



Florida's Security & Prosperity In Jeopardy—This Is How We Protect It

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Illegal trade is not a victimless or petty crime. Criminalized markets and illicit economies are connected by cross-border, shadowy webs of kleptocrats, organized criminals, and networks that threaten our collective security. Some of the world's most insidious criminal and terrorist groups, including the Cartel Jalisco

Nueva Generación (CJNG), Sinaloa Cartel, Mara Salvatrucha (MS-13), Venezuela's corrupt ruling elite, the Taliban, Al-Qaeda, Hezbollah, and other threat networks profit from criminal activities.

Across today's security landscapes, criminals exploit natural disasters like Hurricane Michael, human misery like

that experienced through the ongoing opioid epidemic, and market shocks like those stemming from COVID, for illegal enrichment, and kleptocratic assets driving real estate prices beyond the affordability for most Floridians. But it doesn't stop there. Criminals will traffic anything and everything that will earn a profit while endangering our citizens, including everyday goods like baby formula, cosmetic products, and even orange juice.

Illegal trade is the financial lifeblood of today's greedy bad actors. It enables them to loot revenues, spur violence, kill our youth with deadly fentanyl, corrupt our institutions, and facilitate other crimes—making all our families and communities less safe. It also finances terrorist attacks against our national interests as we have seen through the lucrative cultivation and trafficking in heroin by the Taliban in Afghanistan, or sexual exploitation and trafficking by ISIS in Iraq and Syria.

The 2.2 trillion dollar-a-year industry of transnational crime facilitated by corruption and illegal trade includes the smuggling of and trafficking in persons, narcotics, opioids, weapons, counterfeit and pirated goods; illegal tobacco and alcohol products; illegally harvested timber, wildlife, and fish; pillaged oil, diamonds, gold, natural resources and precious minerals. They are sold on our main streets, on social media, in online marketplaces, and on the dark web every minute of every day. The United Nations has estimated that the dirty money laundered annually from such criminal activities constitutes up to five percent of global gross domestic product, or \$4 trillion.

And these criminals are cunning and ruthless and will engage in murder to hold and expand their illicit markets. Operating with such impunity enables these groups to fund their operations and establish and sustain trade routes for trafficking more dangerous contraband into Florida and across the country. They are nimble enough to avoid law enforcement and enterprising enough to continually establish new revenue streams, recruit vulnerable citizens, buy sophisticated anonymized technologies, and be dynamic in their execution of their criminal enterprises.

The very things that make Florida such a wonderful place to live—a vibrant, populous state with 15 deepwater ports, advanced transportation infrastructure, and of course world-famous beaches and shoreline (the second-longest in the United States)—also make it attractive to smugglers and traffickers. Florida has always been particularly vulnerable to illegal trade and money laundering, and, in the past few years, even more criminal organizations have expanded their illicit operations into the Sunshine State including through dirty money by Chinese, Russian, and Iran-backed criminal syndicates.

The statistics are staggering. In 2019, Florida was the U.S. state or territory with the largest volume of cocaine seizures by weight. From 2015 to 2016, federal law enforcement in Florida seized over \$88 million in smuggled currency, second most in the nation. Even more, and more horrifying, Florida ranks third in the U.S. in human trafficking cases, totaling 4,636 cases since 2007—and those only account for the cases that were reported. While

these and other crimes are often viewed as isolated, all forms of illegal trade are connected and have severe consequences to Florida's security and prosperity. Recently, a Syrian national living in South Florida was indicted for laundering money and bribing Venezuelan officials in exchange for receiving \$250 million in lucrative contracts from Venezuelan government officials.

Illegal trade steals revenue from Florida businesses and state and local government, robbing communities of investments necessary to stimulate economic growth and sustainable development, especially during these volatile economic times. Revenue that could be used to build roads, hospitals, and schools to educate children, instead lines the pockets of criminals and kleptocrats. For example, counterfeit products robbed the U.S. economy of \$131 billion and 325,000 jobs in 2019. Additionally, \$173 million of Florida's tax revenue is lost every year due to illegal tobacco. That's \$173 million that could have gone to supporting our law enforcement, but instead winds up funding the very same criminals they're fighting.

It is important for all market stakeholders to share more data to better understand today's illicit threats that are harming our country. We must also ensure that our law enforcement agencies have the necessary legal authorities and resources to counter cross-border illegal trade, upend anonymized criminal communications, prosecute corruption and money laundering cases, and protect our communities across Florida and other states. We must also elevate our fight in Congress as a national security and foreign policy priority. Concrete actions that can

and should be taken include:

Develop, implement, and evaluate prevention and risk management strategies that address the underlying causes, drivers, and risk factors that threaten international peace and economic prosperity;

Strengthen the fight against corruption, illicit trade, and counterfeiting as national security priorities by developing national strategies to prevent and combat criminal profit, threat financing, and illicit financial flows;

Promote effective measures to deprive transnational criminal organizations and terrorist groups of illicit gains by advocating for robust national frameworks for financial investigation, threat finance, and trade-based money laundering (TBML).

Strengthen legal authorities, measures, and sanctions to counter new, emerging forms of criminality related to illegal trade, counterfeits, human trafficking, wildlife trafficking, organized crime, corruption, and terrorism.

Increase public awareness of how convergence of these crimes affects public health and safety, economic recovery and development, and the security and stability of governments and markets;

Strengthen cross-border cooperation at international, national, regional, state and local levels, to establish formal and informal partnerships with governments, innovators, security experts, civil society and non-governmental organizations (NGOs), academics, business leaders, and other stakeholders that foster trust, cooperation, actionable intelligence, and collective action to combat illicit economies across borders.

Unfortunately, the problem of illegal trade cannot be solved by any one government, agency, or company working alone. We need a whole-of-society approach in order to strengthen the political will in risky and unruly markets to combat illegal trade, confiscate criminally-derived proceeds, promote information-sharing and coordinated enforcement actions, and develop more innovative and smarter supply chain and risk management solutions.

This is why the International Coalition Against Illicit Economies (ICAIE) is committed to strengthening public-private partnerships and implementing a multi-faceted framework that targets illegal trade in source, transit, and demand markets. Doing so leverages actionable intelligence to help unravel the complex criminal networks' infrastructure and operational modalities, identifying the key actors, and collecting evidence of their illicit enterprises to enhance greater disruption and decapitating of these threats.

Furthermore, public education initiatives such as those being advanced by United to Safeguard America from

Illegal Trade (USA-IT)—a coalition of brand enforcement experts, law enforcement agencies, and leading business organizations, including ICAIE, working together in states facing critical illegal trade issues—are so important. Cooperative efforts like this raise public awareness and provide local officials, law enforcement, and other leaders with resources and training in order to protect America's security and prosperity from black markets and the ill-gotten gains of criminals.

By working together, we can unite against the corruptive influence of today's bad actors and threat networks that are sabotaging legitimate commerce and the legal economies in Florida, and across the United States and internationally and to ensure justice, safer communities and safeguard our children from deadly drugs, violence, and criminal recruitment. Let's keep dirty money from kleptocrats and authoritarian states out of our economies, dismantle cartels and gangs destroying our cities and our children's futures, and expose complicit enablers flooding our streets with harmful counterfeits and contraband.