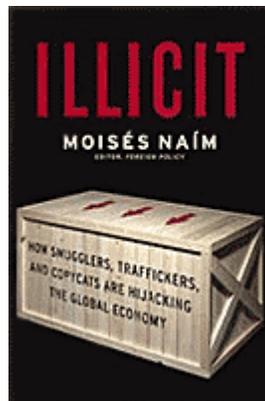


The combined forces of technology and globalization not only changed, to a degree few of us imagined a mere twenty years ago, the rules of how global business is conducted. In parallel, these forces enabled fundamental transformations of illicit activities and businesses, from the smuggling of products, narcotics, arms, and illegal migrants, to organ-legging, sex trade, money laundering, counterfeiting, and other trafficking.

Thomas Friedman helped us discover how the technological, political and economic revolutions of the 1990s weakened the powers of nation-states and allowed companies and other organizations to extend their influence on a global scale. In *Illicit: How Smugglers, Traffickers and Copycats are Hijacking the Global Economy*, Moisés Naím, the current editor-in-chief of *Foreign Policy* magazine and a former minister of industry and trade for Venezuela, points to the role of loose and continually changing networks of illegal and semi-legal enterprises that adapt, shift, mutate and recombine as required to take advantage of the very same trends Friedman described. In fact, Naím argues, the same processes and technologies allowing the WalMarts of this world to thrive have also given birth to numerous such



illicit networks and enterprises, from Al Qaeda to pirated software trade rings.

Naím observes that the shady world of "transnational crime" in some cases has escalated to levels rivaling those of legal trade. The author blames a combination of corruption and passive complicity, by government representatives and individual citizens alike, that allowed illicit trade to grow to a point where in certain poorer countries it blurs the definitions of ok and not ok, legal and illegal, legitimate and illicit.

Chapter after chapter of the book documents how criminal networks flourish just as corporate networks do. These are not vertically integrated cartels and mafias with pronounced hierarchies. Instead, they rely on decentralized structures that are both horizontal and fluid, specializing in cross border movements.

Illicit presents some alarming findings. The illicit networks, in the author's words, are "eroding the authority of states, corrupting legitimate businesses and governments and hijacking their institutions and even their purpose ... This is no longer about crime rates. It is about global stability."

Naím does not offer comprehensive counterstrategies to this complex issue. Nevertheless, *Illicit* is valuable in sounding a loud wake-up call for governments and individual citizens alike.

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