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INTERPOL

KINGMUN 2019

DIRECTOR'S LETTER

Dear Delegates,

Welcome to King County Model United Nations 2019 and the International Criminal Police Organization. My name is Thomas Trepanier and I am delighted to be serving as the director for this committee. Joining me on the dias is Alex Chang as Chair of the committee. When applying for director, I chose Interpol for the same reason why many of you may be interested - I've watched too many spy movies. Disappointed as I was to learn the true organizational role of Interpol, its unique status as an international police organization gives Interpol a crucial role as combattant of organized crime on the international level.

The two topics Interpol has the opportunity to debate about are (1) Redefining the Jurisdiction of Interpol and (2) Combating Online Black Markets. While the two topics are completely different, they are both extremely pertinent in today's world, and have the ability to be turned into inspiring discourse throughout the MUN conference. Although Interpol is often portrayed as an agency similar to the FBI or CIA, the reality is that Interpol is more like the United Nations of police organizations, and at times can have limited power even in the policing world. Still, many criticize Interpol for exceeding its already limited boundaries, especially with how Interpol treats the jurisdiction of other nations. Before addressing other topics, a clarification or redefinition of what exactly Interpol should and can do is necessary.

Once the jurisdiction of Interpol is addressed, its new powers will be used to address the growing issue of online black markets. The power of the more secure and anonymous Internet has allowed the illicit sales of a plethora of contraband. While these markets are impossible to eradicate, the communication of all nations is the only way possible to deter and limit criminal activity, especially within organized crime.

The following background guide will you an initial understanding of the topics, but I hope that your further research will give you a comprehensive one. We hope to delve straight into debate, which requires concise and informed delegates. If you have any questions, feel free to email us. Otherwise, I look forward to seeing you in committee!

Sincerely,
Thomas Trepanier
Director | International Criminal Police Organization

Committee Overview

Esteemed delegates, Interpol is proud to welcome you to King County Model United Nations (KINGMUN) 2019! Interpol is fundamentally responsible for the facilitation of international police cooperation which it accomplishes through several main tasks. By operating databases, issuing notices, and directing communication, Interpol combats terrorism, organized crime, and cyber crime. Delegates should take notice that Interpol doesn't have its own agents and doesn't partake in independent operations.

At KINGMUN's 2019 conference, Interpol will be discussing two interesting topics which will give all delegates the opportunity to explore a range of issues with both subtlety and specificity. Namely, these topics are 1) Redefining the Jurisdiction of Interpol, and 2) Combating Online Black Markets. The jurisdiction of Interpol refers to questioning the efficacy of the organization in accomplishing its main responsibilities. While combating online black markets the committee will address illicit sales or activities made on the Internet. These topics will be further elaborated on in the Topic Introductions, then the rest of the Background Guide. Although the real Interpol operates differently, delegates will follow typical United Nations rules of procedure to address these issues, through the proposition of viable short and long term solutions. Thus, since committee debate is often dominated by politics and bureaucracy, delegates should keep in mind the necessity of finding concrete and feasible solutions in the limited time provided. Much like the UN, recognition of the sovereignty of all nations and remembrance of the cooperative role of the Interpol necessary. At the same time, delegates must keep in mind the limited budget of the Interpol, with much of its \$130 million budget allocated to other existing programs. Ultimately, the complexity of these issues will require a solid base of research and preparation, partially in the form of position papers.

Delegates in Interpol will be expected to write and submit a position paper outlining their country's stance on both of the given topics. Position papers are essential in moderating and facilitating conversations and debates within committees and are required by delegates in order to be eligible for awards. An ideal position paper outlines the research done by a delegate, their understanding of the situation on local and global scales, their recognition of their own nation's role, and their ideas for solutions. Delegates will be expected to use reputable sources in the writing of their position papers. The best position papers will be recognized and subjected to specific awards consideration. Again, an adequately prepared delegate should complete research beyond the necessary requirements of the position paper. Interpol is excited to welcome all its delegates to emerge themselves in a fruitful debate to discuss the two pressing topics facing the organization.

Position Papers are due by April 21st at 11:59 p.m. Please submit them to Interpol@kingmun.org with your name, country, and "position paper" in the subject line.

Topic A: Redefining the Jurisdiction of Interpol

Overview of the Topic

Redefining the Jurisdiction of Interpol

When Interpol (originally known as the ICPC) was established in 1923, its founding fathers - the heads of police for each of the 14 initial member nations - believed that the world required an international police organization in order to facilitate police communication without political, religious, racial, or military bias. Since then, it has grown exponentially into the second largest supranational entity, only surpassed by the UN, with 176 other countries joining to form what we know today as Interpol. Nevertheless, the jurisdiction of the organization has remained constant since the creation of its constitution in 1956. Along with the one above, the Interpol Constitution outlines two main boundaries: *(1) To ensure and promote the widest possible mutual assistance between all criminal police authorities within the limits of the laws existing in the different countries and in the spirit of the Universal Declaration of Human Rights, and (2) To establish and develop all institutions likely to contribute effectively to the prevention and suppression of ordinary law crimes.*

These two jurisdictions have led Interpol in all of its affairs since the 1950s, making them a communication platform for police forces worldwide. The world, however, has been changing rapidly, with new communication and transportation systems making the conveyance of information easier and more secure than any point in history. Improved communication, however, is a double-edged sword. While police action has increased in efficiency, Interpol's systems have been accused of being exploited for political devices. At the same time, some question whether the limited Interpol jurisdiction is sufficient in combating crime. 2014 marked a peak in deaths from terrorism, and 2012 marked the beginning of an ever-increasing knife crime rate, which calls for a strongly unified police force to help the world find innovative solutions. This too, for some countries, puts the question of what the purpose of Interpol is, and what it stands to do. Now more than ever, with the election of a new president, it offers the opportunity for a restructuring of the entity. The organization will require all member states to diligently to find a solution to redefining the jurisdiction of Interpol holistically.

History

In 1914, 24 nations gathered in Monaco to form the First International Police Congress, a group of judicial and constabulary representatives from each nation who wanted to increase supranational communication techniques. The leaders envisioned an ease in arrests and extradition procedures, identification techniques, and in solving general global crimes, as the rise in globalisation induced international terrorism and crime, which would be observed only a few months later with the assassination of Archduke Franz Ferdinand, igniting the fire that would lead to “The Great War”. They began by stating 12 wishes they had for that committee that would later congregate to be the outline of the Interpol constitution.

These ideas would propagate and maintain for 9 years until the 1923 creation of the International Crime Police Commission (ICPC), where 14 member countries met in Vienna to consolidate ideas for an organization that looked over organized crime on a multinational level. Two more member countries - the United Kingdom and the United States - joined between 1923 and 1939. The organization was re-founded after World War Two - where Nazi Germany had control over the organization - under the abbreviated name of ICPO-Interpol, also known as the International Criminal Police Organization or Interpol. It became an autonomous institution, only collecting fees from member countries and external investments as a means of continued income. The organization would continue to grow for the next 96 years, adding up to a grand total of 194 member countries, compared to the UN's 193 permanent member states, with two non-member permanent observers, making Interpol the second largest supranational organization.

Since then, Interpol has gone through a number of criticisms, coming from a multitude of events causing distrust in the organization. In the 1980s, Interpol did not intervene in the capture and trying of Nazi war criminals, as the Interpol constitution denied them the right to interfere in political affairs. On top of this, in 2010, President Jackie Selebi was found guilty of corruption charges for accepting 156,000 euros from a large-scale drug trafficker to ensure Interpol had difficulty catching him.

Past Action

After its re-creation post World War II, ICPO-Interpol continued its pledge to fight international organized crime that member countries had made in 1923, although they were unsure of a direction in which to lead its forces. For the first 10 years, they continued with the sole purpose of connecting police forces through advancements in telephone technologies and the International Public Safety Journal. Unbeknownst to them, along with this system came with the difficulty of understanding what was inside of their jurisdiction and what wasn't, and the seemingly aimless nature of the organization. Finally, during its 25th inaugural meeting in 1956, the organization created a constitution, one that outlined their goal of promoting the widest possible mutual assistance between international police

forces, and defined their main jurisdiction, which halted them from making decisions of a political, militaristic, religious, or biased type.

Since then, there have been seven major periods of change and amendments in the constitution. First, in 1962 during the 31st Interpol meeting, the members states decided to modify the constitution to be more lenient towards advisers in each meeting. Then, just two years later, the Caracas meeting of 1964 took place, where member countries understood the responsibility of an international organization such as Interpol to globalise as the world was doing the same. To do this, they amended that languages other than English, French, and Spanish were allowed to be used throughout committee, and pledged to expand the membership of Interpol, increasing the size of the executive committee from 9 to 12. Then, between 1964 and 1997 there were four total modifications to the constitution. The first was an adjustment on presidential and vice presidential elections, the second making slight refinements in wording on location of the committee's headquarters, then during the 1997 meeting in Delhi, two minor alterations were made, along with the creation of Red Notices. In 2008, the constitution drastically changed during the meeting in St.Petersburg, with a new article added to the constitution along with multiple adaptations to the advisors' articles. Finally, in 2017, revisions outlining the Secretary-General were made in order to combat certain aspects of corruption.

Under these amendments however, there lay a larger problem that was never solved. The corruption that has plagued Interpol and its associates, through false "Red Notice" cases or through monetary scandals.

Current Situation

In 2018, President Meng Hongwei was reported missing on a trip back to his home country, China. A few months later, it was found that he was indicted for bribery charges in his affairs with the Chinese government. This was found out during the 2018 national Chinese anti-corruption campaign. This came to a surprise to most, as corruption in Interpol had already been at an all high without this news, with large headlines such as the arrest of the 2010 President, Jackie Selebi, or the involvement with FIFA in 2013, only two years before the association was exposed to be deeply corrupted. Most recently, Meng Hongwei was replaced by current President Kim Jong Yang from South Korea in a controversial election to finish Meng's term until 2020. The election brought controversy once again into Interpol as Russian candidate and Vice President of Interpol Alexander Prokopchuk was accused of using Interpol "Red Notices" to target critics of the Russian government.

Along with this controversy came many more about the "Red Notices" used by Interpol, which are essentially demands to situate and apprehend individuals based on requests made by member states of Interpol or authorised entities such as the UN. These have been abused by multiple member states, such as Russia in the 2018 controversy surrounding Alexander Prokopchuk, or Turkey in early 2017 with the report made by the

Stockholm Center for Freedom, where it was accused of targeting critics of the government and foreign companies for arrests even where unnecessary.

In light of the numerable corruption cases within Interpol, the numerous false cases under its jurisdiction, and this transitional period of presidential powers, Interpol emerges into 2019 and into the new decade with an auspicious opportunity to re-evaluate its jurisdictions, funding, a possible restructuring of governance, and the viability of a task force of its own.

Case Studies

The United Nations Oil for Food Programme

The United Nations is an international organization (IO) with the most extensive membership out of any global entity, acting as a supranational ‘government’ for over 190 countries. Ever since its creation in 1945, it has been fighting against a multitude of global issues through its multiple departments such as the UNODC (United Nations Office on Drugs and Crime) and the UNHRC (United Nations Humans Rights Council). More recently, it has fought, not against a global issue, but an internal one. During the recent UN Oil-For-Food Programme, which took place between 1995 and 2003 in which Iran was given the ability to sell oil for humanitarian goods in order for the state to not increase its military power, heavy corruption became apparent as the underlying theme of the operation. It came into place when President of the United States Bill Clinton offered it as a solution to the humanitarian crisis in Iran at the time. The money and aid was instead given to UN officials and the Iraqi government respectively, creating one of the largest international corruption scandals of the late 20th century. The UN, in 2005, realized this, and to prevent events like it happening again in the future, created the United Nations Convention against Corruption (UNCAC), where standards for different practices such as bribery, trading in influence, and abuse of functions were outlined.

Turkey

The Interpol member-state of Turkey has recently been under accusation of abusing the Interpol systems many different ways in a paper released by the Stockholm Centre for Freedom in 2017. The paper uncovers the multitude of ways the country utilised the organization’s Notice Systems and the Stolen and Lost Documents Database in order to target political enemies of the Erdogan administration and nationalize Turkey further. It claims that the Turkish government targets leaders of Kurdish independence groups and the Gülen movement, as they are enemies of the government. It continues by stating that the Turkish government uses the “Red Notice”, the most extreme out of the eight possible types of notices, to capture the attention of the organization and make the extradition of

these individuals a top priority. The paper also dictates that the Turkish government uses the Stolen and Lost Documents Database in order to file that critics of the government 'lost' their documents, ultimately invalidating their identification and therefore they can go to jail if they ever try to enter the country again.

Bloc Positions:

Bloc 1

Members: Israel, the United States, and Germany

These countries are few and far in between, but sometimes are the ones with the loudest voice. They consist of countries that are in favor of regulation within Interpol, and are against the current core values of Interpol. These are countries such as Israel, the United States, and Germany. These countries have taken action against the current system of Interpol in many different ways, such as calling out the addition of the Palestine - a controversial state, to Interpol, speaking up when there was a possible Russian secretary-general, or against the current polarized, corrupted essence of the committee. Some of these countries also believe that supranational organizations often act out their functions poorly, end up costing more developed countries, and are used as tools by certain underdeveloped un-democratic nations for political gain. These countries are strongly Anti-Interpol as it stands, are Pro-regulation, and are deeply change oriented.

Bloc 2

Members: Russia, China, Iran, Afghanistan, Pakistan, South Africa and Egypt

All of the nations in this bloc consist of countries whose political ideologies and beliefs lie within the current system in Interpol and are anti-regulation change. They are pushing for the continuation of Interpol as it stands today. Countries in this bloc tend to have a history with abuse or corruption within the organization. They are strongly Pro-Interpol as an organization, and are also strongly anti-modification.

Bloc 3

Members: Canada, France, India, Japan, Netherlands, Norway, Romania, Singapore, South Korea, and the United Kingdom

Acknowledging recent misconduct by some member states and individuals of power within the organization, these countries understand that if Interpol is to continue, it must push for stronger overall regulation, but agree with Interpol and the ideas that it stands for. All of these member-states believe that a change is to be made about the "Executive Committee" along with how democracy inside the organization is run. Countries in this bloc are all strongly Pro-Interpol as an organization, but are also Pro-regulation overall.

Bloc 4

Members: Brazil, Chile, Colombia, Indonesia, Malaysia, Mexico, Philippines, Thailand, Uruguay, and Vietnam.

With little political ties to either side, this bloc consists of states who believe that Interpol works with the system it has today to an extent, and believe that some modifications should be made, usually surrounding the corrupted use of “Red Notices”. They wish to maintain some core concepts, including the democratic electoral process, and the distribution of funds within the organization. Many Latin American and Southeastern Asian member-states are part of this bloc. The member-states within this block are neither Pro or Anti Interpol, but believe certain changes should be made within the organization.

Guiding Questions

1. What role can Interpol play in facilitating international cooperation between law enforcement to help curb online black markets?
2. What activities are within the purview of Interpol that can stop online black markets?
3. What are the social and political ramifications of closing down or banning anonymity-enhancing software such as Tor?
4. Are there valid reasons for keeping online black markets, such as to curb physical crime?
5. How are prices in online black markets related to the frequency of legislative and judicial activity aimed at stopping sellers?

ADDITIONAL RESOURCES

1. [https://en.odfoundation.eu/a/5947,the-report-the-interpol-system-is-in-need-of-reform\](https://en.odfoundation.eu/a/5947,the-report-the-interpol-system-is-in-need-of-reform)

An article by a Ukrainian journalist about the failures within the organization, and some possible solutions.

2. <https://www.theatlantic.com/international/archive/2014/05/interpol-the-global-police-force-that-isnt/362086/>

An Article by The Atlantic outlining the importance - and unimportance - of Interpol 100 years after its engenderment.

1. <https://web.archive.org/web/20160222055903/http://www.interpol.int/content/download/9429/69209/version/9/file/Constitution.pdf>

The verified current constitution of Interpol, with all recent amendments added

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Topic B: Addressing Urban Air and Water Pollution through Industry Reform

Introduction

Combatting Online Black Markets

Since the invention of blockchain by Satoshi Nakamoto in 2008, the cryptocurrency revolution has swept through markets both legal and illegal, allowing for the purchase of goods while retaining anonymity. Naturally, criminals were among the first groups to take advantage of this decentralized currency, with cryptocurrencies such as Bitcoin and Monero acting as the main vehicles of trade for highly questionable and illegal goods. Using methods such as cryptocurrency tumblers, vendors and buyers are able to obscure their purchases, making the criminals behind the screen effectively invisible to law enforcement.

However, cryptocurrencies are not the only reason behind the flourishing of online black markets around the world. Online black markets differ from real-world black markets, acting as a decentralized hub where many independent sellers congregate, as opposed to a single store responsible for managing inventory and distribution. As such, taking down individual sellers is difficult and cutting off trade almost impossible, due to the ease of setting up a new store or finding new vendors after the old ones are taken down. Adding to this headache are the varied physical location of vendors. With disparate locations such as the opium fields of Afghanistan, hacker groups in Russia, and cocaine growers in Columbia, vendors are based in every country with illegal enterprises. Online black markets span the globe in an interconnected web of providers, distributors, shippers, buyers, and any of the thousands of people involved in this illicit network. This is done not only to prioritize their anonymity, but make it imperative that no personally identifying information of any kind is leaked.

Organizing a force to take down these online black markets requires the international cooperation of multiple police and judicial systems, a role that Interpol is perfectly suited for. Interpol is tasked with acting as a liaison between the police and judicial systems of different countries while accommodating the language, cultural, and legal barriers between the cooperating countries. By utilizing Interpol's global crime databases, law enforcement in different countries can pursue the same targets, culminating in big-name arrests such as the joint takedown of Agora, Alphabay, and Silk Road, among many others. As the mediator between so many countries, Interpol has a unique position as the body that is the most

suited for dealing with online cybercrime, especially black markets that have an international reach. It is therefore imperative that Interpol reaches an agreement between member nations on how to better facilitate law enforcement cooperation, in order to take down the global threat that online black markets pose.

History

Black markets are among humanity's oldest institutions, popping up whenever a good or service is restricted either by price or by legality. However, the Digital Revolution modernized black markets, allowing them to reach buyers around the world through international shipping and better coordination between sellers and buyers. Shifting black markets to online platforms allows for a more direct consumer-producer relationship, cutting costs incurred from middlemen such as dealers. Other benefits include the convenience of home delivery, a larger target market, and the anonymity of receiving packages without a face-to-face meeting.

Online networks form a core part how online black markets function, even if the platforms used are obscure, antiquated, or unheard of. The first online black markets emerged in the 80's and 90's with the birth of the internet in various IRC and Usenet communities with decidedly low-tech protocols that made real-time communication difficult. IRC and Usenet was gradually phased out in the early 2000's due to the emergence of Web 2.0, but groups still persist today with infrequent numbers of posts from older members. As technology marched onwards, IRC and Usenet communities migrated to anonymous online image boards such as 420chan and 8chan, where large congregations of like-minded users could buy and sell illicit goods amongst each other in online secrecy.

All of the previous networks had key flaws that made them unsuitable for illegal activity: their openness to the public and lack of user security. When Tor was invented in 2002, software finally existed that would both shield the site hoster and user from third-party surveillance. It is important to note that Tor has many valid uses such as protecting whistleblowers and helping people reach blocked sites in countries with oppressive regimes. As more and more sites were hosted on the Tor network, a new word was made to denote this organization: the "dark web". The dark web is the group of hidden services hosted on the Tor network that are unavailable without using special browser software. By hosting sites on the dark web, various black markets were able to operate without fear of takedowns from law enforcement.

Tor and the establishment of the dark web allowed for the hosting of illegal websites, but a major problem existed in that there was no way to accept payment online without being tracked. Traditional methods such as credit cards, checks, and money transfers all leave traces that law enforcement can later use to track down the buyer and seller. With the invention of cryptocurrencies and the blockchain first pioneered by Bitcoin in 2009, an anonymous payment system was created that was perfect for transactions where privacy is paramount.

Arguably the most important online black market is the Silk Road, which was founded by Ross Ulbricht in 2011. The Silk Road represented the first time that large-scale trade of illicit goods was consolidated into a centralized market, using Bitcoin as its payment method. After the seizure and shutdown of Silk Road in 2013 by the FBI, various copycats such as Agora, Silk Road 2.0, and Evolution came to fill the void that it left. Persistent efforts by law enforcement to shut down these marketplaces led to a fracturing of the dark web with many sites filling specialized niches for products instead of having one central hub. Today, a majority of illegal goods are sold on sites specializing in one or two products or categories, meaning that the days of large online black markets are over.

Past Action

Interpol has always been committed to stopping crime internationally, and the development of cybercrime is no different. Cybercrime is a relatively new phenomenon across the world, and threatens to overtake physical crime in both scale and scope, making it the new type of crime to watch out for. Responding to these threats has traditionally been an issue with various departments clashing over where jurisdiction exactly lies. In order to reduce confusion and better promote cooperation Interpol created the Interpol Global Complex for Innovation (IGCI) in 2014, which attracts leading experts from across the world to better solve cybercrime issues. The IGCI is the main research body for Interpol to better understand and combat cybercrime it forms a variety of partnerships with corporations, think tanks, and universities across the world.

Research and development isn't the only way that Interpol stops online black markets. Interpol acts as a communications backbone for the various operations currently ongoing throughout the world, facilitating dialogue and the sharing of information among different law enforcement agencies. The role of Interpol in these operations is akin a nervous system, where Interpol headquarters and agents act as pathways for information to be distributed among all necessary parties. Interpol headquarters is perhaps the most important part of this network, with its vast database of over 12 million records acting as a central repository for any and all information gathered during a joint operation. Interpol played a key role in the 2017 seizures of AlphaBay and Hansa, where Interpol helped facilitate a network of contacts that ranged from the Netherlands to Russia to Thailand, creating a global web of law enforcement agencies.

Current Situation

Although the major online black markets have shut down or were seized, online black markets have not disappeared completely. Dozens of derivative sites have sprung up to replace the positions left by Silk Road, Evolution, and Agora, making the threat of online illicit sales a persistent thorn in law enforcement's side. The very nature of online black markets makes the hosting of a new site very simple, and the electronic nature of the information stored allows for sellers and buyers to migrate to new sites at a moment's

notice. An example of this is the development of sites such as Hansa, AlphaBay, and RAMP after the consecutive shutdowns of the “Big Three”. The ever-evolving nature of darknet markets makes quashing the trade near-impossible and oftentimes futile for law enforcement. Big name site seizures have proven to be ineffective in stopping trade. AlphaBay and Hansa’s shutdown in 2017 reduced overall trade by more than 70%, but darknet transaction volume quickly bounced back, reaching a new record of over \$700m USD despite law enforcement's best efforts.

Taking down an online black market itself is very difficult due to the nature the site. The site’s owner(s) are very keen on protecting their anonymity and often host their sites in Eastern Europe or the Philippines, where officials are either banned from investigating or discouraged through corrupt governments. Current police raids have mainly focused on tracking the owners setting up sting operations to “decapitate” the leadership of the site. An example of a sting operation that was successful was the landmark arrest of Ross Ulbricht and the shutdown of Silk Road in 2013. Authorities traced Ulbricht and other key Silk Road administrators and arrested them, leading to the total shutdown of the site. However, even sting operations fail to address the issue of online black markets completely. In sting operations, middlemen and independent sellers are often ignored in the raid itself, which explains why the overall volume of illegal trade and amount of product on sale has stayed on a constantly increasing trend despite various shutdowns.

Due to the risks of leaving personal information, online black markets have shifted from a market-centric model of transactions towards a more personalized model, communicating with buyers via encrypted messaging platforms such as WhatsApp and Telegram. By doing so sellers are put less at risk when a single user is compromised, even if the risk of direct person to person contact is much greater. This has evolved from the various raids on online black market groups and their IRC channels, especially in the case of the seizure of Hansa in 2017, where prosecutors from the FBI, Europol, Germany, and the Netherlands worked together using captured IRC logs to piece together the identities of the website owners.

Although many seizures of big-name sites, falling prices in Bitcoin, and increased law enforcement scrutiny has discouraged sellers, overall transaction volume in online black markets has stayed on a relatively stable growth projection. Large seizures only have a temporary effect on darknet trade, with trade bouncing back from the seizure of Silk Road in 2013 from \$196m USD to new highs of \$254m USD in 2014. Overall growth in Bitcoin transaction volume has consistently been in the double digits except for 2018, where many sellers migrated to other cryptocurrencies such as zCash and Ethereum. Falling Bitcoin prices only accounted for a small dip of less than 10% due to mass liquidations from closing sites, though the total amount of available currency has been relatively stable. The movement away from Bitcoin towards other cryptocurrencies has significantly affected the public’s view of Bitcoin, meaning that there is no way that blockchain technologies will go away in the future.

Case Studies

Arrest of Ross Ulbricht and Shutdown of Silk Road

Ross Ulbricht's arrest in 2013 marked the first time that law enforcement actively pursued the shutdown of online black markets, and was pivotal in establishing how law enforcement was to deal with online black markets in the future. Ross Ulbricht was arrested in a sting operation set up by the FBI in order to capture his laptop while still running, a tactic that is now used by law enforcement whenever cybercrime is committed and the threat of possible encryption exists. The shutdown of Silk Road also gave law enforcement new insights into the effects of taking down an online black market, as transaction volume in Bitcoin temporarily dipped but quickly rebounded to its previous level only months later. This would set the trend of shutdowns having temporary impacts but creating no lasting decrease in the presence of online black markets. Due to this, takedowns of online black markets are nothing more than a temporary solution, and more lasting methods of controlling online black markets are needed.

Shutdown of AlphaBay

The shutdown of AlphaBay required the joint efforts of the Federal Bureau of Investigations, Drug Enforcement Agency, Europol, and law enforcement from Thailand, the Netherlands, Lithuania, Canada, the United Kingdom, and France. Through cooperation internationally and across many departments, agents were able to track down the owners of the site to Alexandre Cazes, a Canadian citizen living in Thailand. Authorities used messages obtained through a third-party hacker to pinpoint Cazes as the site administrator, and added further evidence through connected social media accounts. The arrest of Cazes hinged upon the variety of evidence gathered from multiple sources around the world, and highlighted the importance of law enforcement working together to take down online black markets. Without the FBI coordinating international operations with Europol and Thailand, Cazes's true identity would never have been found and evidence would not have been linked to his person.

Bloc Positions

Bloc 1 - Producers and Providers

Members: Afghanistan, China, Colombia, India, Mexico, Russia, Thailand, Vietnam

Members of this bloc are identified as key producers or sources for trade in illicit materials over online black markets. Providing a range of goods and services such as drugs, precursor chemicals, counterfeit goods, identity theft, hacking, or even assassinations, a large sector devoted to fulfilling the needs of users across the globe is present in these nations. Although these countries are the main sources for illegal activity, that does not

mean that legislation or law enforcement in these countries is lax. Many times the rule of law is weakened by corruption and heavy criminal influence, making law enforcement turn a blind eye to criminal activity. In rare cases, the government supports criminal activity as a way for corrupt government officials to profit through methods such as encouraging growing and/or synthesizing drugs, allowing for theft from government facilities such as hospitals, or releasing sensitive personal information to cybercrime groups.

Bloc 2 - Site Hosters

Members: Germany, Netherlands, Philippines, Russia, United States of America

Many countries in this bloc share membership with another bloc, such as simultaneously being both buyers and site hosters or producers and site hosters. This happens because sites are created in accordance with local demand and supply, making it logical for black markets to set up sites in countries of origin or destination. Severity of enforcement against online black markets plays a major role in choosing what country a site is hosted in, with countries in this bloc having weaker enforcement of laws against online black markets. Local law enforcement may be barred from interfering in a site's transactions based on regulations strengthening privacy, which act as a safeguard for the sites from law enforcement. An example is the Eurozone policy that prohibits excessive online tracking in the name of privacy protection. Other times the government simply does not care about the contents of the black market and ignores it, which is a common case in sites hosted in less-developed countries with more pressing matters than dealing with international cybercrime.

Bloc 3 - Buyers

Members: Canada, France, Germany, Netherlands, Norway, United Kingdom, United States of America

Countries belonging to this bloc possess a large quantity of buyers and serve as the main target demographic for online black markets. All of the countries listed here are economically developed and fit into the category of first-world nations. Online black markets have expensive prices for their goods that cannot be afforded by people in less-wealthy nations, making these countries among the only ones rich enough to actually purchase goods and services, apart from the elites in less-developed countries. Countries in this bloc are more technologically developed, with Internet access and knowledge of cryptocurrencies such as Bitcoin being commonplace. These factors make online black markets easily accessible to citizens of these countries, which further increases the popularity of such sites. Legislation targeting buyers is one of the most effective solutions to stop online black markets in these nations due to the sheer volume of transactions conducted.

GUIDING QUESTIONS

1. What role can Interpol play in facilitating international cooperation between law enforcement to help curb online black markets?
2. What activities are within the purview of Interpol that can stop online black markets?
3. What are the social and political ramifications of closing down or banning anonymity-enhancing software such as Tor?
4. Are there valid reasons for keeping online black markets, such as to curb physical crime?
5. How are prices in online black markets related to the frequency of legislative and judicial activity aimed at stopping sellers?

ADDITIONAL RESOURCES:

1. https://www.chainalysis.com/static/Cryptocrime_Report_V2.pdf

A report analyzing online black markets in the face of law enforcement shutdowns and the changing nature of Bitcoin as a valid financial asset.

2. <https://www.interpol.int/content/download/28116/376206/version/1/file/Pharmaceutical%20Crime%20on%20the%20Darknet.pdf>

A report published by INTERPOL detailing the various ways that illicit drugs are traded on the darknet and relevant terminology when dealing with such sites.

3. <https://documents.trendmicro.com/assets/wp/wp-cybercrime-in-west-africa.pdf>

A joint report between INTERPOL and Trend Micro that discusses the role that developing regions such as West Africa have on online black markets through a growth in market share.

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