

And the Winner is . . . the Albanian Mafia

With the signing of peace treaties and the deployment of NATO peacekeeping forces in Kosovo, the time has come to crown a victor. While NATO may have achieved its objectives in the “war”—forcing Serbia to agree to remove its troops, allowing the Kosovars back into their homes, and establishing a peacekeeping force—the real winner is the Albanian mafia.

It cost NATO about \$5 billion to prosecute its air campaign, with the United States shouldering most of the burden. Peacekeeping efforts will cost at least an additional \$3 billion a year, and in the days and years to come the victors will dole out about \$50 billion for reconstruction. Not everyone, however, spent money. Scavenging amid the rubble of ethnic conflict, Albanian criminal clans known as *fares*, profited from the war and grew in breadth, depth, size, and influence. They extended their reach, entrenched themselves in government, and essentially usurped government authority. As a result of the *fares*' success, Albania is left teetering on the edge of lawlessness and ungovernability.

Smuggling is the Albanian mafia's core competency, and over the past decade the Albanians have steadily come to dominate smuggling to and within Europe, even overshadowing their erstwhile mentors, the Italian mafia. Smugglers are smugglers, and the commodity on any given day shifts with demand, whether it is narcotics, weapons, fuel, stolen goods—or people. And the current conflict opened the floodgates of people seeking to leave Kosovo for safety. That in turn generated a smuggling boom so great that the Albanian clans had to turn desperate customers away. The brutal *fares*,

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aided by the tacit consent of the Albanian government and a corrupt police force, were smuggling more than 10,000 Kosovar refugees per month during the war. And the end of hostilities has not closed the valves. Fearing retaliation, Serbs are now the ones migrating from Kosovo. Ever equal-opportunity employers, some Albanian criminal clans are tapping into this new market, smuggling their sworn enemies to safety—if the price is right.

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Although refugee smuggling is not a new industry in this region, Kosovar Albanians were a more profitable haul than the more routine human cargo comprising Kurds, Chinese, Albanians, or other nationalities that migrated with the opening up of Eastern Europe. In search of a better life, Kosovars paid their smugglers up to \$900 per adult—a substantial increase over the usual charge of \$400—and \$250 per child. Following their usual practice, the Albanians varied their rates depending

on the destination, from the equivalent of economy class for refugees going to Italy, to business class for passage to Germany or Switzerland, and first class to England. Prior to the war, according to Europol, people smuggling was more profitable than drug smuggling and was less risky because the penalties for getting caught were less severe. Smuggling people to the European Union alone was grossing organized crime between \$3 billion and \$4 billion a year even before NATO bombs began falling, making it one of the fastest growing businesses in the Balkans.

The *fares*' financial success in human trafficking and the swell of illegal immigration worries European governments. Europol set up a unit specifically to address the smuggling problem, but Europe does not have a clear means of dealing with the influx of people applying for asylum who have clandestinely infiltrated the various countries. Following the 1995 Schengen Accords, entry into one EU country ensured travelers free range through the various participating nations without having to identify themselves at checkpoints or provide identification to border guards. Smugglers and criminal clans gained unrestricted access to greater Europe by seeking out and exploiting the weakest link in the chain, the latest border crossing where security had become lax.

Many ethnic Albanians who claimed to be refugees and sought assistance from European states were not Kosovars at all; they were actually illegal Albanian immigrants. After paying their fee, the would-be refugees were provided with canned speeches to recite to immigration officers, allowing the Albanians to recount the horrors they claim to have survived. These people

rob entry slots from legitimate refugees who suffered these atrocities, burden the system with frivolous applications, and strain the patience of the processing agencies. Britain alone expects to see a record 45,000 immigrants as a result of the Balkans instability, and they will cost the government an additional \$2 billion a year.

From a humanitarian perspective, human cargo may be the most disturbing of commodities smuggled by the Albanian clans, but it is certainly not their only source of revenue. In 1997 Interpol stated that “Kosovo Albanians hold the largest share of the heroin market in Switzerland, in Austria, in Belgium, in Germany, in Hungary, in the Czech Republic, in Norway, and in Sweden.” The head of Sweden’s antidrug unit believes that the gangs supplied “hundreds, maybe thousands, of kilos of heroin” to the Scandinavian countries. The arrest of one or two major players provides only a month or two of respite before another clan picks up the reins. Albanian clans command approximately 70 percent of Germany’s and Switzerland’s heroin market. The authorities in London noted the increase in heroin traveling through central Europe.

In recent years passage through the Balkans into Europe has grossly overshadowed previous drug channels from Southeast Asia’s Golden Triangle. This principal drug-shipping channel, known as the Balkan Route, is worth an estimated \$400 billion a year and handles 80 percent of the heroin destined for sale in Europe. Opium grown in Afghanistan and Pakistan (the heart of the Golden Crescent) is processed in Turkey, then travels through the former Yugoslavia and the Czech Republic to reach other parts of Europe. The Balkan Route then links to England through the French port of Calais, where Albanian gangs have secured their position. In the Channel ports, the Albanians hire facilitators who, to confuse sniffing patrol dogs, disguise the smell of smuggled cargo by loading their vehicles with meat, pet food, and fresh flowers. The clans profit doubly by piggybacking illicit trafficking operations—for example, shipping oil to Macedonia, dodging the Greek embargo, and using the shipment to cover the added cargo of heroin. And people seeking passage into Europe make ideal drug-carrying mules for the *fares*.

The *fares* run a multinational operation. The Albanian clans are dispersed in Kosovo and Macedonia as well as Albania proper. Moreover, the Kosovo Albanian clans have confederated with their counterparts in Turkey and Bulgaria. Recent arrests also demonstrate that the *fares* use Czech couriers to deliver heroin to Britain-based English and Turkish dealers. The smugglers forged alliances with their criminal counterparts in Italy, including La Cosa Nostra. It is an open secret that the Italian Mafia relocated to Vlore, a coastal town in southern Albania, after the recent Italian crackdown on organized crime. But in many places the Albanians have begun to

outmaneuver their various competitors. Already in the Turin region, according to Italian authorities, the Albanians supplanted all of the other foreign criminal groups—from Nigerians to Moroccans—that had been operating in the area. The Albanians and the Italians simultaneously have a symbiotic and competitive relationship. The *fares* take business from the *mafia*, but they also provide invaluable services. Despite this bifurcated existence, the Italians fear that the *fares* will use the exodus of refugees as a means of staking out an even larger sphere of influence in southern Italy. A British Home Office report warns that the Albanian clans are exceptionally vicious and “make the Italian Mafia look like a whist drive.”

The *fares*' success illustrates the extent to which the state has slipped into ungovernability. An estimated 10 percent or more of Vlore's population is involved, either directly or indirectly, in smuggling. Individual operators can realize \$13,000 from a good night's haul, whereas criminal gangs can generate \$400,000. The growing number of expensive Italian and German cars in Albania are signs of a thriving smuggling industry, and a recent report by investigative journalist Frank Viviano reveals that two-thirds of the cars on the streets of Vlore and Durres are stolen. Smugglers transport their merchandise throughout Central and Eastern Europe in Italian cars, reported as stolen to defraud insurers. After one or two trips, the courier receives the car as a bonus. Stolen cars are everywhere, not only with the gangsters themselves. Europe's Geopolitical Drug Watch revealed the extent of the illegal automobile enterprise by highlighting the arrest of the president of the Albanian central bank for driving a stolen car while vacationing in Italy.

The clans continue to thrive because political deterioration in Albania has created an ideal working environment for the illicit traffic. Organized crime thrives on a weak government, a lack of antidrug legislation, poorly equipped police forces, a cash-based economy, and fragile banking regulations. Albania has all of these.

Communist rule isolated Albania for 47 years. With its mottled patterns of corruption and abuse, Albania is still trying to shed its Communist skin. After becoming a democracy in 1991, Albania attempted to establish a market economy as well. The economy collapsed in 1997, following the dramatic failure of a series of pyramid schemes backed by government assurances of corporate viability, and has not yet recovered. The economic plunge led to rioting and looting—a general fog of lawlessness that has not yet dissipated and seems to be getting thicker. Corruption extends to the very top, so much so that the Albanian parliament has been dubbed the “Kalashnikov parliament” because of its apparent indifference to organized crime and close ties to weapons dealers.

Albania's weak political system has not provided government offices the

tools to fight the *fares*. Thwarted by powerful interests, parliament was slow to pass antidrug legislation, while there was a lack of political will to enforce the measures it did enact. The Albanian police are ill-prepared to stem the smuggling tide. They are poorly equipped and trained, and divisions such as the financial crime unit are staffed by people lacking the necessary qualifications. The police also do not receive strong support from the other branches of government; rarely were the arrested tried and sentenced by the courts. Corruption flourishes in a country demoralized by low wages, unenforced legislation, and leadership that was for sale. Many police officers were simply paid off not to enforce the laws.

The humanitarian aid flowing into Albania as a result of the Kosovo war has arrived in this governance vacuum. The intended recipients have not always been the beneficiaries. Much has been diverted and sold by top officials and their relatives at usurious prices. Meanwhile, as a result of the Kosovo war, the Albanian government has already spent its entire annual budget. The government is broke and broken. In contrast, the *fares* are pulling in money hand over fist and expanding their operations, using their human smuggling network to further tie into criminal operations.

The consequences of organized crime's insidious penetration of the Albanian government continue to reveal themselves. As President Clinton and the G-8 nations look to the future and turn their focus on reconstruction efforts, at the top of the list should be laying the foundation for a stronger society in Albania, underpinned by the rule of law. Washington needs to move beyond the limited options of dollar diplomacy and Tomahawk missiles—the foreign policy elixir of the past six-and-a-half years. Dollars and missiles have treated the symptoms but not the source of Albania's political and economic malaise. The United States must ensure that it provides the majority of decent Albanians with the tools to better help themselves. And in doing so, it must embrace transparency and accountability in the use of humanitarian and reconstruction funds to prevent a repeat of the rampant looting occurring in Russia. The end of military action cannot be the end of interaction.

It would be tragic, if in winning back Kosovo, the West loses Albania to the mafia.

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