to the youth centres were dependent on getting daily soup and bread there for nothing. A lot of them were looking for new jobs, legal or illegal, every day and they would do anything to get money. But the illegal markets were not working very well, because it was hard to hear about relevant jobs.

5. Another typical pattern of the start of black work, which was often reported by the interviewees, was that customers would come to firms or tradesmen and ask openly for a price reduction and no written records of the job. This kind of contact seems to happen in nearly every business and every kind of trade.

6. On the other hand tradesmen would ask customers whether they needed a bill or not. It is the opposite side of the coin. Those who offer black work find their customers by openly asking whether they needed an invoice.

7. Foreigners coming to Germany often had an address of a specific business or knew a person who might point them in the direction of illegal work. Foreigners who had been detected on arrival at the airports often said that they had such an address they wanted to contact.

8. Another way into black work is to ask for seasonal work on farms. When it is time to go onto the fields in harvest times, on several farms additional people are hired to undertake the harvest. Farmers often paid cash in the evening, not looking at papers or documents. People mostly from Poland or other eastern countries worked in this way with others who were working legally, with word passing from mouth to mouth.

9. Being ill and earning some money on the side. At a firm which one interviewee knew, the leading member of the works council set quotas for ill-

ness and told the workers to be ill on certain dates if they had not been ill for a minimum number of days a year. This quota was used to make sure that every member had some supplemental free time for illness.

10. Black work among colleagues: Those who were building private houses and who were looking for cheap, quick workers would ask their colleagues who they knew who had those specific skills.

11. Private customers who are looking for black workers used to go onto building sites and ask people to work on their own building.

12. A lot of firms advertised jobs paying DM 610 (eastern German countries DM 520). This is legal. But in many cases the employers believed or knew that the person who comes and asks them for a job has one or more other comparable jobs. The risk here is on the side of the employee. The behaviour is illegal if the employee doesn't tell the labour office. Many of course do not.

13. One of the most open forms of contact could be observed in the Sonnemannstreet (see above). Men who were looking for jobs used to stand at a certain place or in a certain street, waiting for customers coming by car to stop and ask for black work.

A lot of further patterns would be able to be found through further research. A classification of these patterns would lead to more systematic information about the shadow economy. Even in this pilot study, some aspects could be distinguished. It seemed that people were prepared to make contacts more and more openly.

### *8. Separation or integration?*

Another question is the impact of the informal economy on the integration and socialisation of ethnic minorities, young people, socially excluded groups, asylum seekers etc. There are several reasons why we would expect black work not to enhance integration. Some of the interviewees, for example, stated that illegal jobs replace legal jobs and hence reduce the overall possibilities for integration in the economy. Another argument is that, generally, illegal jobs do not lead to higher qualifications. And if people are unemployed they do not get references. Illegal jobs cannot lead to social security payments.

A particular aspect of social exclusion is when people working illegally suffer accidents at work. A case was reported that an illegally working man had an accident on a building site and had to be taken to hospital. The employer actually paid DM 3,000 to the hospital. But a further hospital bill amounted to DM 10,000 and, when the employer was asked for the money, he said that he didn't know the man and that the employee had gone back to Yugoslavia. Moreover, the payment of DM 3,000 was not a payment, but a loan. He would demand that money back from this man and would not pay any other amount for him.

*8a) Are these persons who are illegally employed excluded from legal society?*

The interviewees were asked to say yes or no to this question, and to talk about the kinds of exclusion which might be involved. The answers, however, showed that several aspects were coalescing. Offenders did not believe that illegal workers were excluded, but social helpers and citizens were strongly of the opinion that they were. The answers of the task forces were very mixed because most of them had contacts with different groups of offenders. Social helpers on the other hand are usually engaged with specific groups, such as the long time unemployed, young foreigners or drug users.

8a) N= 28	offenders (5)	soc.helpers (7)	task forces (6)	citizens (10)
Are these people excluded from legal society (positive responses)	0	5	2	3
Who is excluded?		- minorities - foreigners - young foreigners	- foreigners - ethnic groups - on social security - poor people - subcultures	- illegal immigrants - foreigners with tourist

8a) N= 28	offenders (5)	soc.helpers (7)	task forces (6)	citizens (10)
		<ul style="list-style-type: none"> <li>- young people, even well educated</li> <li>- long-term unemployed</li> <li>- on social security</li> <li>- poor people</li> <li>- subcultures</li> <li>- immigrants</li> </ul>		<ul style="list-style-type: none"> <li>status</li> <li>- refugees</li> <li>- poorly educated foreigners</li> <li>- drug dealers</li> </ul>
no answer given:	n = 1	n = 1	n = 2	n = 4

*8b) Is illegal money making a reason for further exclusion or is illegal money making a step to integration for these people?*

Black work and illegal money making can be a step down to an offender's career or could be a step back into society. Both integration effects and separation effects were described during the interviews.

8b) N= 28	offenders (5)	soc.helpers (7)	task forces (6)	citizens (10)
Reason for integration	4	2	2	1
Step to exclusion	0	2	2	2
Both	0	2	0	2
no answer given	n = 1	n = 1	n = 2	n = 5

The answers mainly depend on which group the interviewees had in mind, but also on whether people are caught. If they were caught, it was felt that a long path of criminalisation is often observed as a consequence. Stigmatisation and other consequences of punishment would enhance the separation effect already applying to specific groups, minorities, disadvantaged, poor people etc. But if they were not caught, then the illegal income can be a

step back to the world of legal work and labour. The effects for different groups seem to be seen differently:

1. Several street worker emphasised that the increase in self-confidence for unemployed people who get a job, legal or illegal, is very remarkable. They get back a little bit of their personal power. Labour and work enhances integration in several ways, but especially motivation to develop personal abilities and skills. Jobless people do not know their own abilities after a period of joblessness. Work, legal or illegal, is a way to win back knowledge about one's own efficiency. Whether people conclude this is high or low does not seem to matter - what is worthwhile is knowing where one is standing in this respect.

2. With respect to short term unemployed trades people, some of the interviewees said that those who were working illegally were more integrated than the unemployed who did no black work. Black work is the basis on which people kept up their standards and stayed within their social environment. They did not fall out of their social group. Black work of this kind was mostly not seen as a criminal activity.

3. But in some respects the climate is changing. This can be noticed in cases when more well-off people from the middle classes or employers earn illegal money. It seems to be that these people, if they are working illegally run an increased risk of being notified to the authorities by neighbours or anonymous others. Several members of the task forces agreed that in Frankfurt there had been an increasing number of anonymous notifications. It seems to be that those who are really suffering in several ways and who carry out black work because they are poor and have no chance to get any other job are not so frequently notified by others and, therefore, they are not so often detected.

4. A street worker described the effects on kids and young people. If young people earned money by producing something or if they were doing some kind of work or if they had a job this was good for their development. They earned money by doing something. It is a part of the development of their personalities, that, legally or illegally, they became integrated into social structures. Street workers felt it was better that they should do illegal jobs than no jobs at all (except drug dealing). Household jobs, painting, bar work and the like were thought beneficial. The worst would be if they felt outside society or rejected by society.

5. However, money making through drug dealing was felt to be quite different, because it was seen not as working to produce something using your own skills, but just doing it for a kick. There would be no integration effect in this kind of business and not one of the interviewees stated this.

6. A lot of the young people were felt already to be stigmatised and labelled, especially young foreigners in Germany. They were seen as running a very high risk of being socially excluded. Many of them were said already to feel like outcasts, so that if they were to be caught for illegal money making, it would not be an additional negative experience. They were already out. Illegal jobs made them richer and they then felt more integrated than before - even if it was integration to illegal groups. A street worker described a group of young men in Bornheim between 14 and 20, not really poor, getting social security benefits but no work. They were not really outcasts, but felt themselves to be outcasts, because they were nothing, hanging around, looking for nothing. Illegal jobs were a kind of hope for them to get a minimum basis to exist and to get a minimum of social integration. But on this level, illegal markets do not really provide a chance for them to come back into society, because it is no real entry to social integration.

7. A particular group did not seem to fit the general patterns. There seemed to be a small number of people who practised unemployment as a lifestyle and who were working illegally to survive outside society. They did not want to be integrated into mainstream society. They declared unemployment and poverty to be their lifestyle.

*8c) Is illegal money making a widespread or normal behaviour within the group to which these people belong?*

The pattern of these responses cannot be simply interpreted. The answers include the signal that 'normality' within different groups is very different. Illegal money making among drug users, for example, is seen to have a quite different quality to that done by trades people. The responses depend a lot on the group which was in the mind of the interviewees.

For example, most foreigners who come to Germany to earn money doing black work were said normally only to stay for a few months and then to return home with their money. They are seen to feel strong integration effects when they return to Poland, Romania or Russia.



8c) N= 28	offenders (5)	soc.helpers (7)	task forces (6)	citizens (10)
Is illegal money making a wide-spread or normal behaviour among this group? (positive responses)	0	5	2	6
no answer given	n = 1	n = 1	n = 2	n = 4

Very often, illegal money making was said to be not 'normal' but wide-spread, even by the group of offenders. Views were age dependent. In the age group between 14 and 20 quick and easy money was not the main topic. Up to 20 or 21, people were thought to have a strong tendency to create and build a good foundation for their own future development, to go to school and to train. Those over 20 or 21, who had not learned a trade or profession were thought not to be likely to try to accomplish it later. It would be at this point that illegal work would become 'normal'.

## 9. The visibility of illegal activities

### 9a) Have you personally observed black market activities in the streets of Bornheim? (e.g. illegal job agents, drug dealing ...)

All the interviewees reported that they had observed black market activities. But most of them were referring to drug dealing which is not very hidden in Bornheim. In Frankfurt and Bornheim every kind of drug can be bought. For this reason the answers to this question are 100% yes.

### 9b) How did you recognise that the activities you observed were illegal activities?

Specific visible signs were assigned to different offences. As we have said, drug dealing and drug consumption is not a very covert phenomenon in Frankfurt and especially in Bornheim. Drug users sit in the street, sometimes at the entries of public buildings or in public parks, until the police move them on if they are consuming drugs in a visible manner which disturbs others. But all the other illegal markets are covert and practically in

visible. There are no open or clear signs which identify illicit work or the shadow economy or dealing in stolen goods.

The offences	named visible signs
1. Drug dealing	<ul style="list-style-type: none"> <li>open visible exchange of drugs</li> <li>· visible exchange of money</li> </ul>
The offences	named visible signs
	·
	· specific seeking and hustling
	· suspicious looking around
2. Dealing in stolen goods / cigarettes	<ul style="list-style-type: none"> <li>· same dirty people at the same places every day</li> <li>· being asked on the street</li> </ul>
3. Black work in bars and restaurants	<ul style="list-style-type: none"> <li>· suspicious covert exchange of goods and money</li> <li>· a lot of cigarettes in plastic bags</li> </ul>
4: Black work on building sites	<ul style="list-style-type: none"> <li>· radios and electronic equipment in plastic bags</li> <li>· when people are very young and are working in the kitchen</li> </ul>
5. Black work offered	<ul style="list-style-type: none"> <li>· workers with different clothes</li> <li>· carrying no helmets</li> <li>· no specific working shoes</li> <li>· working in sportswear</li> <li>· men on the street are waiting at specific places</li> <li>· specific places are known</li> </ul>

The reported signs are not new and not very astonishing. But it shows that the markets tend to be covert and not observable. People need further information and to be informed in order to spot illegal work.

There are some signs and signals which lead task forces to start investigations regarding black work or illegal businesses. Most of the cases which

are prosecuted become known to the task forces through tip-offs, open or anonymous. Sometimes these notifications are made by well informed persons for revenge. It was reported that often abandoned persons, partners, mostly women, tip-off the task forces about the illegal business of their former partners. They, for example, offer information about bank accounts in foreign countries or specific information about deals and business partners. Other reasons for anonymous notifications are, for example, that people suffer from the noise pollution of the building sites and know that illicit work is carried out. Some illegally working Polish people did not receive their pay from their employer. They went to the police and made a complaint. Another anonymous notification specified that all the books on a particular illegal firm were to be found in the employer's house, 'under the couch'. The task force officers arrived at the house and found the whole family sitting on the couch. The information was correct and all the papers could be found in a suitcase under the couch. But such specific, anonymous notifications with high quality information which leads directly to the offender are very rare. In most cases, proof of the transactions is not so easy to acquire. Many illegal money transfers, for example, are carried out in restaurants or cafes.

A further source of signs and signals can appear during normal company audits or visits to building sites. Legal workers on German building sites must have their social security passports with them. Another source is conversation in bars. Some of the listeners make a call to the tax investigators or the police.

A hairdresser said that one of his colleagues was discovered and caught because he had put a sign-board with the prices for his black work outside his private rooms to offer his services. But this is a very rare event. There was nearly nothing to be seen in the street. Sometimes on the building sites when illicit work is carried out the illicit workers have different clothing, carry no correct helmet or they wear different shoes. A story was told about Russian workers: When a building contractor went broke and closed some building sites, some of the Russian workers stayed on the building site because they wanted to get their wages. The legal workers left. The Russians slept several nights on the building site until the police came.

During controls on the building sites it was said that it is often very obvious to the authorities that illicit work is being carried out. But the impor-

tant question is whether it can be proved that it is illicit work. During those controls a lot of different excuses and explanations are given and it has been found that more intensive controls are not necessarily successful. Foremen will say, for example: "He is working on trial because he was unemployed and he wants to get back into a job and so he works for nothing to get contact with a potential new job", or "He is only working part-time below the margin of DM 610.-". The authorities face the problem that they usually don't have evidence whether it is illicit work or not - only if there is evidence from third parties or witnesses can further steps normally be taken.

### *10. Reactions to black markets*

We then asked what the state, society and politicians should do in relation to the shadow economy. We also asked whether interviewees believed that appropriate measures were being taken in Bornheim.

Some critical points need to be discussed before the results are presented. One argument against controlling the shadow economy is that the economy needs illegal work and black markets. Illegal workers may be making the economy much more flexible and fluid. The economic system might collapse if all the illegal workers were to be prosecuted. Furthermore black work gives a lot of people a minimum chance and reduces social tensions. Several members of task forces talked about opposing interests and tensions in the fight against illegal markets. It was argued that politicians are not willing to undertake more intensive measures against black markets because they do not really want to combat them.

#### *10a) How should politicians react to the presence of illegal markets?*

Interviewees' statements from all groups contained nearly the same suggestions to combat the shadow economy. Social helpers were more likely to emphasise more job generating measurements and higher integration of foreigners, whilst members of the task forces preferred higher social control measures and emphasise changes to taxation systems. The overall view was that more jobs must be created.

10a) N=28	offenders (5)	soc.helpers (7)	task forces (6)	citizens (10)
How should politicians react to the presence of illegal markets?	<ul style="list-style-type: none"> <li>- lower taxation</li> <li>- supplement low wages</li> <li>- more flexible jobs in labour markets</li> <li>- more jobs</li> <li>- better paid jobs</li> <li>- stronger controls</li> <li>- more visible policing</li> <li>- nothing can be done</li> </ul>	<ul style="list-style-type: none"> <li>- lower taxation</li> <li>- supplement low wages</li> <li>- more jobs</li> <li>- better paid jobs</li> <li>- stronger controls</li> <li>- more visible policing</li> <li>- nothing can be done</li> <li>- more jobs found by the state</li> <li>- job-generation</li> <li>- new law for foreigners</li> </ul>	<ul style="list-style-type: none"> <li>- increase numbers of police, tax investigators and labour inspectors</li> <li>- stronger laws</li> <li>- punishment enhancement</li> <li>- lower taxation</li> <li>- supplement low wages</li> <li>- job-generation</li> </ul>	<ul style="list-style-type: none"> <li>- job-generation</li> <li>- clear visible measures</li> <li>- positive education</li> <li>- socialisation</li> <li>- higher global taxation</li> <li>- measures against wages dumping</li> <li>- lower taxation</li> <li>- supplement low wages</li> </ul>
no answer given	n = 0	n = 0	n = 0	n = 0

*10b) Do you believe that appropriate measures have been undertaken in Bornheim?*

In Frankfurt there is a special task force, the co-ordination office for illegal employment (KIB), in which officers from different units work together to co-ordinate their activities against illegal employment, moonlighting and the black market, including prosecutions. The task forces are looking to co-operate in several areas, including obtaining information about networks of relationships between groups of black workers and job mediators. One of the difficulties in this field had been that several of the Yugoslavian companies employing black workers only continued to exist as long as the building work was continuing, with the company being closed down when

wages had been paid and the owners often disappearing completely. The new strategy was to concentrated more quickly and intensively on current building contracts.

The answers to question 10b are fairly evenly balanced. Interviewees were aware that there have been a number of new initiatives in relation to drugs policies in Frankfurt, which interviewees mostly regarded as successful. Other local initiatives which were positively mentioned were the Bornheim youth houses and counselling offices.

10b) N= 28	offenders (5)	soc.helpers (7)	task forces (6)	citizens (10)
Do you believe that appropriate measures have been undertaken in Bornheim? (positive response)	1	3	2	3
no answer given	n = 0	n = 0	n = 1	n = 2

*10c) Do you know of initiatives or groups in Bornheim working to combat illegal money making?*

Only a few answers were given to this question, with just one initiative named, a group formed by several retailers who employed private security services.

*10d) Do you believe that the police are active and acting appropriately in this field?*

Were the police doing enough? The answers to this question were also diverse and corresponded to those to question 10b.

10d) N= 28	offenders (5)	soc.helpers (7)	task forces (6)	citizens (10)
Do you believe that the police are active and acting appropriately in this field? (positive answers)	2	4	2	4
no answer given	n = 0	n = 0	n = 1	n = 2

The interviewees felt that the police needed help from other institutions, more helpful laws and more manpower, but some were also critical. Some claimed that the police were involved in several offences themselves. They thought the police were well informed about people involved in the illegal markets in Frankfurt and Bornheim and about their activities, but were participating sometimes in deals and illegal businesses (though no specific identifiable details were given). Several interviewees also emphasised that the problem of the shadow economy and black markets is not the police's problem and should not be seen as their task. Other institutions such as schools, churches and other educational institutions should be working out appropriate solutions. They also felt that the police were not relevant to the search to integrate young people.

### *10e) Suggestions about policies for the informal economy*

Several suggestions were made as to how politicians and the police should react towards the shadow economy:

1. The first and most emphasised suggestion was that the taxation system should be changed. Some members of the task-forces estimated that 70% of the black work and illegal jobs and furthermore 70% of tax evasion could be reduced by changing the taxation system to a simpler system of reduced taxation. For this:

a) Taxation loopholes must be filled, especially the amount of allowances (for example, the amount that companies could claim against tax for restaurant bills for meals by managers). It was felt that many business and firms were paying unjustifiably low amounts of money. Siemens was cited as an example, where interviewees said that it was only paying around DM

300 million taxes on a net profit of about DM 2,000 million (about 15%), which compared favourably with the tax burden on other taxpayers.

b) It was felt that taxes should be structured in a simpler way and the completion of tax forms be made easier. There was less support for reducing maximum taxation rates, because it would mean a significant tax reduction only for people with high income, whereas good tax advisors could significantly reduce someone's overall tax bill.

2. Salaries and on -costs should be reduced. Many interviewees talked about the need to reduce the difference between gross and net income, which was leading to a significant difference between moneys obtained from black work as opposed to legal work. A dramatic reduction in combination with higher control mechanisms were suggested, because more intensive controls without a clearly visible reduction in taxes and contributions would enhance people's feeling that the system does not work correctly. On-costs could, for example, be reduced if the average worker or employee could achieve greater independence concerning their pensions and contributions for their old age. But it was argued that people would not necessarily pay for old age pensions and would then be poor in their old age and become dependent upon social security benefits. Furthermore, a reduction in employee contributions and a diminution in the difference between gross and net wages would be possible if pension budgets were to be clarified and cleaned up. It was felt the pension budgets should be diminished by elements such as payments for German-Russian immigrants. Similar sentiments were expressed about the unemployment budget.

3. The social system needs to be a more balanced system. Several street workers clearly stated that there need to be more opportunities and jobs for people on low incomes and that, particularly, that the poverty trap must be reduced (i.e. that people have to earn a substantial amount before they are better off losing their welfare payments). Currently, social security payments are reduced if the person who receives those payments has additional income. Some ideas which were cited by interviewees included negative income tax, the provision of a basic pension, and the provision of basic payments for all to lead us away from prosecuting marginal cases of criminal behaviour. It was felt that control institutions should concentrate their efforts on those cases which are really damaging the state and not on people who are standing at the brink of ruin.



4. Neighbourly help should be supported. It was emphasised that neighbours helping each other should not be discouraged by increased taxation on work done in a private context, e.g. painting or car repairing for neighbours. The state should give positive support to neighbourly help, because it enhances local social networks and hence social integration.

5. New jobs need to be generated, particularly for young people. Street workers were particularly emphatic about this. They felt that too many young people were falling through all the social networks and are ending up with nothing. Young people should have opportunities to acquire at least training or jobs and it would be necessary to provide incentives, so that young people acquire a start into their working lives and a normal daily routine. Several social helpers said that they have observed among their clients the direct consequences of having no job: no integration - no money - no chance - being out of society and then becoming older and offending. It was felt that local politicians needed to co-ordinate their efforts to support this policy and that stronger efforts needed to be made to integrate people into the second labour market, e.g. reduction of analphabetism among foreigners.

6. Opportunities and security also needed to be created for foreigners. The most disadvantaged people were young foreigners who were living in Germany and had no contact with the country of their parents. Their status is very insecure. It was felt that aliens living in Germany should be able to acquire, for example dual nationality and the right to vote in local affairs.

7. The presence and manpower of control institutions needed to be enhanced. Several interviewees suggested more intensive controls and a higher visibility of control organisations in the black market, particularly in relation to the control of building sites and looking at tax payment by business. Most of them stressed that efforts should be concentrated on "big cases". This fitted with the views of the social helpers, who argued that, unless there was this targeting, then greater resources for enforcement would mean more pressure on the lower income groups, who were, they felt, already strongly pressured (for example, those obtaining social security benefits). They did not see any need for further enforcement in relation to lower income groups.

8. Task forces should change their strategies. More intensive co-ordination by the different authorities (labour office, public prosecutors, police, tax investigators etc.) would enhance the possibilities of detection

by pooling information. Duplication of investigation could be avoided. Some of the members of the task forces believed that most of the units were not working adequately, because political goals were contrary to those of the taxation system, e.g. that a lot of allowances were being given to Polish, Romanian, Russian and other foreigners on German building sites, which were being misused to cover black work, with part of the work being carried out legally and the (greater) amount being paid on the black.

Several officers of different task forces complained about the lack of money, lack of manpower and the lack of time to fight against the shadow economy. They felt there were a lot of cases which should have been prosecuted but that the task forces were not able to undertake all these cases. There was also a problem of incentives for German tax investigators: most tax evasion is evasion of federal taxes, but tax evasion officers are paid through state budgets. Hence it is not particularly in the interests of state authorities to enhance the number of tax investigators (which will reduce local budgets even though it may enhance federal income).

Another point concerning the strategies of the task forces is their concentration on specific cases. If there are tip-offs at the beginning of the investigation of cases, and mostly there are such anonymous tip-offs, then the task forces seemed to have a high probability of success. One of the officers estimated a 90% probability of success in such cases. But if the task forces investigated cases using systematic computer search or raster search strategies, the percentage of successful cases would be much lower. The best strategy would be to concentrate the activities on those cases with a high probability of success.

9. Intensity of punishment should be enhanced. Several interviewees, social helpers and members of the task forces demanded much higher fines and punishment for illegal money making if it involved high amounts. This was not because they believed that any raising of fines would change the extent of the shadow economy, but that it was justified in itself. Some pleaded for ten times higher fines and much longer statutory periods of limitation, though they were worried about proportionality to other offences and so said that much higher fines should only be used in big cases. Another suggestion was to enhance punishment, for example, by a more intensive use of sequestration of profits.

10. Data exchange within the European Union should be extended. For example, if a Portuguese says he is registered in Portugal and shows his

Portuguese social security passport, the validity of the paper cannot be checked by the German authorities during an inspection of a building site. His work on German building sites is illegal only if he is not registered in Portugal. Data exchange would make such controls much easier and could help to detect people having several work contracts and several incomes in Europe. As in the American system, it was felt that more likely and quicker detection, rather than higher sanctions would be the best way forward.

11. It was also felt that certain rules of the European Union needed to be harmonised. For example, it is a common trick among workers on building sites who are registered, for example, in Portugal, to get a minimum legal wages in Germany and further wages in cash paid in Escudos.

### *11. Knowledge about local dummy companies*

#### *11a) Do you know any dummy companies located in Bornheim?*

The interviewees were asked about local dummy companies and for a short description of these companies. But nobody could give information about such companies or firms. There seemed to be no well known dummy companies in Bornheim.

The usual framework for black work seemed to be through subcontractors. The subcontractor obtained an order or a contract and then acquired further subcontractors. At the lowest level of this pyramid, illegal workers were most likely to be found. One particular example was a building site where piles were being driven. Three Turkish men had been approached by members of the task forces and asked how many hours a day they were working on the site. They answered that they worked only for a few hours, below the margin of 610.- DM. They received their wages from London and worked in Frankfurt a.M. and the problem of identifying them as illegal workers was that on the building site there was no further evidence of illegal work to find. Notes about hourly wages or time schedules or other visible signs have to be found during inspections - otherwise no further investigation is possible. Their answers that it was a 610.- DM-based job was very unbelievable but if there are no other signs and no other evidence then the prosecutors must believe them. There are a lot of firms which cannot survive in the market if they do not offer illegal jobs. Even a lot of buildings of the communal administrations have been built by firms which were

known to have contracts with subcontractors who employed black workers. But these firms are not dummy companies.

## *12. Prices in the illegal markets*

### *12a) Do you know the prices of illegal goods and services in the black markets?*

The question was: "Please can you give us some examples with information about prices?". This produced the following prices:

- renovation of buildings:	20.- DM per hour
- private music lessons:	40.- DM
- working in the garden:	30.- DM
- working on building sites:	8.- DM
- dealing in stolen clothes:	50% of legal prices
- helping in the kitchen:	8.- DM
- removal services:	5.- DM
- painting:	10.- DM - 15.- DM
- cleaning service:	5.- DM
- cleaning the dishes:	6.- DM
- cooking in restaurants:	10.- DM
- waste disposal:	50.- DM
- stolen radio	50.- DM

### *12b) What is the price for a legal and a illegal haircut?*

Several different estimations and personal experiences were reported:

legal price	price for shadow economy hair cutting
- 50.-	20.-
- 55.-	20.-
- 40.-	15.-
- 60.-	20.-
- 80.-	30.-
- 70.-	25.-
- 45.-	15.-
- 70-100.-	20-30.-

All the reported illegal prices differed from the legal prices by more than 50%. The average was a reduction down to 30%.

*12c) How much is an illegal car repair in Bornheim compared with a legal car repair (100%)*

The average percentage for an illegal car repair was estimated to be 40-50% of the legal price.

*13. Contacts with customers and job agents*

*13a) How do people in Bornheim who are willing to do illegal jobs find jobs?*

Several sources for making contacts were given: announcements, waiting at well known places, personal contacts, mouth-to-mouth contacts, reading newspapers, friends and neighbours, family contacts, notices in supermarkets, and colleagues. The interviewees reported their own private contacts. All the contacts seemed to be based on personal connections. The interviewees did not refer to professional job agents.

*13b) How do people in Bornheim who are willing to pay for illegal work (e.g. to renovate their house) find a workman?*

Responses to this question were the same as those to previous questions. Contacts by buyers are made in the same way as contacts by sellers or providers. Contacts were made within people's own group of acquaintances and no professional mediators were used. If mediators played a role they were friends or others known well.

*13c) Do you know further methods and strategies of finding contacts with the black markets?*

People seeking illegal painters or gardeners would go to those working in the area, or obtain information from friends and colleagues. People would go to building sites and ask those working there whether they would like to work illegally for them as well.

*13d) Do you know of professional illegal job agents in Bornheim, people who particularly arrange illegal work?*

The mediation of black work seemed not to exist in any visible or observable manner in Bornheim. Everyone believed that it must exist but that it could not be observed. Either job mediators and job agents were behaving in a very hidden and covert manner or they did not exist.

#### *14. Questions to victims*

Victims of the illegal economy are not only the citizens in a society as taxpayers, but also those people who are legally working in fields in which illegal activities make legal businesses less profitable, such as businessmen who feel strong competitive market forces caused by illegal companies or firms (such as legal hairdressers, cleaning staff, restaurants and so on). However, we could not find many people who said that they were victims of black markets or black work.

##### *14a) Do you feel yourself somehow damaged by black market activities?*

Most of the interviewees could not give an answer to this question. They did not feel themselves to be victims. Only one hairdresser said he felt he was a victim and complained about illegal competition. He knew a special case, an old woman who did not come to his shop, because she explicitly said that she must save her money and she used private services. But nobody else declared themselves to be a victim. Indirectly, they should feel themselves to be victims because payments for social security, pensions etc. are higher as a consequence of the shadow economy. But nobody felt this. The only aspect which was cited related to social security as an institution, whereby those still paying contributions had to pay more and more.

There were other questions about victimisation and the shadow economy which equally did not produce positive answers:

- 14b) Is it a normal kind of behaviour in your business or in your profession that people work illegally and earn illegal money?
- 14c) Is your own business running less well as a consequence of the illegal work of others?
- 14d) Is your own business less profitable because of the illegal work of others?
- 14e) Is your own business really in danger as a consequence of the illegal work of others?
- 14f) What do you estimate/How high are the net losses per year for your own business/firm caused by illegal competition?
- 14g) How many additional assignments or orders would you have if there were no illegal competition in the local area?

One conclusion stemming from this lack of answers to these questions is that, in further research, it will be necessary to distinguish different kinds of business which will be affected differently. So, for example, we can distinguish between:

- a) business which is carried out without damaging other (legal) businesses because the illegal business would not have been carried out under legal circumstances (e.g. buying some luxuries, renovation of rooms or cleaning etc.);
- b) business which would be carried out legally if there were no illegal suppliers, e.g. car repair for someone who needs his car and doesn't have contacts with illegal markets;
- c) reduction in the quality of the work carried out, for example, if the illegal work is carried out very quickly and without guarantees (such as hairdressing or cleaning).

### *15. Questions to offenders and potential offenders*

#### *15a) Would you say that you are an offender in this field?*

Five of the interviewees answered "yes" to this question. If offenders believed that their answers would really remain anonymous, they were prepared to talk about their illegal activities.

#### *15b) What kind of work do you do or did you do in the black market?*

The offenders who were willing to talk about their activities reported several kinds of jobs: hair cutting, renovation of rooms, painting, paperhanging, private music lessons, installing electrical equipment and brick-laying.

#### *15c) How much do you earn per month for this kind of work? (did you earn)*

One offender said that for illegal hairdressing, he was paid 60.- to 80.- DM, five to ten times a month. For illegal renovation people had been paid 1,000.- DM and for private lessons 1,000.- DM. The offenders did not talk about any larger amounts of money and did not talk about long term jobs but only about single jobs done in the past. It can be assumed that the real illegal income would have been larger than the reported illegal income.

*15d) Are you (have you been) forced to do this work or could you earn money in other, legal ways?*

Two of the offenders reported that they had to do such jobs, otherwise they would not be able to pay their rent or monthly outgoings. Two of them said that it was supplemental income to their legal earnings. In one case a person had a lot of debts and had to pay this money back.

*15e) How did you get the work or the job you carried out?*

Only private contacts were reported - from colleagues or friends. No job mediation or professional advertisement was carried out or reported in connection with the illegal jobs.

### *16. Questions about integration effects*

Integration and exclusion have already been discussed in section 8. The intention of question 16 was to obtain further information from insiders about the effects of integration or exclusion caused by illegal money making. But the answers included no significant new information about this question. No consistent tendency could be identified among offenders. Two of the offenders responded that their friends and business partners were also active in the same business and two did not. The same was true about people's talk about doing black work or about tax evasion. One of the interviewees told a story about a meal in a restaurant with business leaders, board members, heads of departments and others and one of them asked the waiter very loudly and obviously to double the bill. He could reduce the tax he paid by putting in the false bill. The waiter went to get the agreement of the restaurant's manager. Every one of the 15 to 20 senior managers could openly see this illegal action and most of them quietly smiled. The waiter got a good tip of course. The interviewee talked about his own astonishment that no comments were made about the fraud and that nobody raised an objection.

### *17. Questions concerning offenders' backgrounds and economic position*

In further research it will be important to look more closely at offenders' backgrounds and economic position, particularly to examine whether in-



come from black market activities is additional income and whether their circumstances 'force' them to take this path.

*17a) Do you need the illegal income very urgently to pay for daily needs or for other purposes?*

Two offenders answered no and two answered yes to this question, making it difficult to interpret the answers. It is likely that different groups need the illegal income for different purposes and face different economic pressures.

*17b) Do you have other legal sources of income?*

Again, two offenders answered no and two yes to this question, which suggests that both need and the desire for further income to satisfy consumer wishes may be motives for undertaking illegal work. Note that if offenders answer that they have no other sources of income, then the labour market is not working appropriately. Though these people apparently have both skills and wish to offer to work, but are not given legal opportunities for work. Further research will need to examine which legal possibilities have been rejected

*17c) Could you exist without the illegal money?*

Here the same pattern appears again - two answer yes, two no. The answers are the same to each question.

### *18. Attitudes to and estimates of the involvement of the black market in each business sector*

The two last sections of the interview included questions about the interviewee's opinions about the extent of involvement of different types and groups of persons in the black market. The interviewees were asked to estimate percentages involved in a number of particular activities:

- a) What percentage of hairdressers in Bornheim offer services and hair-cutting without legal payments and taxes?
- b) What percentage of the legal car repair firms sometimes repair cars without paying legal payments and taxes?
- c) What percentage of bars, restaurants and beer gardens employ serving staff, cleaners and others without legal payments and taxes?

- d) What percentage of legal painters and paperhangers do some of their work without making legal payments and taxes?  
 e) How many service sector firms in Bornheim do parts of their jobs without legal payments and taxes?

Answers to these questions were to be given on a scale between 100% and 0% in steps of 10%. Each respondent's answer is given below.

a) The shadow economy activities of hairdressers were estimated very differently by different respondents - with estimates ranging from between 10% and 100% of hairdressers being involved. It is interesting that the lowest estimates were given by members of the task forces. A hairdresser, using his inside knowledge, estimated the proportion to be 100%, with more than 70% of the employees of hairdressing salons earning some

18) N= 28	offenders (5)	soc.helpers (7)	task forces (6)	citizens (10)
a) hairdressers	90, 30	80,10,30,80,20,20	25, 30, 5	?,40,20,40,?,80,30
b) car repair firms	100, 20	70,20,50,30,20,30	30, 50, 10	10,?,50,30,?,80,30
c) bars, restaurants and beer-gardens	100, 40	100,50,80,80,50,40	30, 40, 10	50,30,50,50,40,80,50
d) legal painters, paperhangers	90, 60	80,30,30,30,30,30	30, 30, 30	40,20,50,40,80,100,40
e) service sector firms	90, 30	90,70,20,50,20,30	30, 30, 50	20,40,20,50,60,50,?
no answer given	n = 3	n = 1	n = 3	n = 3

money on the black and 30% of owners of hairdressing businesses. He said that all his colleagues he knew were involved in illegally offering hair-cutting services to the customers of the salon.

b) The estimates concerning car repairs lay in the range between 20% and 90% of businesses being involved, though 50% of interviewees did not answer this question. Several interviewees emphasised that large firms were not so extensively involved, because the risk to them would be too high. It was felt that the smaller the business, the higher the probability of black work. Black car repairs for private people had only a low risk of detection, with employees of garages often working at home in their private garages to do repairs for neighbours and friends.

c) The range of estimates for black work in the catering trade lay between 10% and 100%. Members of task forces provided lower estimates than offenders or social helpers.

d) The range of estimates in relation to tradesmen or painters was between 20% and 90%, with 50% of interviewees not answering this question. Here again it was emphasised by several interviewees that large firms were less likely to be involved in black work than smaller businesses.

e) Between 80% and 90% of the cleaning services and other services in Bornheim were estimated to be involved in black work, with again no answer being given by 50% of the interviewees. Many interviewees felt they could not answer these questions because they had no personal experience and would have to rely on hearsay and media reports.

### *19. Estimates about the activities of specific groups*

Interviewees were asked to estimate the proportions of different groups who were involved in the shadow economy.

19) N= 28	offenders (5)	soc.helpers (7)	task forces (6)	citizens (10)
• Young people aged 11-14?	?,?,20	10,0,30,5,20 ,30	20, 0,20	20,10,10,30,1 0,10,0,10,0
• Young people aged 14-18?	?,?,50,20,1 0	60,30,40,10, 50,60	30,10,40	80,20,10,0,30 ,10,20,80,10

19) N= 28	offenders (5)	soc.helpers (7)	task forces (6)	citizens (10)
• Young people aged 18-20?	20,30,50	70,70,15,30, 70,60	30,10,40	100,30,20,30, 60,90,10,30,4 0
• Young unem- ployed people with no appren- tice-ship?	20,50,50	70,30,50,80, 70,80	50,30,?	100,30,20,30, 60,90,10,30,4 0
• Asylum-seekers?	? ,30,60	50,30,40,80, 100,80	40,70,30	20,50,10,50,1 0,90,10,50,10
• Pensioners and people in early retire-ment?	20,60,50	? ,30,20,20,8 0,40	30,0,40	50,20,20,50,2 0,20,10,40,10
Business people doing illegal and legal business?	? ,10,100	50,70,50,20, 20,30	40,10,30	20,10,20,20,3 0,?,10,50,30
People on social security?	60,50,50	20,50,70,20, 20,30	20,30,30	60,50,10,10,2 0,50,10,40,70
Unemployed peo- ple	60,70,?	40,20,20,70, 40,30	30,30,40	20,30,10,20,3 0,50,10,40,40
Private job agents	? ,10,?	? ,40,70,30,3 0,?	?,?,?	10,10,?,20,?, ?,?,?,?
Family run firms	? ,20,40	40,30,40,10 0,30,20	20,30,?	30,10,10,30,6 0,?,10,30,80
19) cont.	offenders (5)	soc.helpers (7)	task forces (6)	citizens (10)
Restaurants, bars, pubs, beer gardens	70,50,20	30,40,80,10 0,30,80	30,50,40	40,30,30,40,6 0,80,10,50,70

Tradespeople	?,50,50	30,20,80,70, 30,30	30,30,20	30,?,10,30,80 ,30,30,50,40
Medium sized firms	?,40,50	0,10,50,70,2 0,30	?,0,20	20,10,30,30,3 0,?,10,30,70
no answers given	n=2	n=1	n=3	n=1

The table above gives all of their answers in steps between 0% and 100%. Two factors seemed to influence people's perceptions of the frequency of black work and illegal money making: people's opportunities to make illegal money and their ability/willingness to use these opportunities to their own advantage. In terms of decision theory these two factors can be portrayed as utilities and costs (chances, opportunities) on the one hand and moral costs (tendencies) on the other hand. The frequency of illegal money making among different groups of persons seemed to depend upon on gains, risks, punishment and moral costs (see Smettan, 1992). Having considerable opportunities to be in situations in which opportunities to obtain illegal money were given, together with low risks and high amounts of outcome make these opportunities attractive. However, high risks and low outcomes make these opportunities less attractive. Several of the interviewees gave answers along these lines.

Estimates of different groups' involvement in such activities varied considerably, as we see below. However, several members of the task forces seemed to think that a predisposition to make illegal money is a characteristic of everyone. Most of them did not believe normal people to be honest. They believed that the normal tax paying citizen is not honest and has a tendency to evade taxes.

a) Young people aged between 11 and 14 years: This group was estimated to have only slight involvement in black markets and illegal money making, with all groups giving the same answers. They thought that these young people were too young to make illegal money to any major extent. They get pocket money and need money for clothes, sportswear or toys. Only a few of them were thought to be on drugs, but the numbers were thought to be growing steadily amongst those aged 13-14 years. It was thought that they were looking more for acceptance within their group of peers than for money.

b) Young people aged between 14 and 18 years: Illegal money making was again not thought to be a major activity for young people up to 21. They were thought to want to obtain a good grounding for their lives, future jobs and family. At least those who were not taking part in the drug scene were thought to be willing to look for legally obtained money, though estimates of involvement in illegal money making were higher than for the younger age group. It was not thought that they would have incentives to be involved in tax evasion or black work because they usually get back all the taxes they pay. Opportunities to earn illegal money were of course increasing, compared to those of the younger age group.

c) Young people aged between 18 and 20 years: Estimates of involvement in the shadow economy increased for this age group, except those of the members of the task forces. Opportunities were seen to be increasing in several ways: they could do an increasing number of jobs, were more skilled and more mobile. Jobs in the service sector, cleaning, giving private lessons and other jobs were thought to be done by persons from this age group. However, the position with regard to tax evasion was thought to be the same for those aged 18-20 as for those aged 14-18, because this group also would get most or all of the income tax they paid back from the state.

d) Unemployed young people without an apprenticeship: The estimates of involvement of this group in the shadow economy varied from 10% to 100%. Social helpers gave higher estimates than other groups. It was thought that the tendency to take part in the shadow economy would rise in this group, because lack of money would be a problem and there would be more living expenses which could not be met by those without jobs. However, opportunities may decrease, since having a job and being part of a firm or organisation enhances the number of opportunities for making illegal money.

e) Asylum-seekers: There was considerable variation in the estimates made about this group, though generally only a minority were thought to be involved in the shadow economy - about 40%. Most of the asylum seekers were thought to know that they would be running a high risk if they were committing illegal acts, since if they were to be detected, there would be no chance of a positive decision on their application. Most were considered to be making every effort to keep to German norms. This was also the belief of several members of the task forces, who felt unable to provide any estimate in percentages. Their opportunities to participate in the informal

economy were also thought to be low because they are foreigners, aliens in an unknown social environment and they have no connections at all.

f) Pensioners and people in early retirement: Estimates of this group's involvement were also not very high, with the average being around 30%. The lowest estimates were again given by members of the task forces. However, the younger the person, the more likely they were thought to be involved in the shadow economy. Though their opportunities were less than when they were still in work, they were seen now to have more time to undertake such work.

g) Business people who undertake illegal business as well as legal business: Interviewees' estimates of their involvement varied considerably, from 10% to 100%, though the average of each group was nearly the same. It was thought that business people's opportunities to commit crimes and make illegal money depended upon the type of company and its size. It was assumed by several interviewees that potentially every business could be involved, but in some businesses, particularly those in which a large amount of raw materials is used, it would be nearly impossible to carry out black work (for example, car production). No black work would be carried out if accounts had to be written. It was assumed that the tendency to make illegal money grew according to the visibility of opportunities, particularly the visibility of cash. Several members of task forces estimated that in those business in which a large number of cash transfers were usual a considerable amount of black work or undeclared business would be undertaken.

h) People on social security: The average estimate of their involvement was low, lying around 40%. The estimates made by the offenders was higher than that of the other groups (but there were only 3 offenders answering this question). It was argued that people on social security who have previously worked and have work skills would be more likely to be involved in black work or illegal money making than the others. Some street workers working closely with people on social security estimated low percentages for those who are on social security for only a short time and a higher percentage in proportion to increasing time on social security. But most of them were thought to earn only small amounts of money on the side and no one was reported to be involved in business or big deals. The opportunities to obtain illegal jobs were thought to be as low for people who had been on social security for a long time as their opportunities of obtaining legal jobs.

i) Unemployed persons: Again, offenders gave higher estimates than other interviewees, with the average around 20-30%. Street workers working with the unemployed said that only about 10% would have illegal jobs, with some others doing other illegal acts, but only 0.1% obtaining illegal payments from the labour office. It needs to be emphasised that there is no evidence of any increase in misuse of social security or unemployment benefits. However, the prognosis of this street worker was that abuse would increase because poverty was increasing rapidly. The task forces reported that they were getting a lot of anonymous tip-offs about black work by unemployed people, with the likelihood of a tip-off increasing as people were unemployed for a longer time and known to be unemployed by their neighbours.

j) Private job agents: Most of the interviewees felt themselves unable to answer this question. They said they had no personal experiences and no information about the activities of private job mediators or job agents. The legal job agents are controlled by the labour office and it seemed as though they were relatively law-abiding as they did not want to lose their licence as a job agent.

k) Family run firms: There was considerable variation in estimates here, as with other loosely-defined groups. The interviewees' comments indicated that the amount of illegal business depended considerably on the type of business. Several members of the task forces estimated that as many as 90% of firms might do some illegal business if services paid in cash were involved.

l) Restaurants, bars, pubs, beer gardens: Estimates for the catering trade were higher than for other occupations, because of the opportunities to undertake some undeclared business or work on the side.

m) Tradesmen: For tradesmen, the size of the company seemed to be important. Small companies were thought to be far more involved in the shadow economy than large ones, because large companies were thought to have control mechanisms and financial trails which would make it more difficult.

n) Medium sized firms: Medium sized firms were thought to have passed the demarcation line for illegal trade in general. However, where illegal money making had been detected in these firms, the average amount of money involved was much higher than for small firms.



## Conclusions and recommendations for further research

### *The research methods*

What are the conclusions of the study concerning research methods? After the interviews several interviewees were asked for their ideas as to how they would try to examine the phenomenon and what they would do to get information about the shadow economy. But all of those who were asked answered this question rather pessimistically. They believed that the shadow economy could not be observed comprehensively and that there are only a few visible features.

We found that the efficiency of the different methods varied considerably. All the methods we used (observations, interviews, collections of materials like notices from notice boards, and the analysis of advertising in local newspapers) were useful to some extent, but that the most effective method was to talk to offenders, members of task forces and members of relevant institutions and organisations. Specific interview guides need to be used for every group.

Though we did obtain interesting information from the offenders we interviewed, there were only five offenders in the sample. It is difficult to know how to recruit more offenders, but one interviewee suggested that the aliens registration office might be able to provide contacts with people who were to be deported because they had been undertaking illegal work in Germany (on a tourist visa). Other suggestions were to contact the airport police and to interview on building sites (as television companies have done).

In further research on the shadow economy it will be important to make a greater distinction between black work, illegal employment and illegal hiring or mediation. Black work is the evasion of tax or pension payments. Illegal employment includes instances when a plumber who undertakes work in a house is not registered with the local trade chamber. In the first case, there are a lot of unskilled workers, but the second are skilled people without a licence to undertake their trade. Illegal hiring is done by employers who are sent to firms without paying the fee for mediation. Illegal mediation is where the mediator has no licence to act as a job agent.

### *The shadow economy in Bornheim*

The amount of data from this short and highly selective pilot study in Bornheim is not broad enough to draw comprehensive conclusions. But it is clear that this is a very complex subject.

We cannot quantify the exact extent of the shadow economy in Bornheim. However, it is interesting that different kinds of people estimated the extent of the same elements of the phenomenon completely differently. Whilst taxi drivers and hairdressers reported a lot of black work amongst their colleagues and business-partners, the police and other task forces were not able to estimate the extent of black working. Several members of the social institutions tended to believe that the shadow economy in Bornheim was not so widespread.

A simple explanation for the existence of the shadow economy is the profits that can be made from it. There are a considerable number of people and groups who are net winners from black markets and the shadow economy (as we enumerate below). However, there are other reasons for its existence. One stems from the reunification of Germany, which brought several new problems into the labour market and opened up contacts to foreign businesses and firms, so opening the door to workers from other countries, who then sought to work illegally in Germany. These decisions were not primarily labour market ones, but stemmed from political pressure to strengthen contacts with other countries, as well as know-how transfers.

Another reason for an increasing number of illegal workers or increasing emphasis on the shadow economy is seen in a decline of the previous business culture, which seems to be relatively specific to Germany. There is a decreasing readiness to pay for social security and industrial peace, perhaps because of the lack of major national strikes in Germany (compared to France) in the last decades. It is thought that strikes will increase in Germany soon because of the reduction in social security.

### *Winners from the shadow economy*

Evaluating winners and losers from the shadow economy is not easy, because to a great extent the shadow economy is normal economic behaviour and the normal exchange of goods and services. Further research will need

to examine the question of winners and losers in greater detail. Some of the members of the task forces were asked to cite who they thought were winners and losers. Different people tended to nominate different groups. However, the following were thought to be clear winners:

a) Cross-national consumers: Polish people working in Germany were buying goods with their (illegal) wages and selling them at a higher price in Poland. It was noticed that Polish workers often drove German cars, even expensive German cars. Here wages are being changed into consumer goods.

b) Large firms - outsourcing: Firms were practising a kind of outsourcing, whereby large elements of production or services were being subcontracted to other firms to reduce costs. As a result the big companies were more flexible, leaner, more profitable and easier to manage. The most cost-intensive parts of business were more likely to be outsourced, with the winners being large companies.

c) Average productivity: One of the winners of the shadow economy is the macroeconomic average productivity. It can be observed - and not only in the Rhine-Main area - that the gross value added, that is the amount of newly created economic value, is distinctly increasing. The increase in gross worth today is higher than in those times when the number of employees was increasing, implying that the average gross value added per person is increasing strongly. Average productivity is much higher today, not because people are working much harder but because the number of people in the lower income groups has decreased and many of them are working on the black. The conclusion seems to be that black work enhances productivity. Gross national product is growing in spite of the increasing numbers of unemployed.

### *Losers in the shadow economy*

The interviews pointed up some of the negative aspects of the shadow economy and some of its losers. First, there is considerable damage to the social system as a consequence of black work, and black work itself changes the system. For example, employees' contributions were not being paid because of the change from employees to free-lancers, which was forced on employees by firms, with the alternative being unemployment.

Because many firms had very high internal salary costs, they tried to reduce these by sending most of the most cost-intensive tasks outside.

The second major loser from the informal economy may be democracy, because democratically established rules and norms are losing their power and credibility. There are two trends - the loss in credibility of the tax system (not one of our interviewees supported the tax system) and, simultaneously, a demand for stronger sanctions against those who undertake illegal work. These contradictory trends (the state is failing on tax and the state must increase punishment in relation to tax evasion) may not be able to co-exist much longer. The distance between citizens and the state is growing. Democracy is a loser from the shadow economy because the extension of black work and tax evasion is a signal for this increased distance between citizens and the state and a sign of the decrease in democratic legitimation of the state.

### *The shadow economy and the European Community*

Some questions are very important for the European Union in the near future and through the next decades: What is going on in the black markets in Europe? What are the different facets of the shadow economy in different countries of the European Community? Who are the offenders, the victims, the purchasers and suppliers in the EU? Are the overall effects positive or negative? Who are the winners and who are the losers for the shadow economy in Europe? How should the European Union respond to the extension of black markets and the shadow economy in Europe? A lot of questions are still waiting for answers.

One important aspect is the future of the social security system in Europe. In practice, the nationally structured social security systems in Europe are still working. Most of the problems are still not so extreme that social tensions are leading to rising conflict, but the social systems in several countries, such as in Germany, are becoming weaker and weaker. The system is still running but the price of keeping the system stable is very high.

Another aspect is the working principles of the taxation system. One basic element of the economic system is the invoice or account. The system of taxation, the system of social security benefits, the system of legal contributions and other duties are based on the system of invoices and ac-

counts. The system is based on the fact that customers obtain an invoice and that customers ask suppliers to provide them with an invoice. But private customers cannot reduce the price they pay for these services or goods by subtracting value added taxes. Therefore, their incentive to evade taxes for their own private spending is very high. In contrast, businessmen have an incentive to subtract value added taxes - which is possible only if they obtain an invoice. But at a certain point it is cheaper to refuse a bill and to ignore reducing their value added tax liability. This is the point at which the total system fails. Further research needs to look at these critical points and find at which point people switch from one mode to another.

One group of losers in this process are the social disadvantaged and the unemployed. In Germany and perhaps elsewhere, this is a silent, amorphous mass of people. But it is not clear that this silence will continue. It is likely that the visibility of the black market, and of openly pursued illegal activities and criminal offences will increase with an increase in social tension. Unemployment needs to be reduced throughout Europe. The social problems brought by unemployment are not understood by those who still have a job. The problems unemployment brings are relatively invisible. For example, Frankfurt has nearly 5,000 jobless young people. This is a real catastrophe but not an important topic in the media. The solution to this problem is not only a question of money. Young unemployed people's personalities start disintegrating and they cannot be reintegrated in later years. Once outcast from mainstream society, they may never be reintegrated. Another European aspect is the difficulty of integration of task forces across Europe and the financial equipment of these task forces, their coordination and co-operation.

One of the most important measures is to reduce the quantity and complexity of the tax systems. The European Union needs to develop an integrated and simple taxation system which is structured in a way that there are no or at least only a few, small incentives for black work and tax evasion. The system must become much simpler than the German system is today. One further problem is an educational one. Professions and (legal) work require a particular set of skills. The problem is that there are more and more people in Europe who have no choice and no alternative to illegal income because they are falling out of the school system and get no appropriate education.

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## **The Informal Economy A Summary and Perspectives**

HANS-JÖRG ALBRECHT

### **1. Introduction: The Aims of the Study of Informal Economies**

The project titled „Informal Economy“ was of an exploratory nature. With workshops on „The Informal Economy“ held in Sheffield and in Freiburg, it sought to bring together different disciplines, in particular criminology, the social sciences and economics, to analyse data on and the phenomenon of shadow economies and to theorise about the informal economy and its impact on young people in metropolitan areas. A further aim was to review existing research and summarize research approaches in order to assess the potential of a concept of the informal economy for explanatory purposes. Finally, empirical pilot studies were carried out in order to investigate research possibilities on the informal economy from a criminological perspective. All these issues have been addressed and with the pilot studies implemented in Frankfurt and in Paris, research has been carried out which has proven the feasibility as well as the potential of the approach. As Joanna Shapland has outlined in the introduction to this volume, the informal economy interacts with three forms of formal order: the financial and economic order, the social order and the order which is produced through criminal law and criminal justice.

With such interactions a set of questions arises which refers to the problem of defining the boundaries between formal and informal or shadow economies. Hybrid forms may emerge over time which are not easily clas-

sified either as informal or formal<sup>1</sup> and the economic debates on whether to include criminal activities in measuring the extent of shadow economies clearly demonstrate also an ambivalence that has its roots in morality. Equally, questions need to be asked as to why certain categories are labelled 'conventional', 'legitimate', 'informal' or 'black' and what consequences come with such labels. Such questions demonstrate the close relationship between research on the informal economy and research on economic crime, as it is evidently the concept of political economy which is decisive in providing answers to a range of questions related to the existence and the structures of informal economies. Moreover, there are questions about the threats that arise out of informal and/or black market activities. It is certainly important to know what threats are posed by informal economies to the three orders related to the economic, social and criminal systems and what opportunities are provided through informal economies for what segments of society. Then, the question arises of what relationships exist between informal markets and national fiscal and economic policies. There may be direct effects on the formal economy as there might be effects on the informal economy originating in the formal economic system. Palidda in this volume, for example, suggests there can be diminishing markets for stolen goods because of a cheap supply of legitimate goods which are distributed through the informal economy with the only illegality being their untaxed nature and transactions being organized outside the framework of conventional commerce and the conventional economy.

The relationship between informal markets and national and city level social policies also has to be addressed. As regards those participating in the informal economy, one might be interested in knowing whether participation is a transitional stage on the way into the formal economy (and into the first labour market). Here, longitudinal research evidently is needed. The Aulnay research reported in this volume suggests that the informal economy is for the young and the migrant, and that by their mid-thirties people wish to move on into steady and regular jobs. This fits with the knowledge available to us in the field of criminal careers and the motives relevant to exiting criminal careers<sup>2</sup>. However, organized crime research suggests that informal economies provide also for steady and long-term

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<sup>1</sup> See eg. the informal systems of money transfer described by Passas, N.: *Informal Value Transfer Systems and Criminal Organizations*. WODC Onderzoeksnotities, The Hague 1999.

<sup>2</sup> Mischkowitz, R.: *Kriminelle Karrieren und ihr Abbruch*. Bonn 1993, p. 382.

employment, producing different types of enterprises and various business roles<sup>3</sup>. While entering and exiting has become a research topic as regards careers in crime, the relevance of markets for criminal careers, for example, has not been at the centre of such approaches. Most of the career criminal research has been devoted to identifying those basic parameters of criminal careers to be used in modelling (for example, for incapacitation) but has largely neglected the contexts within which careers develop and the contexts of informal or shadow economies. It is here that the problem of youth unemployment arises, together with the question of how to manage to get young people into regular jobs and employment<sup>4</sup>. Similarly, informal economies have to be analyzed along their geographical or spatial dimensions. In this respect, it is important to recognize that informal economies are staffed to a large extent by migrants who, during the nineties, came to European societies mostly as illegal immigrants or asylum seekers. However, what is important concerns the shift in migration itself. Migration under contemporary conditions cannot be analyzed any more from the viewpoint only of sending and hosting countries, together with integration into receiving countries and their respective subsystems. Migration has now to be understood from the perspective of transnational communities or imagined communities, which stretch from the sending countries to various receiving countries that are inter-related with each other through a network of ethnic ties and relations<sup>5</sup>. This again is important in order to understand informal economies, which need to be placed in this new social space of transnational communities<sup>6</sup>. This social space is produced and reproduced through migrants and can – at the margins of the informal and formal economies – certainly also develop into clusters of ethnic economies.

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<sup>3</sup> Smith, D.C.: 'Paragons, Pariahs, and Pirates': A Spectrum Based Theory of Enterprise. *Crime & Delinquency* 26(1980), pp. 358-386.

<sup>4</sup> Richter, I., Sardei-Biermann, S. (Eds.): *Jugendarbeitslosigkeit. Ausbildungs- und Beschäftigungsprogramme in Europa*. Opladen 2000. The European Union summit held on November 21 1997 expressed an interest in guaranteeing that youth unemployment should not exceed six months.

<sup>5</sup> Tarrus, A.: *Arabes en France*. Dans *l'Economie Mondiale Souterraine*. Paris 1995.

<sup>6</sup> Hillmann, F.: *Transnationale Wanderungen und Migrationsnetzwerke in Europa*. In: Bach, M. (Ed.): *Die Europäisierung nationaler Gesellschaften*. Wiesbaden 2000, pp. 363-385; see also Tarrus, A.: *Zirkulationsterritorien von Migranten und städtische Räume*. In: Morocvasic, M., Rudolph, H. (Eds.): *Wanderungsraum Europa*. Berlin 1994, pp. 113-131.

The concept of transnational communities and the concept of the informal economy are related to social networks. Social networks essentially rely on word of mouth, trust originating from experience and knowledge and, in a spatial dimension, also on well-known sites and familiarity with specific sites. An example for geographical and social networks concerns drug markets and all the mechanisms there which play a role in establishing networks which are required in a functioning market. Another example can be drawn from underground banking systems, which have received attention since the beginning of the nineties, when money laundering controls became a widely discussed issue<sup>7</sup>. Such underground banking systems function on the basis of well established transnational communities and networks of trust. However, they emerged not as a response to the need to launder the profits of crime nor in order to channel funds to terrorist organizations. Most of the operations in this informal money economy are both legitimate and legal<sup>8</sup> and focussing on these operations from a crime control perspective may well be accompanied by unfair ethnic profiling. From this perspective, informal economies are information based economies, almost as much as the conventional economy. Mediators, therefore, play a decisive role in informal as well as in formal economies. However, mediators adopt still another function. In shadow economies the risk of law enforcement has to be dealt with. Mediators, therefore, are also important in reducing the risk of giving access to strangers who might be law enforcement informants.

Hence, shadow economies have to find some balance between a completely closed market system (which is not to be recommended as it would create obstacles for new customers) and a market which is somewhat open but manages at least to reduce the risk of law enforcement. The informal economy can finally be linked to the concept of contracts, as goods and services are transacted and an exchange takes place. However, in the informal economy the enforcement of contracts cannot resort to the conventional instruments that are used when contracts are broken in the formal economy. It is in particular here that the role of violence has to be considered.

The approach which has been adopted in the studies reported in this volume has been both comparative and cross-sectional. With this perspective

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<sup>7</sup> See Passas, N.: *Informal Value Transfer Systems and Criminal Organizations*. WODC Onderzoeksnotities, The Hague 1999.

<sup>8</sup> Passas, N.: *opus cited*, 1999, pp. 2-3.

variation is created and opportunities are established to provide both for a comprehensive descriptive picture and to allow explanatory information.

Some areas evidently have been left untouched by research until now. These areas concern the different markets in the informal economy and the type of enterprise mixes that develop; the nature of illicit and informal markets as well as the opportunities and threats that emerge with shadow economies; the geographical dimensions of such markets; and the resources and skills needed to develop various market as well as functional communication patterns.

Regulation, law enforcement and their effects on the informal economy also have to be considered. Finally, links with business methods and business ethics should be explored. It seems clear that in shadow economies, as much as in conventional economies, ethics will develop. However, it is not clear what kind of ethics, values or informal norms are regulating informal economies.

## 2. Concepts and theories

It is clear that a multitude of theoretical concepts emerge in studying informal economies. Informal economies encompass the city as well as the metropolis, the concept of black markets as well as red light districts, with all their subcultures of crime and deviance. Informal economies refer to concepts and approaches such as integration and disintegration, immigration and social exclusion, as well as structures of opportunities. Career criminals and criminal careers<sup>9</sup>, professional crime and finally organized crime are all important in looking at informal economies. Moreover, informal economies are evidently dynamic. On the one hand they permanently adjust to formal control and the disruptive consequences of policing and administration of justice; on the other hand informal economies may – dependent on the stability of demand – develop into rapidly growing markets, as can be seen in the field of human trafficking and the smuggling of immigrants.

Finally, the concepts of formal and informal control as well as the role of criminal law all have to be considered in the analysis of informal economies. The role of the state in defining the informal economy is clearly

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<sup>9</sup> Laub, J. H., Sampson, R.J.: *Understanding Desistance from Crime*. In: Tonry, M. (Ed.): *Crime and Justice: An Annual Review of Research*. Chicago 2001, pp. 1-69, p. 19.

rather important, as it is the political economy which decides what is to be regarded as formal and acceptable and what must be treated as the informal economy. The informal economy essentially is defined through the absence of state control, the absence of taxation (and perhaps the emergence of protection for money schemes as an alternative to the official tax and revenue system)<sup>10</sup>. The informal economy is then defined through the transgression of rules as well as through the ordinary criminal law, and through the absence of formal types of regulations. The informal economy on the one hand, therefore, comes close to what has been called „adventure capitalism“ by Karl Marx. However, on the other hand, criminal law introduces a kind of regulation in shadow economies which in some respect displays similarities to the effects of regulation in the formal economy.

The topic of „Economy and Crime“ or the economic causes of crime has always received attention in criminology and in the field of sociology of deviance<sup>11</sup>. This is easily demonstrated when looking, for example, at the Council of Europe's activities in this regard<sup>12</sup>. This becomes visible when looking at the various attempts to account for theoretical and empirical links between the economy, labour markets and crime<sup>13</sup>. However, what has not been covered in this type of research is the informal economy and its links with crime, crime control and societies features that relate to both crime and crime control. The traditional approach in criminology as regards economy and crime has been to try to identify economic variables reflecting crisis and and exclusion, relating these to crime and deviance. Unemployment, increasing prices, poverty, income inequality and economic crises in general thus have been subject to research. But, the whole field of illicit economies and illicit markets, as well as the participants in these markets and the structure of social interactions, have only very rarely made the subject of research. This is true for both micro-economic approaches

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<sup>10</sup> Dohse, K.: *Untergrundökonomie – Fragen zum Verhältnis von Ökonomie und Recht. Mehrwert. Beiträge zur Kritik der politischen Ökonomie* 31(1989), pp. 2-29, p. 26.

<sup>11</sup> Field, S.: *Crime and consumption*. In: Fielding, N.G., Clarke, A., Witt, R. (Eds.): *The Economic Dimensions of Crime*. Chippenham 2000, pp. 142-149.

<sup>12</sup> Conseil d' Europe: *Crime et Economic. Rapports presentes au 11e colloque criminologique* (1994). Strasbourg 1995.

<sup>13</sup> Findlay, M.: *The Globalisation of Crime. Understanding Transitional Relationships in Context*. Cambridge University Press: Cambridge 1999, pp. 138-166.

and macro-economic approaches<sup>14</sup>. The only question which since the seventies and the first economic crises in this respect has been thoroughly studied concerns the assumption that unemployment is correlated with criminal behaviour. The reason why the informal economy and the social contexts established through such informal economies did not receive so much research attention so far might be explained through the fact that from the perspective of the most important informal market in the last decades, that is the drug market, it was not the economic aspects which were of interest for research but the treatment and addiction approach (including its penal law aspects). It is these latter which have characterized research interests and which have guided empirical research in this area.

Another reason certainly concerns a certain bias towards such illicit markets. The perspective of illicit markets should not be seen as entirely negative. But, the dominant perspective on drugs, red light districts and undocumented labour has always been one of moralizing. With decriminalization of, for example, consensual sexual behaviour as well as related behaviour in the sixties and seventies and with a policy of cleansing criminal law from its moralizing elements, criminology lost interest in the study of prostitution, pimps and other subcultural phenomena. Research questions still related to these subcultures centre rather around the topic of organized crime and around the topic of disorder<sup>15</sup>.

Modern and industrialized societies have undergone significant changes during the last decades, changes that have had an enormous impact on those sectors of society where traditionally explanations for crime and criminal behaviour have been sought. Among these changes the gradual shifts in labour markets and in the economy have been highlighted, pointing particularly to the „disappearance of work“ - the disappearance of a labour market demanding unskilled labour and the development of a service and information economy that puts forward strict demands as regards education, skills, flexibility and mobility. Associated with such changes, evidently, are high unemployment rates among those who are disadvantaged with respect to those changes and among these we find, in particular, newly

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<sup>14</sup> Kerner, H.-J.: Der Verbrechensgewinn als Tatanreiz – Aus kriminologischer Sicht. In: Bundeskriminalamt (Ed.): Macht sich Kriminalität bezahlt? Wiesbaden 1987, pp. 17-50.

<sup>15</sup> Matthews, R.: Regulating Street Prostitution and Kerb-Crawling. *BritJCrim* 32(1992), pp. 18-22, p. 18.

arriving immigrants and, in general, young people from marginalized segments of society<sup>16</sup>.

Environmental criminology then offers useful concepts which have been studied in the context of drug markets and there is considerable potential in this approach in terms of explaining the ways drug markets develop as well as in pointing to ways to prevent drug markets from developing<sup>17</sup>.

### 3. A Summary of Research on Informal Economies

#### 3.1 Introduction

As can be seen from the data base provided in the current volume, an abundant number of publications is available which in one way or another relate to informal economies. However, most of these publications do not deal directly with informal economies but with social groups and with marginal behaviour that is linked to deviant or even illegal and criminal money-generating activities. In general, we find that the issues of income generated by criminal activities and the culture linked to such behaviour has not been at the centre of attention of criminological research over the last decades<sup>18</sup>, nor have informal markets and money and income generating activities been at the centre of theoretical thinking on crime and deviance. Although prominent crime theories such as the theory of anomia refer to variables that are strongly linked to crime and work, such variables have been left on one side as regards their economic and income-generating dimensions. Interest has arisen, however, when organized crime and related problems have become prominent issues in national and international crime policies. It was, in particular, the interest in implementing policies of following the money trail, which aim to forfeit of illicit gains as well as identifying money laundering schemes, which then redirected research onto

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<sup>16</sup> Junger-Tas, J.: Juvenile Delinquency: What to Do? The Case of The Netherlands. Federal Sentencing Reporter 11(1999), pp. 248-254, p. 249.

<sup>17</sup> Hough, M., Edmunds, M.: Tackling Drug Markets: An Eclectic Approach. Studies on Crime & Crime Prevention 8(1999), pp. 107-131.

<sup>18</sup> Freeman, R.B.: Crime and the Labour Market. In: Fielding, N.G., Clarke, A., Witt, R. (Eds.): The Economic Dimensions of Crime. Chippenham 2000, pp. 150-175, p. 170, summarizes the available evidence as "too weak for any strong claims about the long-term economic payoff to crime".



questions about illicit markets, the role of capital and capital accumulation in such markets as well as the motive of personal gain<sup>19</sup>.

### *3.2 Economic approaches to the informal economy*

Economic studies of the informal economy have primarily been interested in estimates of the size of the informal economy and in the question whether parts or all of such informal economies can be transformed into legitimate business and commerce<sup>20</sup>. With such approaches, the functions of the informal economy for the economic system at large have been studied, as well as the question of whether the informal economy produces an added value which would not be generated if strict control were to bring informal economic activities under the regime of revenue services, labour laws etc<sup>21</sup>. However, economists have also raised the question whether shadow economies can serve as an escape lane for those who are excluded from employment and provide for opportunities that reduce conflicts associated with economic crisis<sup>22</sup>. The debate within economics has dealt with questions such as whether to include illegal or criminal activities in the informal economy as well as with the methodological question of how to

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<sup>19</sup> Levi, M.: Incriminating Disclosures: An Evaluation of Money Laundering Regulation in England and Wales. *European Journal of Crime, Criminal Law and Criminal Justice* 3(1995), pp. 202-217.

<sup>20</sup> Gretschmann, K., Mettelsiefen, B.: Die Schattenwirtschaftsdebatte – eine Retrospektive. In: Gretschmann, K., Heinze, R.G., Mettelsiefen, B. (Eds.): *Schattenwirtschaft. Wirtschafts- und sozialwissenschaftliche Aspekte, internationale Erfahrungen*. Göttingen 1984, pp. 11-44; Skolka, J. (Ed.): *Die andere Wirtschaft. Schwarzarbeit und Do-it-yourself in Österreich*. Wien 1985.

<sup>21</sup> Hackmann, J.: Fördert die progressive Besteuerung die Schattenwirtschaft? In: Schäfer, W. (Ed.): *Schattenökonomie. Theoretische Grundlagen und wirtschaftspolitische Konsequenzen*. Göttingen 1984, pp. 102-121.

<sup>22</sup> Windisch, R.: Irreguläre Ökonomie und Wirtschaftsordnung. In: Schäfer, W. (Ed.): *Schattenökonomie. Theoretische Grundlagen und wirtschaftspolitische Konsequenzen*. Göttingen 1984, pp. 229-262, p. 232; Gretschmann, K.: Wohlfahrtseffekte schattenwirtschaftlicher Aktivitäten. In: Gretschmann, K., Heinze, R.G., Mettelsiefen, B. (Eds.): *Schattenwirtschaft. Wirtschafts- und sozialwissenschaftliche Aspekte, internationale Erfahrungen*. Göttingen 1984, pp. 97-129, p. 119, point to the potential effect of shadow economies in preventing the unemployed from drifting into illegal activities, drug scenes or other types of deviant behaviour.

measure productivity in the informal economy<sup>23</sup>. The focus thus has been in general on the macro-economic elements of the shadow economy, and, more importantly, the shadow economy has been treated as a mere annex to the formal economy<sup>24</sup>. Economic research then has pointed towards the usefulness of a rational choice approach in explaining decisions for and against participating in shadow economy activities<sup>25</sup>. However, as illegal activities (with the exception of tax evasion) have been almost totally excluded from studies originating from economics<sup>26</sup>, their contribution to the analysis of the shadow economy has been on the one hand restricted to econometric methods in assessing the size of those parts of the economy which escape formal statistical accounts and administrative regimes. On the other hand, micro-economic studies have been carried out targeting socio-demographic information about supply and demand in informal economies<sup>27</sup>, as well as decision making under the threat of getting arrested for tax evasion or violation of labour/social security laws<sup>28</sup>.

### 3.3 *Economy and Crime*

As regards relationships between the economy and crime, it is, in particular, correlates between unemployment and (property) crime which have received attention in criminological research<sup>29</sup>. However, historically, the economy and economic crises have played a prominent role in explanatory

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<sup>23</sup> Schrage, H.: Schattenwirtschaft – Abgrenzung, Definition, Methoden der quantitativen Erfassung. In: Schäfer, W. (Ed.): Schattenökonomie. Theoretische Grundlagen und wirtschaftspolitische Konsequenzen. Göttingen 1984, pp. 11-37.

<sup>24</sup> Tanzi, V. (Ed.): The Underground Economy in the United States and Abroad. Lexington 1982.

<sup>25</sup> Stigler, G., Becker, G.S.: De Gustibus non est disputandum. American Economic Review 89(1977), pp. 76-90.

<sup>26</sup> Windisch, R.: Irreguläre Ökonomie und Wirtschaftsordnung. In: Schäfer, W. (Ed.): Schattenökonomie. Theoretische Grundlagen und wirtschaftspolitische Konsequenzen. Göttingen 1984, pp. 229-262.

<sup>27</sup> See eg. Smith, I.D.: The Invisible Other Hand. Michigan 1982; Isachsen, A.J., Stroem, S.: The Hidden Economy: The Labour Market and Tax Evasion. Scandinavian Journal of Economics 82(1980), pp. 304-311.

<sup>28</sup> See eg. Friedland, N., Maital, S., Rutenberg, A.: A Simulation Study of Income Tax Evasion. Journal of Public Economics 14(1978), pp. 107-116.

<sup>29</sup> Münder, J., Sack, F., Albrecht, H.-J., Plewig, H.: Jugendkriminalität und Jugendarbeitslosigkeit. Neuwied, Darmstadt 1987.

theories of crime, especially property crime. Since the sixties the rational choice explanation of crime and punishment has received considerable attention<sup>30</sup>. The labour market and its relationship to systems of formal control have been studied in particular from the viewpoint of functions of imprisonment and prisons<sup>31</sup>. Research on the links between unemployment and crime has then been stimulated by the far reaching changes in labour markets that have been observed in the last two decades. The assumption that (low skill) work might have disappeared<sup>32</sup> has triggered studies on links between the development of labour in industrial production, unemployment, poverty and various types of crime, moreover, between shadow economies, illicit markets and specific crime patterns. The evidence stemming from such studies is not consistent. The analysis of a ten year period in some 100 metropolitan areas in North America showed that the decrease in industrial jobs is strongly correlated with unemployment and poverty<sup>33</sup>. A decline in employment opportunities is then strongly correlated with drug crime and serious forms of assault. Unemployment is correlated with burglary, robbery and theft. However, measures of poverty are unrelated to crime, including property crime. It is evident, therefore, that changes in the labour market have led to a loss in stable and well-paid jobs, which then has contributed to the increased attractiveness of drug markets for inner city youth (in particular young men). The drug market provides for jobs and economic opportunities which are not available any more in the first labour market<sup>34</sup>.

### *3.4 Immigration and markets in immigration*

Immigration and immigrants deserve attention from the viewpoint of informal economies from three perspectives. First, immigrants evidently tend

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<sup>30</sup> Becker, G.S.: Crime and Punishment: An Economic Approach. *Journal of Political Economy* 76(1968), pp. 169-217.

<sup>31</sup> Rusche, G.: Labor Market and Penal Sanction: Thoughts on the Sociology of Criminal Justice. *Crime and Social Justice* 1978, pp. 2-8.

<sup>32</sup> Wilson, W.J.: *When Work Disappears. The World of the New Urban Poor.* Knopf: New York 1997.

<sup>33</sup> White, G.: Crime and the Decline of Manufacturing, 1970-1990. *Justice Quarterly* 16(1999), S. 81-97, S. 89f.

<sup>34</sup> Vgl. auch Anderson, E.: *Streetwise: Race, Class, and Change in an Urban Community.* Chicago 1990.

to be increasingly recruited into shadow economies; second, (illegal) immigration itself has developed into an important market; and, third, migrants have built up transnational communities and networks that can be seen as equivalents to the formal global economy.

Studies on immigrants and immigration, as well as on ethnic minorities, have focussed on the role informal economies play for integration and the general development of such minorities in terms of providing for (ethnic) "ladders" to employment or subsistence opportunities<sup>35</sup>. Immigrants who are visible (in particular in the metropolitan areas of Europe today) are predominantly young males and, moreover, characterized by unemployment, living on social security and living in public housing. When putting the focus on inner city drug markets, prostitution, other parts of the shadow economy or the prison, it is evident that immigrants have a substantial share in the markets, as well as in those groups who are charged and imprisoned because of participation in such activities<sup>36</sup>.

Social and economic changes in the last 20 years in general have obviously worked to the disadvantage of immigrants. The success stories of immigration which are known from 19<sup>th</sup> and early 20<sup>th</sup> century Europe and North-America concern immigrant groups which managed to work their way up and to integrate (economically and culturally) into mainstream society. So, for example, several waves of Polish labour immigrants settled at the end of the 19<sup>th</sup> and the beginning of the 20<sup>th</sup> century in the West of Germany (in particular in coal mining areas). They melted rather rapidly into mainstream society and became invisible as a distinct group within half a century. Generations subsequent to these first labour immigrants who on the average had a lower class background with well-known characteristics such as poor education and poor professional training have particularly been exposed to the risk of unemployment, moreover to the risk of never being able to enter the first labour market. New immigrants arriving in the second half of the 80s and in the 90s evidently have shared the same fate. These groups immediately adopted marginal positions in terms of either falling into social security dependency, being dependent on solidarity networks sometimes provided by resident ethnic minority groups, or entering the shadow economy or black market.

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<sup>35</sup> Portes, A.: *La Mondialisation Par Le Bas*. In: Bourdieu, P. (Ed.): *Delits d'Immigration. Actes de la Recherche en Sciences Sociales* 129(1999), pp. 15-25.

<sup>36</sup> Palidda, S.: *Polizia e immigrati: un' analisi etnografica*. *Rassegna Italiana Di Sociologia* 40(1999), pp. 77-114.

However, there exist enormous differences among various immigrant groups as regards their involvement with criminal justice and with illicit or informal economies. It is probably essentially ethnic solidarity net-works and the capability as well as potential within ethnic groups to build up ethnically homogenous communities based on a sense of social solidarity which work in favour of low crime participation (and serve also perhaps as major obstacles to attempts to penetrate ethnic groups through traditional policing and control strategies) and high self employment within an ethnic group. However, research on the social and economic integration of ethnic and immigrant minorities throughout Europe reveals that major parts of these groups have slipped into marginal positions as regards socio-economic status, income, housing conditions, education and employment. Basic conditions for social and economic integration have worsened steadily during the 80s and 90s.

What has changed evidently also during the nineties is the character of migration. Migration has developed at least partially in Europe into increased mobility caused by illegal immigrants or overstaying foreign nationals trying to adjust to a more and more restrictive system of control of immigration. Hence, migration and mobility are certainly key elements in the analysis of informal economies<sup>37</sup>.

Trafficking or smuggling immigrants across borders for purposes other than sexual exploitation has also attracted attention, in particular related to incidents like the death of 58 Chinese nationals who were found January 2001 suffocated in a container in Dover<sup>38</sup>. It is estimated that 60-90% of illegal immigrants today have been supported by organized groups in travelling to Europe and crossing European borders<sup>39</sup>. Estimates put the number of immigrants illegally smuggled and trafficked at some 4 million per year<sup>40</sup>. Brokerage of illegal immigrants into various labour markets is obviously concentrated on the construction industry, house services and cleaning, sweatshops and agriculture, as well as various types of shadow economies and street markets. Conventional organized crime is evidently involved in trafficking and smuggling immigrants, too, in particular the Chi-

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<sup>37</sup> Tarrus, A.: Arabes en France. Dans l'Economie Mondiale Souterraine. Paris 1995.

<sup>38</sup> Aronowitz, A.A.: Smuggling and Trafficking Human Beings: The Phenomenon, the Markets That Drive It And the Organizations That Promote It. European Journal on Criminal Policy and Research 9(2001), pp. 163-195.

<sup>39</sup> Aronowitz, A.A.: opus cited 2001, p. 169.

<sup>40</sup> Aronowitz, A.A.: opus cited 2001, p. 164.

nese triads<sup>41</sup>. In Germany, estimates put the number of illegal immigrants in the construction business at approximately 500,000 illegals. In the US, according to recent estimates, some 4.5 million illegal Mexicans alone live and work, most of them in the agricultural areas of the southern states<sup>42</sup>.

### 3.5 Drug Markets

Researchers on drug markets have been interested in studying the mechanisms of drug markets in terms of supply and demand, in order to develop and implement policies which can effectively disrupt transactions in drug markets. Most of this research was carried out from a perspective of policing and prevention. Some of the research, however, is based on an approach which generates also information on the drug economy as well as those involved in this economy.

Drug markets obviously display distinctive characteristics. Drugs certainly generate in some regions most of the income which becomes available in illicit economies. However, research shows also that most people active in the drug markets earn little and what they earn can be paralleled to minimum wages in the conventional labour market. The populations that are involved are primarily the young, immigrants and those from precarious social positions, i.e. the unemployed and the less well educated.

The career of a drug dealer is obviously not a conscious choice, though economic motivations may play a certain role. The identity of a drug dealer develops over some time<sup>43</sup> and the criminal justice system, in particular, the prison may play a rather important role here, as Schiray argues convincingly (in this volume). However, most individuals involved in the drug market maintain the view that their conventional lives have not been significantly altered. The organization of a particular drug dealing operation may be highly complex or not very complex and not structured at all. A large proportion of drug dealing is done the unstructured way. Important community level structural variables in terms of availability of non-

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<sup>41</sup> Yiu Kong Chu: *The Triads as Business*. Routledge: London, New York 2000, pp. 115.

<sup>42</sup> „Out of the Shadows“, *Time*, July 30, 2001, pp. 26-29.

<sup>43</sup> Tewksbury, R., Mustaine, E.E.: *Lifestyles of the Wheelers and Dealers: Drug Dealing Among American College Students*. *Journal of Crime and Justice* 21(1998), pp. 37-56.

residential buildings, bars, discos, fast food restaurants etc. influence crime, victimization and drug markets. Furthermore, drug markets also display various links with other economic fields as Ditton and Hammersley point in this volume. The study of „normal“ drug users shows that almost 30% claim to have some sort of illegal income; however, almost all of them buy in the illegal economy on a regular/weekly basis. So, virtually all of them are involved in illegal economies with a substantial part of them being involved to a significant extent. Involvement with illegal markets goes beyond drug markets and is related to markets of stolen goods. What seems important then in sustaining a certain level of drug dealing activities concerns the person's reputation which will explain perhaps also that those involved in drugs stick to their main markets over extended periods of time. Reputation and trust evidently explain why two thirds of the drug users they interviewed said that they could raise credit from their seller. But, there is evidently considerable overlapping of local drug markets, as approximately 60% of the interviewees indicated that they used more than one market<sup>44</sup>. Research demonstrates also the large economic impact local drug markets have, as well as their economic links with other illicit and licit markets. For London it is estimated an average weekly expenditure for drugs of £333. Hence, it can be estimated that £170 Million in London are financed by dealing, shoplifting, benefit fraud, acquisitive crime and sex work. Retail activities then generate about 1,000 arrests at the retail level. In the face of an estimate of some 20-30 million retail transactions a year in London, the arrest probability amounts to 1:4,000<sup>45</sup> and with that to an acceptable risk.

### *3.6 Markets for Stolen Goods*

Another area of research refers to markets of stolen goods. In particular law enforcement practitioners have always been interested in information on markets for stolen goods in attempts to prevent burglary and property crime in general. But, although this concerns an issue which has been long known about, it is only recently that interest has been turned into empirical re-

<sup>44</sup> See also Jacobs, B.A.: Crack to Heroin? Drug Markets in Transition. *BritJCrim* 39(1999), pp. 555-574.

<sup>45</sup> Hough, M., Edmunds, M.: Tackling Drug Markets: An Eclectic Approach. *Studies on Crime & Crime Prevention* 8(1999), pp. 107-131.

search based upon the market approach. Gill (in this volume) argues that markets for stolen goods could be fueled by commodities arising from legitimate business. In fact, a survey of 2,618 businesses showed that the smallest firms bear the highest rate of victimisation and so a disproportionate cost of crime.

### *3.7 Prostitution and Red Light Districts*

Most of the research on prostitution has remained both descriptive and policy oriented<sup>46</sup>. What is evidently lacking concerns in particular research on prostitution and the traditional red light economies as well as research on entering and exiting informal economies<sup>47</sup>.

While most of research in this field had been devoted to feminist perspectives and with that to gender-dependent structures of power and repression in societies, there are now more and more pieces of research which point to the relevance of economic structures. Studies on the economic elements of the prostitution business point to a certain floating segment (which actually can also be found in drug scenes). A certain number of prostitutes do not depend totally on prostitution-derived income but live on a mix of social welfare/pensions legitimate work on the one hand and prostitution money on the other. As a recent study has shown, streetwalkers earn an average of 1,500 US\$ a week (with a range of 200-5,000 US\$). Income received from legitimate sources averaged around 500 US\$ a week. Income is dependent on the number of hours spent on the street (average 30 hours per week, range 2 – 70 hours). The average time spent on streetwalking was 31 months<sup>48</sup>.

As regards findings on the extent of trafficking in humans, estimates are now available for the number of women who are trafficked for the purpose of prostitution. Estimates put the number of women at 200,000-500,000

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<sup>46</sup> Matthews, R.: Regulating Street Prostitution and Kerb-Crawling. *BritJCrim* 32(1992), pp. 18-22.

<sup>47</sup> Hess, H.: Das Karrieremodell und die Karriere von Modellen. Zur Integration mikro-perspektivischer Devianztheorien am Beispiel von Apartment-Prostituierten. In: Hess, H. et al. (Eds.): *Sexualität und soziale Kontrolle*. Heidelberg 1978, pp.1-30

<sup>48</sup> Coston, C.T.M., Ross, L.E.: Criminal Victimization of Prostitutes: Empirical support for the Lifestyle/Exposure Model. *Journal of Crime and Justice* 21(1998), pp. 53-70, p. 60.



women trafficked to Western Europe<sup>49</sup>. Worldwide estimates of trafficked women and children are around 700,000 to 1,000,000 who are assumed to be trafficked each year across international borders<sup>50</sup>. Research on prostitution and trafficking in women in Italy has led to an estimated proportion of some 10% of prostitutes of foreign nationality who have been trafficked to Italy (out of a total of 2,000 prostitutes of foreign descent). Italy displays a special pattern of trafficking, with most women coming from Nigeria and Albania (and most traffickers coming from these areas, too)<sup>51</sup>. Italian research shows that trafficking of women for the purpose of prostitution follows general immigration patterns (as immigrants to Italy tend in the last 10 years also to come from these regions). German police statistics show significant changes as regards the sending countries. While before the opening of the borders between the West and the East of Europe most trafficked women came from South America, Thailand and other Asian countries, in the nineties the most important sending countries were the Baltic states and other central and eastern European countries. The belt of sending countries is moving eastwards, with Poland, Hungary and the Czech Republic becoming themselves countries of destination of trafficking<sup>52</sup>.

Estimates put the number of children involved in commercial sexual exploitation of children at some 650,000<sup>53</sup>. The gross turnover in the red light milieux are calculated to range between 12-70 billion DM (6 to 35 billion US\$); according to information generated by German criminal investigations on the average a sex worker has revenues between 84,000 and 360,000 DM (40,000 to 140,000 US\$) per year<sup>54</sup>. Data available for local red light districts in Germany put the sum per woman brokered from Po-

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<sup>49</sup> Flormann, W.: Die Lebensader des Rotlichtmilieus - der internationale Frauenhandel. *der kriminalist* 31(1999), S. 50-55.

<sup>50</sup> Bensinger, G.J.: Trafficking of Women and Girls. *Crime&Justice International* 17(2001), pp. 11-13, p. 11; U.S. Department of State: Trafficking in Persons Report - Report 2001, Washington 2002, p. .

<sup>51</sup> International Organization for Migration: Trafficking in Women to Italy for Sexual Exploitation. Brussels 1996.

<sup>52</sup> Bundesministerium des Inneren, Bundesministerium der Justiz (eds.): Erster Periodischer Sicherheitsbericht. Berlin 2001, p. 105.

<sup>53</sup> Alexander, S., Meuwese, S., Wolthuis, A.: Policies and Developments Relating to the Sexual Exploitation of Children: The Legacy of the Stockholm Conference. *European Journal of Crime Policy and Research* 8(2000), pp. 479-501, p. 480.

<sup>54</sup> Flormann, W.: opus cited 1999.

land to Germany for the purpose of prostitution at 1,000.- DM (ca. 450 US\$) in the second half of the nineties<sup>55</sup>.

### 3.8 *Informal economy and income*

As has been mentioned earlier, income generated by criminal activities (or by participating in informal economies) has not yet been made a central question of criminological research. The studies that have tried to collect data on income from criminal activities have produced differing results. Research has shown that income from drug selling or other criminal activities is well below what could be drawn from legal employment<sup>56</sup>, while others report income above the level of income from legitimate work<sup>57</sup>.

This is consistent with the findings from a study on the involvement of women in the drug market. Here, it was reported that generating one's principal income from drug sales for all interviewees was an episodic rather than a constant activity<sup>58</sup>. Net income, therefore, was difficult to estimate. However, it seems clear that drug selling does not provide for steady and predictable income<sup>59</sup>. Income spreads relatively evenly along a wide range. High level or whole salers can make substantial profits over relatively short periods of time, while low level dealers seem to have revenues that certainly are not as attractive as sometimes portrayed by the media and crime

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<sup>55</sup> Kruse, R.: Organisierte Prostitution auf dem Lande. *Der kriminalist* 30 (1998), pp. 351-354.

<sup>56</sup> Wislon, J.Q., Abrahamse, A.: Does Crime Pay? *Justice Quarterly* 9(1992), pp. 359-377; see also Reuter, P., MacCoun, R., Murphy, P.: *Money From Crime*. Rand Drug Policy Research Center, Santa Monica 1990; MacCoun, R., Reuter, P.: Are the Wages of Sin \$30 an Hour? *Economic Aspects of Strett-Level Drug Dealing*. *Crime & Delinquency* 38(1992), pp. 477-491.

<sup>57</sup> Freeman, R.B.: opus cited 2000, p. 170; Johnson, B.D., Kaplan, M.A., Schmeidler, J.: Days with Drug Distribution: Which Drugs? How many Transactions? With what Returns? In: Weisheit, R.(Ed.): *Drugs, Crime and the Criminal Justice System*. Nunn Hall, Cincinnati 1990, pp.193-214 found in a study on 201 heroin users active in drug distribution an average annual economic return from drug distribution of about USD 1000 in cash and USD 2000 in drugs (p.206);.

<sup>58</sup> Denton, B., O' Malley, P.: Gender, Trust and Business. *BritJCrim* 39(1999), pp. 513-530, p. 516.

<sup>59</sup> Moore, M.K.: *Buy and Bust. The Effective Regulation of an Illicit Market in Heroin*. Lexington, Toronto 1977.

politicians<sup>60</sup>. However, from a comparative viewpoint, the evidence points to superior opportunities in drug markets to generate income<sup>61</sup>. Drug dealing, at least on the street level, seems to be a complement to rather than a substitute for legitimate employment, as drug sellers tend to keep legitimate jobs<sup>62</sup>.

### *3.9 Structures of informal economies*

The social structures of informal economies have been studied from the perspective of gender, age and the kind of relationships/interactions that develop in informal markets. There are obviously successful women in drug distribution, although their share seems to be small<sup>63</sup>. The age structure, at least in drug retail markets, seems to reflect the age structure of drug using populations<sup>64</sup>, a finding which suggests that there exist considerable differences as regards the age structure, dependent on the type of drug and drug market.

The resources needed to operate the drug business include the support of those in close long-term relationships or family members, whomust make up the core of the business. Success in drug selling, then, is dependent on the capability to generate trust. Establishing a reputation for reliability as a seller with respect to quality and availability is, according to all the research, of utmost importance. A reputation for reliability is important in all informal economies<sup>65</sup> and, moreover, part of a culture of trust which allows

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<sup>60</sup> Laitinen, A.: Finnish Drug Control: Change and Accommodation. In: Traver, H.H., Gaylord, M.S.(Eds.): *Drugs, Law and the State*. New Brunswick, London 1992, pp.65-78.

<sup>61</sup> MacCoun, R., Reuter, P.: opus cited, 1992, p. 485.

<sup>62</sup> MacCoun, R., Reuter, P.: opus cited, 1992, p.

<sup>63</sup> Denton, B., O' Malley, P.: Gender, Trust and Business. *BritJCrIm* 39(1999), pp. 513-530.

<sup>64</sup> Jacobs, B.A.: Crack to Heroin? Drug Markets in Transition. *BritJCrIm* 39(1999), pp. 555-574.

<sup>65</sup> Windisch, R.: Irreguläre Ökonomie und Wirtschaftsordnung. In: Schäfer, W. (Ed.): *Schattenökonomie. Theoretische Grundlagen und wirtschaftspolitische Konsequenzen*. Göttingen 1984, pp. 229-262, p. 237; Tarrus, A.: *Fin de Siècle Incertaine à Perpignan. Drogues, Pauvreté, communautés d'étrangers, jeunes sans emploi, et renouveau des civilités dans une ville moyenne française*. Canet 1997, p. 111.

for “relational” contracts<sup>66</sup> and which compensates for the problem of not being able to resort to formal law enforcement. Trust is important on both sides, whether customers or suppliers.

### *3.10 Violence and informal economies*

What seems clear then from the aforementioned role of trust is that also in informal economies not all conflicts result in violence. Informal economies themselves generate informal controls which allow for conflict resolution without resorting to violence (and with that to the risk to be exposed to law enforcement activities)<sup>67</sup>. The Vietnamese tobacco smuggling and distribution schemes in the East of Germany which have been established after German re-unification provide a very good example of the risks which result from heavy use of violence<sup>68</sup>, as does provide the coca terrorism in Columbia in the mid-eighties<sup>69</sup>. However, particular drug markets in certain regions are affected by violence and there is evidence that, besides a reputation for trustworthiness, a reputation for violence may play a vital role in informal economies as well. This aspect needs in particular to be explored by linking theories of informal economies with new approaches to civil war economies<sup>70</sup> or predator economies which seek to account for the role of violence in such markets and its interaction with market economy mechanisms<sup>71</sup>.

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<sup>66</sup> Williamson, O.E.: Transaction-cost Economics: The Governance of Contractual Relations. *Journal of Law and Economics* 22(1979), pp. 233-261.

<sup>67</sup> Dohse, K.: *Untergrundökonomie – Fragen zum Verhältnis von Ökonomie und Recht*. Mehrwert. *Beiträge zur Kritik der politischen Ökonomie* 31(1989), pp. 2-29, p. 26.

<sup>68</sup> Lehmann, B.: *Bekämpfung vietnamesischer Straftätergruppierungen in Berlin*. *der kriminalist* 30(1998), pp. 50-58.

<sup>69</sup> Dombois, R.: *Coca, Recht und Gewalt – zur Kokainökonomie in Kolumbien*. Mehrwert. *Beiträge zur Kritik der politischen Ökonomie* 31(1989), pp. 56-93, pp. 80.

<sup>70</sup> Jean, F., Rufin, J.-C. (Eds.): *Ökonomie der Bürgerkriege*. Hamburg 1999.

<sup>71</sup> Elwert, G.: *Markets of Violence*. In: Elwert, G., Feuchtwang, S., Neubert, D. (Eds.): *Dynamics of Violence. Processes of Escalation and De-Escalation in Violent Group Conflicts*. Berlin 1999, pp. 85-102.

### *3.11 Links between informal and formal economies*

Ruggiero (in this volume) has suggested that professional criminals and small non-criminal entrepreneurs are co-habitants in the informal economy. He assumes shifts from the informal to the legitimate economy and vice versa. On the one hand the careers of robbers and smugglers may be continued as legitimate businessmen if investing in the first economy is successful. On the other hand, the entrepreneurial character of many forms of crime alleviates switching from illegal to legal activities. Sutton (in this volume) has pointed to small business owners who may play a role on the demand side of stolen goods. Thus, the boundaries between legality and illegality become blurred. Links between the formal and informal economies have been outlined also by Levi (in this volume) on the basis of an analysis of credit card fraud. Credit card fraud produces considerable damage to profits, however, the losses constituted only 0.09% of the sales for all cards combined during 1996/97. The basic requirements for operating a credit card fraud scheme are rather low, compared with other informal economies. There are no large initial capital costs involved and time investments are rather modest (unlike investments for example in drug trafficking). The opportunities for credit card fraud are generated by credit opportunities (such as shopping centres) and are, therefore, essentially explained by the structures and control patterns of the formal economy. What is important to note then in terms of methodology is the data collection approach which was used in the study of credit card fraud. The method used to get information on credit card fraud was interviews with offenders. This means the offender perspective is adopted in terms of elaborating on the opportunities perceived and available and the costs and skills required for carrying out transactions with stolen or forged credit cards, as well as the choice of victims. Here, too, it is stated that credit card fraud generates a modest but useful supplement to income, which in turn means that the actors are integrated in the ordinary labour market and with that in the formal economy.

Paoli (in this volume) has pointed out that the informal economy is dependent on the formal economy and a state regulatory framework. The essence of the informal economy thus must be found in the relationship between government and economic activities. She has noted artificial and movable boundaries. Prohibitive policies establishing informal economies emerged in the first decades of the 20<sup>th</sup> century. Two sectors have to be

considered in the informal economy: legal goods and services, as well as trafficking in drugs and humans. Organized crime is present on both sides, on the formal side of the economy as well as on the informal side. She sees Italy as an exception as far as the emergence of Mafia-type organizations is concerned. There exist several theories in accounting for this: conspiracy theory and economic theory. The Mafia produce social relationships which are followed by reciprocal trust, the Mafia being based on both loyalty and immediate threat of violence. The latter in particular is used to enforce contracts in the informal economy which has no access to ordinary contract-enforcing mechanisms such as the legal and court system.

Palidda (in this volume) observes that the informal economy and white collar crime increase in industrial societies while organized violent crime seems to be on the decline, the latter increasing, however, in third world countries. In order to back up this assumption, Palidda notes that, in Italy, tax fraud amounts to three times public debt, the informal economy accounts for some 18-27% of the Gross National Budget and criminal profits amount to 10-15% of the state budget.

#### **4. The Pilot Studies in Paris and Frankfurt**

Pilot studies were carried out as part of the overall project reported in this volume in two metropolitan areas, Paris and Frankfurt. Some visible signs and signs which can be observed directly of the informal economy was based on content analysis of advertisements in local newspapers, notes on noticeboards, and interviews with informed people. In particular, interviews with participants at illegal activities and experts were found to be the most useful. With respect to methods it was concluded from both areas that the best method was interviews with offenders, experts, police, social workers and key persons in the community. The results of the two studies demonstrate that the study of the informal economy is promising and should be pursued further. In particular as regards the impact of informal economies on the life course of the young and young adults, valuable information was provided.

The French research showed that the role of the informal sector is certainly dependent u[on the role of the formal labour market. However, for most young people in certain difficult neighborhoods, the informal sector offers additional job opportunities and additional income. First, the infor-

mal sector provides for additional income which is certainly not superior to that which can be drawn from the formal economy. What is additional is relationships with relevant others and reputation and respect in the neighbourhood. The question of what makes informal sectors attractive for young people can also be answered. It is the lack of hierarchies and the freedom from obligations which seem to create incentives to enter these economies. From a perspective of criminal law control, attention then should be drawn to the processes of moving between legal and illegal activities. For young people in difficult neighborhoods, it is obvious that it does not make much sense to separate legal from illegal activities. The legitimacy of activities is established through other means, in particular through the neighborhoods' and communities' acceptance of informal economic activities themselves.

The German research came up with some slightly different results which can be attributed to the differences in social structures between Aulnay and Bornheim/Frankfurt. The main areas where shadow economies emerge have been identified in Frankfurt with drugs markets, markets for stolen goods, the sex industry and weapons. However, what was noticed also in Frankfurt was the additional character illegal money has for those involved in the informal economy. The money coming from informal or illegal activities is supplemental in nature. Here, a first link between illegal and legal, formal and informal economies emerges.

As regards the question who is involved in informal economies the German study hints at it being marginal Germans: youth, immigrant youth, adults from the low income economic sector, unemployed adults, foreigners on a tourist visa, asylum seekers with a precarious immigration status and drug users, as well as business people in very competitive markets, who evidently feel compelled to evade pressure through money generating activities that remain untaxed and support the legitimate business. This provides contrasting findings to those for those parts of the informal economy which have been dealt with from the perspective of economics. In the research reported in this volume, it is evidently the middle class that dominates the demand side as well as the supply side<sup>72</sup>.

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<sup>72</sup> Windisch, R.: Irreguläre Ökonomie und Wirtschaftsordnung. In: Schäfer, W. (Ed.): Schattenökonomie. Theoretische Grundlagen und wirtschaftspolitische Konsequenzen. Göttingen 1984, pp. 229-262.

The Frankfurt study points also to winners and losers of recent changes in the formal economy. Big industries have adopted, through using outsourcing, the advantages of the shadow economy, as outsourcing and self employment tend obviously to link to the flexibility and informality which is offered in informal economies. The German research raises also the topic of cross border shadow economies, in particular markets that link Poland and Germany. At the losing end, one casualty may be aspects of democracy, as transparency is lacking in informal economic activity.

The outcomes of the pilot research point then to a variety of money-generating activities: drugs, stolen cars, clothing, electronics and various services, as well as undeclared legitimate jobs. Furthermore prostitution was mentioned in particular in the German report as a grey market activity which seems to be important in particular for immigrants (and ethnic minorities). The populations involved are mainly the young, the immigrant and ethnic minorities and precarious populations living at the margins of society. The vast bulk of participants in drug markets earn very little and what is drawn from such activities is comparable to minimum wages in the licit and regulated economy. However, as the French study shows, there can be also bigger amounts involved with look-outs in the cannabis market sometimes being rewarded with up to 100-150 FF per hour. Hence, activities in the informal economy should be seen to be rather attractive in particular for the young unemployed and for the long term unemployed, as well as immigrants with a precarious status.

The French and the German pilot studies both point to a mix of informal and formal jobs which can characterize the informal (and with that also the formal or conventional) economy. This may lead to a level of income which comes close to what can be earned as a fully employed person. In particular, the changes occurring with recent developments in the conventional economy and the loss of work hint at the growing importance of informal jobs for those formerly securely employed.

## 5. Conclusions and Perspectives

On the one hand, research on the informal economy demonstrates that this type of economy may provide opportunities and integration. Opportunities not only include a sole source of maintenance or additional income but also rewards in terms of acceptance, status and the pursuit of life styles that are



particularly attractive for the young. Threats appear with the informal economy through it stabilizing black markets and with that social problems. Threats also include the establishment of social niches where criminal and other victimization and exploitation can survive without being disturbed by policing or alternatives to formal policing.

Economic perspectives to the informal economy certainly have also suffered from being misused in political debates. This is particularly visible in the areas of money laundering, financing of terrorism, the proceeds of crime, and the extent of turnover in certain markets, where big figures prevail and are used in order to justify the creation of criminal law, as well as criminal law-based policies which attempt to dry up the life lines of organized crime.

What is promised by studies into shadow economies concerns first of all the role these markets play in supporting subcultures and with that the role they play in socializing young people into such subcultures. Then, the shadow economy evidently is linked to the formal economy in significant ways. The conventional economic approach of parcelling out illegal economic activities from the study of the shadow economy is not justified. Threats and opportunities certainly are also dependent on whether there are links and channels between the formal and informal economy, allowing for moving to the formal and conventional side (as is suggested by theories on immigration and ethnic minorities). There are three possibilities: First, integration into subcultures and the stabilization of such subcultures can be seen as a result of rational choices individuals make when confronted with various options. Then, the informal economy can be understood as a ladder to the formal and conventional economies and with that to conventional careers. Finally, informal economies can be conceived as backing up precarious or marginal groups, as a means of subsistence for these groups which otherwise would resort to ordinary predator crime.

Informal economies may serve as laboratories where the emergence of subsystems of social order, values and norms in interactive processes with the general order and in particular law enforcement can be observed. Here, the role of violence should be studied much more closely than up to now. Violence in informal economies is certainly linked to enforcement and competition problems. The drug market (in particular in the US, but also in other regions) demonstrates the huge potential for violence which is embedded in market situations where enormous profits can be generated. However, informal markets tend to produce mechanisms which avoid resorting to violence and thus an elevated risk of confrontation with police

and general law enforcement. Research evidence underlines the salience of trust and a reputation for trust for being successful as a customer and as a supplier in informal economies.

The threats consist then in the risk of distorted competition in the formal economy<sup>73</sup>. Services are processed behind a camouflage screen. The informal economy is not transparent; bribery and corruption back up a system of a parallel economy.

There must also be more emphasis on prevention. However, prevention must go beyond mere emphasis of providing for employment opportunities<sup>74</sup>. In particular, the findings that activities in informal economies are quite often combined with legitimate jobs and that young people are attracted to informal economies during certain phases in their development because of other than economic reasons lend support to the assumption that it is not "sheer economic necessity"<sup>75</sup> that draws young people into informal economies. Juvenile crime research, when looking at social contexts, will have to study more closely than before the economic context of juvenile behaviour.

The role of informal economies will increase in significance in the future. First, those groups that will be dependent on informal economies as a source of sole or additional income will increase in size - in particular immigrants, but also the long-term unemployed and those segments of society which will be excluded from the first labour market are candidates for both sides, supply and demand, in informal economies. Second, transnational communities and social networks will continue to grow and herewith provide fertile ground for an expansion of informal economies.

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<sup>73</sup> Gretschmann, K.: Wohlfahrtseffekte schattenwirtschaftlicher Aktivitäten. In: Gretschmann, K., Heinze, R.G., Mettelsiefen, B. (Eds.): Schattenwirtschaft. Wirtschafts- und sozialwissenschaftliche Aspekte, internationale Erfahrungen. Göttingen 1984, pp. 97-129, p. 108.

<sup>74</sup> Heckman, J. J.: Is Job Training Oversold? *The Public Interest* 1994, S. 91-115.

<sup>75</sup> MacCoun, R., Reuter, P.: opus cited 1992, p. 484.

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