



2nd International Conference
**on Governance, Crime
and Justice Statistics 2014**

*“We are a necessary evil:
the business ethics of organized criminal groups in Mexico”*

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Three hypotheses:

1. Organized criminal groups operate very similarly to legal businesses
2. Organized criminal groups are embedded in the legal economy
3. Individuals operating within organized crime are rational agents

By analyzing organized criminal groups as businesses, we can improve our understanding of them and of their impact



1. If organized criminal groups operate like legal businesses, they should follow business trends

- Internationalization and success
- Business Ethics and Corporate Social Responsibility

In Mexico, organized criminal groups follow the same CSR trends as legal businesses:

Foucs on corporate philanthropy



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Protests against the
capture of “El Chapo”



The Gulf cartel
handing out Christmas
presents at a hospital in
Tamaulipas

“La Tuta”
handing out
money in a
public square



Corporate philanthropy of organized criminal groups in Mexico



2. Not only are legal and illegal businesses operating similarly, they are also connected.

Without legal businesses, illegal businesses would not be able to operate.

- Money laundering
- Accountants, lawyers, engineers, security personnel and economists

The line between legal and illegal businesses thus become increasingly blurred, and it is clear that organized criminal groups are deeply embedded in the national economy.



3. Individuals operating within organized crime are rational agents

- Crime does pay (in Mexico)
- Institutional voids and impunity
- Context and reference point in rational decision-making
- The Possibility Effect (Kahneman)
- Acceptance of higher risk when you have nothing to lose

We tend to stereotype criminals.

We do not want to see ourselves reflected in them,
because this would mean we are a part of the problem.

To solve the problem, we must overcome this stereotyping.