

# The illicit abalone trade in South Africa

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## INTRODUCTION

There are five species of abalone endemic to South Africa, but only one, *Haliotis midae*, is of any commercial value. Known in South Africa as perlemoen (from the Dutch *Paarlemoer*, meaning mother-of-pearl), it was endemic to several hundred kilometres of South African coastline stretching from Table Bay to the Eastern Cape before overexploitation threatened it with extinction.<sup>1</sup> It is a large marine snail with a shell length of up to 230mm that lives in shallow water and takes seven to nine years to mature. It is believed to live for 30 years or longer.<sup>2</sup>

The story of its overexploitation is an extraordinary one. The meat of perlemoen has always been highly valued in East Asia, and South Africans were aware of its commercial value throughout the second half of the twentieth century. Unrestricted commercial harvesting began in South Africa in 1949. By the mid-1960s, about 2,800 tons of abalone were being taken from the sea annually. In a bid to stem overexploitation and protect the resource, seasonal quotas were introduced in 1970. The first annual quota (or Total Allowable Catch) was 700 tons, and decreased marginally and incrementally over the following two-and-a-half decades; by 1995, the annual quota was 615 tons.<sup>3</sup>

It is common knowledge that poaching is as old as the quota itself, but it is also common knowledge that levels of poaching remained negligible – or at very least containable – for the first two decades after the quota's introduction. All of this changed dramatically during South Africa's transition to democracy. Poaching began to escalate in the early 1990s. By the late 1990s it had become a highly organised, multi-million dollar illicit industry, controlled by street gangs on the shoreline and by transnational criminal enterprises on the trade routes to East Asia.<sup>4</sup> Despite increasing investments in shoreline patrolling

and enforcement, the initiation of several large and well-resourced organised crime investigative projects, and countless plans to reorganise the control of South Africa's borders, it appears that the illegal industry has been able to harvest and export South African abalone at will. By 2002, more abalone was being confiscated by the enforcement authorities per year than were harvested by the commercial fishery.<sup>5</sup> The illegally harvested catch has escalated annually since then. Enforcement authorities believe that if the 2004/05 season is as bad as the previous one, commercial fishery will be unsustainable by 2006.<sup>6</sup>

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It has thus taken the illicit industry little more than a decade to bring wild perlemoen to the brink of commercial extinction.<sup>7</sup> The trajectory is nothing short of spectacular: in a remarkably short space of time, an endemic marine species has been taken out of the water, smuggled across South Africa's borders and transported across the ocean, all under the nose of a hapless enforcement regime.

The publication of this paper thus comes very late in the day. It is, in part, a post-mortem of failed efforts, in part, a description of brave, last-ditch attempts to turn the situation around. This paper is one in a series on border control. According to a very narrow reading of its brief, it would restrict itself to discussing how abalone has been smuggled over land, sea and air borders. Such a narrow reading would miss the point. It makes far more sense to follow the industry's value chain from the water's edge to the ports of East Asia, and to describe the enforcement interventions made at various points along the chain. The lessons to be learnt obviously have implications beyond the confines of the illicit abalone trade, and are generally relevant to the age-old debate about the relationship between law enforcement and transnational illicit trade.

What follows is divided into two sections. Section A is an account of the spectacular rise of the illicit



perlemoen trade in the 1990s. Section B describes the various attempts to curb it. Finally, in the conclusion, we discuss which interventions were doomed from the start, which might have worked, and which, with a bit of faith, may still work.

## SECTION A: The rise of the illicit market

The birth and rapid growth of the illicit perlemoen trade in 1990s can, I argue in this section, be accounted for by four factors. Each should be seen as crucial, in other words, as a necessary condition. The first was the weakening of the rand against the US dollar that began in the early 1990s and continued steadily for the following decade. The second factor was the pre-existing presence in South Africa of a large and highly efficient Chinese organised crime network. In other words, illicit trade routes between South Africa and East Asia were already firmly established. The third factor is the immense difficulty South Africa has had, and continues to have, in devising and executing an efficient border control function. Fourth, and with the little doubt the most interesting and important, is the mutation in the socio-political identities of the coloured fishing communities on the abalone-rich shoreline during South Africa's transition to democracy; it was, above all, the evolution of a distinctive political consciousness that animated the taking of the perlemoen stock from the water.

### ***The weakening of the rand and the role of bartering in the illicit economy***

In December 1992 the South African currency dropped to three units to the US dollar for the first time. In March 1996 the rand hit four to the dollar, dropping to five in March 1997, six in July 1998, seven in May 2000, finally hitting thirteen in December 2001.<sup>8</sup> This nine-year period was, to say the least, a good time for those looking to export high value commodities traded in dollars. In the late 1990s, the South African intelligence community believed that South African abalone was being sold for more than US\$65 per kilogram on the Chinese black market.<sup>9</sup> Hundreds of kilograms of perlemoen are harvested from the water, smuggled and exported cheaply by the ton. All of these costs – poaching, concealing and shipping – are paid in rands. It was already a lucrative commodity to trade when the rand was three to the dollar; by the late 1990s, it was a proverbial gold mine.<sup>10</sup>

The only factor that may have caused illicit capital to hesitate before investing in the perlemoen trade was risk. In the early 1990s, risk was rightly regarded as minimal. Chinese organised crime had been

present in South Africa for more than a decade, and yet had barely been detected by the South African authorities.<sup>11</sup>

Indeed, abalone was by no means the only illicit export to surge in the 1990s. The declining rand saw dramatic increases in the export of a range of Southern African contraband. The most pronounced export increase was probably in cannabis. In the late 1980s, the export market for Southern African cannabis was so small that it barely registered in the records of European police agencies. Most players were small-time white businessmen who, as one of the investigators interviewed for this paper put it, “wanted to earn a bit extra to buy a boat for his house at the Vaal River”. By 1998, much of the regional cannabis trade had been taken over by West African organised crime, and the British authorities reported that South Africa was the single largest cannabis exporter to the UK.<sup>12</sup> The export industry had grown from almost nothing to market leader in the space of a decade. Wholesaling at about £1,000 per compressed kilogram in London and

Glasgow, those who exported it from South Africa were making a killing. Not only were their costs in rands, they were minimal. The cannabis itself was bought for next to nothing from peasant producers. The primary cost entailed shipping it in bulk from Southern African ports, disguised as rooibos tea, dried basil and whatever else a fertile imagination could invent.

If a weakening currency is good for licit exporters, it reaps even greater returns for astute contraband traders. This is because, in contrast to legitimate exporters, contraband traders barter.

Bartering has played a central role in the international criminal economy for as long as there has been global trade. There is a wonderful fictional account of the role of bartering in the illicit markets of early twentieth century Europe in Joseph Roth's novel, *The Radetzky March*. Describing the traders in a fictional town on the eastern border of the Habsburg empire, Roth writes:

They had no shops, no names, no credit. But they did possess a miraculous instinct for any and all secret sources of money. They dealt in feathers for feather beds, in horsehair, in tobacco, in silver ingots, in jewels, in Chinese tea, in southern fruit, in fields and woodlands. Some of them even dealt in live human beings. They sent deserters from the Russian army to the United States and young peasant girls to Brazil and Argentina. Their hands were gifted in striking gold from gravel like sparks from flint.<sup>13</sup>

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Indeed, the most important institution in the illicit economy is the bazaar. As Ted Leggett describes it: "International brokers service a network of supplies and demands at once... Cash is taken from countries with hard currency, and commodities are shuffled between all the rest."<sup>14</sup> An intelligent trader based in a weak currency zone uses the barter economy to have his cake and eat it. He exports high value, dollar-denominated commodities from his weak currency zone (like cannabis or abalone) and trades them for high value commodities, which he imports. He thus makes mileage from his weak currency when he exports, and skirts it when he imports.

In South Africa, the price of cocaine, heroin and club drugs remained stable throughout the 1990s, despite the rapid decline in the value of the rand. The likelihood is that these drugs were being paid for in high value cannabis rather than low value rands. Indeed, the price of imported drugs in South Africa was so low during the 1990s that they could be re-exported at a profit.<sup>15</sup> Those exporting cannabis and importing cocaine and heroin had locked themselves into a virtuous circle.

The same virtuous circle was quick to emerge in the abalone market. In the mid 1990s, some of the major traders in the Western Cape's gang-based drug market descended on abalone-rich fishing villages such as Hawston and Kleinmont and took control of sizeable portions of the abalone market. At the same time, security agencies became aware that vast quantities of the chemical precursors of methaqualone, the drug of choice in the ghettos of the Cape Flats, were being smuggling into South Africa from East Asia. By the late 1990s, it was clear that methaqualone had been bartered for abalone for quite some time.

Nobody knows for certain quite what proportion of the illicit abalone catch is bartered for methaqualone, but anecdotal evidence suggests that it is quite considerable. On several occasions over the past six years, multi-ton methaqualone seizures have been linked to businessmen and women at the centre of the abalone trade. At the time of writing (January 2005) it appears that Chinese organised crime remains keenly interested in supplying the Cape Flats drug market. For the first time in two-and-a-half decades, methaqualone's market dominance on the Cape Flats is being threatened by a rival synthetic drug – crystal methamphetamine (its colloquial name is tik). In December 2004, four Chinese nationals – three of whom are known by security agencies to have a long involvement in the abalone trade – were arrested on the premises of a crystal methamphetamine factory in the Western Cape.<sup>16</sup>

Abalone was thus quick to take its place at the centre of the Western Cape's illicit economy. Chinese businesses bartered cheaply acquired chemical precursors for high value abalone, while Western Cape drug lords bartered cheaply acquired abalone for high value drugs. Those drug lords who gained control of significant volumes of abalone captured a monopoly over low-priced methaqualone. The result is that every serious player in the drug industry had to get his hands on abalone in order to stay in business. As an investigator with a colourful turn of phrase put it when interviewed for this project: "In the late 1990s, the traffic jams on the road to Betty's Bay were something to see. Every second car was packed with soldiers from the Flats. Everybody was making a beeline for the coast."

### ***The pre-existing presence in Chinese organised crime***

Later, when this paper discusses the efficacy of various law enforcement initiatives, a more detailed account will be provided of the structure of Chinese organised crime in South Africa and its relation to the much-abused term "Triads". For the moment it is sufficient to note that Chinese organised crime had a considerable presence in South Africa for at least a decade before abalone poaching escalated in the early 1990s. Until 1991, this presence went almost undetected. The term "organised crime" was not in the lexicon of apartheid criminal investigators. When a crime was detected, the docket was allocated to a detective to investigate. The idea of gathering intelligence on, and investigating, criminal organisations rather than individual crimes was foreign to criminal investigation in South Africa. Such work was left to the security branch, whose task was to infiltrate and disrupt anti-apartheid organisations.

The police discovered Chinese organised crime the moment they established the institutions capable of detecting it. In 1991, the police formed an Organised Crime Intelligence Unit followed shortly by the establishment of provincial organised crime units. By 1993, these new agencies had discovered the existence in South Africa of two Hong Kong-based triads – 14K and Wo Shing Wo – and a criminal organisation of Taiwanese nationals called the Table Mountain Gang. The networks of the two Hong Kong-based triads extended throughout the country, from every harbour city to Johannesburg and Pretoria. Their key players were all entrepreneurs who traded a mixture of licit and illicit commodities between South Africa and Hong Kong.<sup>17</sup>

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Counterfactual scenarios are, of course, impossible to test conclusively and it is difficult to say just how much slower the abalone trade would have taken off if these networks had not had a presence in South Africa. Nonetheless, it must count for a great deal that the infrastructure, contacts and networks of illicit trade between South Africa and East Asia were firmly established by the early 1990s. Contraband traders specialise in trade routes rather than commodities; a single trade route can host an infinite array of commodities over time, and several commodities at the same time. At present, for instance, illicit trade routes between South Africa and China carry abalone, counterfeit goods ranging from clothes to electronics to cigarettes, the precursors of at least two synthetic drugs, guns, human beings and possibly diamonds. What goes into the mix depends, in part, on the margins of return and the risk surrounding any particular commodity at a given time. In the early 1990s, the margins on South African perlemoen were rising, while risk was negligible.

### **Borders**

Strictly speaking, it is not possible to say precisely how abalone is smuggled across South African borders, for the simple reason that our commercial ports are not monitored sufficiently to enable an accurate audit. At South African sea ports, for instance, exports are not searched for contraband unless the border control authorities receive information about a particular consignment.<sup>18</sup> It is thus not impossible that large consignments of abalone leave South Africa's commercial ports undetected.

Having said that, what anecdotal and quantitative information we do have suggests strongly that the bulk of South African abalone is not smuggled through sea ports but across uncontrolled and commercial land borders and on unlogged air flights. Once it crosses the border into neighbouring states, it is in juridical territory in which there is no law against transporting or shipping South African abalone without a permit. It is exported from sea and air ports across Southern Africa.

There are no specific figures to verify this account, but there is a great deal of anecdotal evidence and some strong quantitative evidence. In a recently published paper, the organisation TRAFFIC cites records of the Census and Statistic Department of Hong Kong which show that 200,000kg of frozen, shucked perlemoen and over 100,000kg of dried perlemoen were imported from Mozambique, Namibia, Tanzania, Swaziland and Zimbabwe to Hong Kong between the beginning of January 2002 and the end of June

2003. As the authors of the TRAFFIC paper point out, perlemoen is endemic to none of these countries with the exception of Namibia. "It is almost certain," the authors conclude, "that all this perlemoen was illegally harvested in South Africa, smuggled into the other African countries, and then re-exported to Hong Kong."<sup>19</sup>

The figures are truly astounding. When dried, perlemoen shrinks to one-tenth of its original size.<sup>20</sup> A hundred tons of dried produce is thus equivalent to 1,000 tons of fresh abalone. The Total Annual Catch in the 2002/03 period was less than 350 tons. This means that, over a period of two seasons at most, considerably more South African perlemoen was entering Hong Kong from Southern African ports than the entire legally harvested quota.

These figures about the various trade routes are supported by the anecdotal evidence of all 12 investigators from six different security agencies interviewed for this study. Investigators from different agencies disagree about a great deal in regard to abalone smuggling, as will become apparent in Section B of this paper. But in regard to modes of smuggling, they are largely in agreement. The majority of the contraband is smuggled across land borders or on light aircraft. Very little is exported directly out of South African commercial ports. Two investigators in particular had, between them, been responsible for monitoring the controlled delivery of 14 batches of dried abalone over a six-year period. Of these 14 batches, four left South Africa across unmonitored land borders, three across commercial land borders, five in light aircraft and only two through commercial ports.

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According to investigators, the risk of transporting abalone in light aircraft is minimal. As one investigator put it:

There are several dozen private airfields in the northern provinces of South Africa. If you are going to fly at an altitude below radar detection, you do not even have to log a flight plan. All you need to do is log the fact that you are taking off. You can fly across a remote section of the border at low altitude with more or less 100% assurance that nobody is going to report your movement to the authorities.

At present, the SAPS is compiling a national database of every private airstrip in the country. Each is to be classified according to its risk, and each will be monitored accordingly. Depending on their geographical location, high-risk airstrips will be



policed either by personnel at local police stations or by border police stationed at nearby commercial ports. The initiative is, of course, a good one, but its planners worry that those assigned to the labour-intensive tasks of policing airstrips will not “own” the initiative, and may relegate it to the lower rungs of their hierarchy of tasks.

Until recently, it has also been possible to smuggle abalone from international airports at little risk. Until 2002, border control personnel at Lanseria, Polokwane and Nelspruit airports worked during the day and not at night. Moving contraband out of these airports in the early hours of the morning incurred minimal risk. Even at a large commercial airport like Johannesburg International Airport (JIA), investigators suspect that unscheduled flights leaving JIA late at night dip below radar, collect a consignment of contraband from an airstrip, and then continue with their logged flight plans.

And yet, even if current enforcement operations do increase the risk of using private airstrips and commercial airports, other more or less risk-free modes of smuggling remain available. South Africa has struggled to patrol its vast northern land borders over the past decade. In 1998, an overstretched SAPS handed the task over to the SANDF, which also found itself with insufficient staff and resources. At the time of writing, the task of patrolling land borders is being handed back to the SAPS, and a significant investment of personnel and resources is being ploughed into the project. It is far too early to tell whether the arrangement is going to make life significantly more difficult for abalone smugglers. All investigators interviewed for this project agree that until now, at any rate, smugglers have been able to move abalone across land borders at will.

In the event that movement across land borders and from airstrips does become more difficult, smugglers will be forced to place greater reliance on South Africa’s commercial ports, which have, it appears, in large part been avoided until now for fear of greater detection. There is, however, some evidence that large consignments of perlemoen have been moving through South African commercial ports undetected. In late 2004, for instance, Hong Kong customs agents contacted the South African authorities to inform them that consignments from Johannesburg International Airport, collectively weighing more than a ton, had been detected.

In conclusion, it should be pointed out that those whose primary work and vocational passion is to combat abalone smuggling have been extremely frustrated by

their encounters with South African border control. As is described at length in other papers in this series, border control since 1994 has been a difficult arena, one in which several agencies have struggled to co-ordinate their respective mandates. As the various government departments involved in border control have muddled through the difficult question of how to co-ordinate their priorities, it appears that nobody in the border control environment really “took ownership” of the issue of abalone smuggling. While border control officials were certainly trained to detect abalone and were diligent in updating and distributing smuggling modus operandi, it is probably safe to say that the South African border control function has never been in a position to conduct the sort of intensive, abalone-dedicated work that might have made a difference.

### **Dried abalone**

Abalone can be dried, preserved for months or years, and then rehydrated and returned to its natural state. This is crucial to the smuggling process for several reasons. First, live or frozen abalone has a pungent and distinctive smell and is thus difficult to transport or ship undetected. Dried abalone can also be disguised as another product, particularly when border and law enforcement officials have not been trained to recognise it. Second, dried abalone can be preserved indefinitely, which means that it can be gathered over long periods and shipped in bulk. Finally, dried abalone shrinks to about a tenth of its original mass, making it possible to store and ship very large consignments.

The drying process is an art, one not always practiced particularly well in South Africa. In China, a natural, sun-drying process, which takes up to two months to complete, has been passed down from generation to generation. In South Africa, the sun-drying process is seldom, if ever practiced, and the skill and quality of dryers fluctuates a great deal. Typically, the abalone is shucked, simmered in a preservative chemical, hung on racks in a room heated to 38°C, and left there to dry over a three-week period. Investigators have recently found abalone ovens heated to 70°C, which speeds up the process to between four and five days. Abalone that has been dried and rehydrated unskillfully can fetch as little as a quarter of the price of sun-dried abalone.

Over the years, investigators have found drying factories in a jagged line stretching from Cape Town all the way to the northern reaches of Limpopo. They have been found in Bloemfontein, Swaziland, on the East and West Rand of Johannesburg, in Midrand,

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Pretoria, Hammanskraal and Musina. In the early 1990s, most of the drying premises found consisted of cupboards or pantries. Today, the typical factory is far larger. Entire houses and commercial premises are turned into makeshift drying facilities. In 2003, several tons of drying abalone were seized from commercial premises in Swaziland.

### ***Poachers and fishing communities***

The weakening rand, the presence of Chinese organised crime and porous borders alone do not account for the speed with which the wild perlemoen stock has been taken from the water. These factors would have counted for very little were it not possible for poachers to harvest abalone *en masse* over a sustained period of time under the noses of the inhabitants of the villages and towns that dot the abalone-rich coastline.

For several generations, the relationship between the coastal coloured communities and the sea has been a deeply political one. While I was gathering oral testimony about Western Cape history on the Cape Flats in 2003, in the course of an entirely unrelated project, the question of the relationship between racial domination and access to the water rolled off the tongues of one interviewee after another, entirely unsolicited. Here, for example, is the testimony of a woman called Gadija Tommy, who grew up in the False Bay town of the Strand in the late 1940s and early 1950s:

My father was a fisherman. He sold his fish from pushcarts, wandering up and down the streets all day with fresh fish. There were no jobs. It was the beginning of apartheid. Coloureds one side, Europeans the other side. So my father and my uncle sold fish because there was nothing else. At that time the fish was free for everyone. Crayfish, fish, perlemoen. You could go into the sea and get it. Then they stopped you from going into the sea. It was no longer allowed. After that, there was nothing. My uncle and my father sat at home and drank.<sup>21</sup>

By the early 1990s, such narratives had become an integral part of the folklore and collective memory of the Western Cape's coastal communities. The transition to democracy carried with it a universal expectation that access to the sea ought to open up quickly and dramatically. To make the politics of the moment more complicated, many members of coastal coloured communities were deeply suspicious of the recently unbanned ANC. Come South Africa's first democratic election in April 1994, the coloured

working class would vote overwhelmingly for the ruling party of the apartheid era, the National Party, in the hope that it would provide a bulwark against their fears of an African majority government.

It was a potent combination: on the one hand the expectation that democracy ought to be coupled with the speedy implementation of a just fishing regime; on the other, a deeply held suspicion that the new government would betray the coloured working class. This cocktail of expectations and fears could not have been more propitious for abalone poaching. The resource was lying there in the sea and growing more lucrative by the day. Given the politics of the moment, a great many people who had lived their lives on the coastline believed that they were entitled to it, and to a share of the benefits that accrued from harvesting it.

If one drives through Hawston, Kleinmond or Hermanus's coloured township today one sees garish double-storey face brick houses standing anomalously among the tiny matchbox houses of the coastal working class. Abalone money has quite literally changed the physical landscape. No systematic, quantitative study has been done on the impact of abalone poaching on the social economy of coastal towns and villages; but anecdotal evidence suggests that while it has made a few people very rich, its benefits have been dispersed across a wide spectrum of poor households. On a field trip to Hawston in late-2002, the following story, which appears to have become legend in the town, was repeatedly told to me by several interviewees. "By 1996, 1997, the schools were half empty. The kids could earn more in a week helping the poachers than their teachers earned in a month. So who wanted to go to school?"<sup>22</sup>

Indeed, by the mid-1990s, poaching was highly organised, and could boast of an elaborate array of functions, primarily marshalled to avoid detection. People drawn from the ranks of professionals, the unemployed and school children found lucrative employment on the fringes of the illegal industry. As a Hawston resident told an environmental criminologist in 1995:

... there are those who are involved by giving the poachers the permission to hire something of theirs. There are those who help some of the poachers who don't have cars... There are those who are involved by ... carrying for the poachers... And there are those who are involved because their children are involved in poaching. They can't squeal, they can't go

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out and tell the police. You see, everyone is so involved ... a parent of a child, a driver, a diver. It is a money-making business.<sup>23</sup>

The story is not quite as simple as that, however. It is not simply a question of entire communities, motivated by a collective sense of political injustice, deciding *en masse* to pillage the sea in order to make money. In a survey conducted among 42 Hawston residents in 1995 – when abalone poaching in that town was close to its peak – 80% of respondents stated that the poaching of marine resources was wrong, citing the damage done to marine resources.<sup>24</sup> Residents' relation to poaching has obviously always been a complex one. Nonetheless, the fact remains that at a time when socio-political factors increased coastal communities' levels of tolerance toward poaching, the illegal harvesting of abalone became an extremely lucrative activity and a livelihood for many coastal households.

Whether the speedy implementation of a more equitable fishing regime in the mid-1990s would have curtailed abalone poaching is a moot point; another counterfactual scenario that is impossible to demonstrate. Perhaps the gap between the returns on illicit and legal harvesting was always too great, and any regulatory regime would have struggled. We discuss this point in more detail later on.

## SECTION B: Enforcement

In this section we discuss three types of initiatives – the first two are current and historical, the third is prospective – to curtail the illicit trade in South African perlemoen. The first initiative, located at the very beginning of the industry's value chain, aims to keep the resource in the water. The second initiative is organised crime investigation – using criminal and civil law to investigate and ultimately dismantle the enterprises responsible for illicit international trade in South African perlemoen. The third initiative, located towards the end of the value chain, is about preventing importation of illegally shipped abalone at ports of entry in consumer countries.

### *Keeping the resource in the water*

By the mid-1990s, abalone poaching had, over a remarkably short space of time, become a strand in the fabric of coastal communities and become a constituent part of their social economies. The task facing the designers of an adequate law enforcement regime was thus formidable. Indeed, no enforcement regime was going to succeed on its own. It would have to be coupled with a parallel project to create

vested grassroots interests in anti-poaching initiatives within the fishing communities themselves. As one law enforcement official interviewed for this project put it:

Nobody can go into the water without somebody seeing them. For enforcement to work, somebody must pick up the phone and tell the authorities. You can't have a situation where the only people phoning in to report poaching activity are rich people with holiday homes and a handful of paid informers. You have to set up a situation where there are enough people in the community who have an interest in picking up the phone. Without that, you can send in the whole army and you still won't keep the perlemoen in the water.

Or, as another official put it: "The resource must belong to people in the community if they are going to look after it. Poachers must be stealing from local rights-holders, not from the government."<sup>25</sup>

In the event, the crucial partnership between escalating enforcement and the simultaneous implementation of a more equitable fishing regime did not come to pass. A major enforcement initiative, Operation Neptune, was launched during the 2000/01 fishing season. Yet, the parallel community-based quota system, restoring fishing rights to grassroots fishers, was only implemented in the 2003/04 season.

The shape of Operation Neptune will be familiar to anybody with a working knowledge of the style of policing that has evolved in South Africa over the last decade. From border security to inner city crime, the SAPS has generally responded to specific problems by assembling large-scale paramilitary teams packed with sufficient personnel and hardware to saturate the problem area and smother the problem.<sup>26</sup> Neptune took the form of a full-time joint operation between the police, the military and Marine and Coastal Management (MCM). At its height, its 70 full-time staff deployed high-speed sea vessels, divers, sniffer dogs, unmanned aerial vehicles, helicopters and fixed-wing aircraft.

At much the same time, austere and stringent penalties for poaching were legislated: a fine of up to R2 million or a period of up to five years in jail. In late 2003, a specialised environmental court was established in Hermanus, specifically to deal with abalone poaching, to ensure that prosecutions were fast, certain and visible to local communities. A similar court was established in Port Elizabeth a year later. In addition, the National Prosecution Authority's Asset Forfeiture Unit was enlisted to pursue civil

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claims against those found guilty of poaching. It was hoped that the spectacle of abalone wealth being visibly confiscated would constitute a salutary lesson to coastal communities.

Together, this blend of enforcement measures was designed to increase detection, render prosecutions more efficient and more effective, and penalties more severe. The idea, in other words, was to increase the certainty and the severity of punishment simultaneously, thus persuading the illicit industry that the costs of poaching were too high.

Measured in terms of the sheer weight of confiscations, enforcement initiatives had some success. During Neptune's first year in operation, the number of abalone confiscated increased threefold, and then increased substantially again the following two years in a row. Yet if the aim of Neptune was to deter poachers, these figures are not heartening at all. Indeed, they suggest that the total illicit catch continued to increase annually, despite significant confiscations.

As with all large-scale enforcement operations, Operation Neptune had its fair share of organisational problems. One of the motives for its establishment in the first place was the alarming level of corruption among local police officials in coastal communities. The idea was that perlemoen poaching could only be properly policed by outsiders. Yet, bringing in outsiders brought its own difficulties. Operation Neptune's personnel were brought into the operation on "detached duty"; police officials were redeployed far from home for two months and financially compensated in exchange. The result was a group of officials with mixed and uneven levels of motivation, skill and knowledge. For many, patrolling the coastline was anything but a vocation; it was a paid, two-month break from their real jobs.

Yet these operational difficulties could hardly be said to be the crux of Operation Neptune's problems. Even if it had been more efficient, the fact remains that patrolling a vast coastline without substantive and meaningful community support was always going to be difficult.

In October 2003, a mechanism that could create the community-based support finally came into place. After many years of following the painstaking process of public meetings and intricate negotiations, which evoked all the traumas and intrigues of parochial micro-politics, a new policy radically redistributing the rights to legal abalone harvesting was put in place. The principle animating the new arrangement is the

The idea is to entice former poachers into the legal industry and to use them as the first line of defence against those who continue to flout the regulations.

co-management of the resource by granting long-term harvesting rights to members of coastal communities. The new system is called the "turf system". The harvesting rights of the large fishing factories are to be phased out over a three-year period. In their place, approximately 250 local divers have been given the rights to harvest a quota of abalone. The coastline is divided into several 'turfs', and the rights of each diver are limited to a particular area.

The idea, then, is to entice former poachers into the legal industry and to use them as the first line of defence against those who continue to flout the regulations. With a strong vested interest in enforcement scattered along the coastline, it is hoped that regulatory and enforcement authorities will find significant long-term allies in the coastal communities themselves.

The greatest threat to the success of the new system is its timing; it may have come too late. At this stage in the process, the regulatory authorities have to perform a particularly delicate balancing act. As the resource dwindles, MCM has to keep cutting the quota. Already, the Total Annual Catch is about half of what it was a decade ago. And yet the smaller the quota, the less incentive rights holders have to play by the rules. The regulators may well be caught in a spiral of defeat. They must police the waters fiercely to retain enough of the resource in the sea to keep legal divers playing by the rules of the new game. Yet they do not have the capability to police fiercely if legal divers decide to abandon the rules!

At the time of writing, a new enforcement capacity is just being put into place. Operation Neptune has ended and has been replaced by a qualitatively different initiative called Operation Trident. The SAPS have now withdrawn to the margin of anti-poaching strategies. The new frontline consists of a partnership between MCM and the Overberg Regional Council. The corps of conservation officers responsible for day-to-day policing of the water is smaller than Neptune's body of personnel, but far better trained, and almost certainly better motivated. Moreover, the two agencies driving the operation – MCM and local government – are both frontline agencies in the fight against poaching; they are both hungry for success.

So it may well be that the right enforcement and co-management plans are now in place. But it may also be that they have come too late. The next couple of seasons will tell. Yet, if they have come too late, both the MCM and the regional council would do well to retain their memory. For it is possible that South Africa's stock of wild abalone can be replenished over time and will have to be protected all over again.



## ***Investigating Chinese organised crime***

Over the last six or seven years, various enforcement agencies have devoted a great deal of resources and personnel to investigating the people, networks and enterprises responsible for shipping abalone out of, and Mandrax into, South Africa. The Directorate of Special Operations (DSO) in the National Prosecuting Authority has been running an ongoing national operation against Chinese organised crime since 2001. Within the SAPS, the Organised Crime Unit, Crime Intelligence and the Endangered Species Unit have all devoted considerable resources to investigating Chinese organised crime.

Whenever several investigative agencies converge on a single illicit market, a great deal of rivalry inevitably ensues. Rivalry, in turn, generates particular perspectives about the nature of the beast being investigated; agencies and investigators paint a picture of their target that emphasises the importance of the particular role they are playing.

Among the ideas that have been put forward in the investigative environment in recent years is that the structure of Chinese organised crime in South Africa is tightly hierarchical, and that the abalone and Mandrax markets are highly concentrated. The implication, of course, is that in such an environment investigative work can be highly effective. As one law enforcement official interviewed for this project put it: "If there is a Mr Big in this market, or maybe two or three Mr Bigs, then taking them down means really disrupting the market." It is indeed tempting to think and hope that successful investigative work could seriously disrupt the illicit smuggling of perlemoen to East Asia. But is it true?

If there is indeed a monopoly, or a small oligopoly, controlling the illicit perlemoen trade in South Africa, there can really only be two possible reasons for this:

- i) The monopoly is enforced. Those who control the market have a coercive capacity. Rent seekers would have to fight to get in.
- ii) The industry is massively capital intensive and relies on economies of scale. The first to get into the market thus dominate it for a long time.

The idea that there is an enforced monopoly in the illicit abalone trade is fairly popular among South African law enforcers. It is based, in part, on the notion that Chinese organised crime in South Africa is controlled by Triads, ancient and somewhat dazzling

organisations shrouded in mystique. In its 2000/01 annual report on organised crime, for instance, the SAPS states that:

The strength of the modern Triads derives from the psychological power exercised by ancient rituals, which induce fear and loyalty among their members, being coupled to modern computerised business techniques, which make their activities extremely efficient. These factors, and the reality of sudden and terrible retribution if a Triad is resisted, betrayed or attacked, have made the modern Asian Triads a potent criminal force to be reckoned with.<sup>27</sup>

It is, in fact, fairly certain that this account of the Triads is almost entirely mythical. Over the years, law enforcers across the world have come to know a great deal about Triads, and the function they play in illicit markets is fairly well established. They do not resemble the mythical organ described above at all. According to Peter Ip Pau Fuk, former Chief Inspector of the Hong Kong police:

Triad groups are horizontal organisations, a network of criminals who co-operate in criminal activities based on personal introductions and mutual interests. Triad leaders do not usually direct or become directly involved in the criminal activities of their own gang members, nor do they dictate to their members what criminal activities they should or should not get involved in... Most modern Triad societies are really just fraternities.<sup>28</sup>

"It is important to understand," Ip continues, "that there is no international

Triad network or centralised control over cross-border Triad activities. Triad membership is merely a 'lubricant' that facilitates personal contact and co-operation between different Triad groups or individuals."<sup>29</sup>

Or, as a Triad member testified to a US Congressional Hearing on Asian Organised Crime in 1992:

Triad members do favours for each other, protect each other, provide introductions and assistance to each other, and engage in criminal schemes with one another, but Triads generally do not have the kind of strictly disciplined organisational structure that some other criminal groups have. For example, a Triad member would not necessarily be required to get permission from the head of his particular Triad in order to engage in a particular criminal undertaking, even if this

Whenever several investigative agencies converge on a single illicit market, a great deal of rivalry inevitably ensues.

particular deal involved an outsider or even a member of another Triad.<sup>30</sup>

In countries where Chinese organised crime is well established, such as the US and Australia, it is common knowledge that there are few, if any, hierarchically organised illicit markets controlled by ethnic Chinese. According to Ko-lin Chin, the foremost scholar in the United States on Chinese organised crime, and an occasional advisor to the FBI, there is no evidence of a well-organised, monolithic, hierarchical cartel among the Chinese. "My findings," Chin says, "do not support the notion that a chain of command exists among the various crime groups or that they co-ordinate with one another routinely in international crimes such as heroin trafficking, money laundering and the smuggling of aliens."<sup>31</sup>

In all probability then, the idea that there is an enforced monopoly in the illicit abalone trade is the invention of South African law enforcement officials.

The only other conceivable reason for a highly concentrated market – in other words, a few "Mr Bigs" – is that the industry is heavily capital intensive and relies on economies of scale. Some investigators do make this argument. As evidence, they point to the enormous quantities of both Mandrax and abalone shipments that have been seized in recent years: nearly six tons of Mandrax seized in Durban harbour in September 2004, for instance; four tons seized in a factory outside the town of Newcastle in June of the same year; and 14 tons of abalone seized from a drying factory in Cape Town in late 2004.

Investigators argue that a few big players have achieved market dominance by the sheer scale of their operations: their capacity to move vast quantities of abalone and Mandrax to and from East Asia. The implication is that if successful investigative work were to dismantle the enterprises of a handful of Mr Bigs, economies of scale would fall with them; the market would mutate into a smaller, more fragmented arena capable of shipping far smaller quantities of contraband.

It is unlikely that this argument is correct for the simple reason that poaching, drying, transporting and shipping abalone is not a particularly capital intensive business. It is instructive to remember the early days of abalone smuggling, and in particular, the quantities of abalone modestly-capitalised entrepreneurs were able to trade. One of the first successful investigations conducted by the SAPS Endangered Species Protection Unit in the early 1990s ended in the conviction of a small-time entrepreneur, Mr X. He was arrested for

false way-billing and illegal trading when nine tons of abalone was discovered on a Hong Kong-bound ship in Durban Harbour. While investigators never proved that Mr X ever shipped other consignments of perlemoen, they did discover that a small enterprise like his, with very little capital, was, in theory, capable of shipping multiple-ton consignments regularly throughout the year.

Different enforcement agencies, and indeed, different investigators within the same agency, offer wildly varying assessments of just how concentrated the abalone market is. Some say that as few as three enterprises are responsible for the vast bulk of shipments; others say as many as 11 enterprises. It is perhaps worth recording that the perspective of the official with the longest experience investigating the abalone market interviewed for this project:

In the last 10 years, I have come across 11 organisations that regularly ship multi-ton consignments of perlemoen. But this statement must be qualified; there are literally hundreds of Chinese people involved in abalone smuggling. Even if most of them work for one of the 11 big organisations, most of them go out on their own and look for their own market whenever they can.

A few big players have achieved market dominance by the sheer scale of their operations.

If this assessment is correct, the market is neither hierarchical nor particularly concentrated. On the contrary, it is fairly flat and diffuse. A market of this nature is not easily hurt by organised crime investigations. A successful investigation could close down the business of a Mr Big, draining it of its primary source of capital. But the networks, contacts and expertise Mr Big deploys would not collapse with him. These resources would remain in the entrepreneurs who once worked for Mr Big and in the institutional memory of the market itself; they would remain available to anyone capable of organising them.

In other words, while organised crime investigations could certainly destroy the businesses of individual abalone smugglers, it is unlikely that they could seriously impair the abalone smuggling market as a whole. The best that organised crime investigation can do in a flat, capital-light market is significantly increase the risk of smuggling abalone, and thus the cost of smuggled abalone.

When all is said and done, it would not be unreasonable to conclude that the decimation of the species poses a far greater threat to the illicit abalone market than organised crime investigations. In principle, at any rate, two far more effective enforcement strategies

would be to keep the resource in the water, which we discussed in the last section, and to prevent it from entering the ports of consumer countries, which we will discuss presently.

### ***Co-operation with consumer countries***

Just as perlemoen must be taken out of the sea if it is going to be sold, so too it has to pass through ports of entry in the countries in which it is consumed. How feasible is it to elicit the co-operation of border control agencies in consumer countries to prevent perlemoen from reaching the very end of the market chain? Could the trade be severely curtailed by enforcement measures in the ports of consumer countries?

Importing and trading in perlemoen is a legitimate commercial activity in the all consumer countries of East Asia. There is thus little basis in the domestic law of consumer countries for a collaborative anti-smuggling relationship. SAPS and DSO officials who have had extensive interaction with their counterparts in Hong Kong and mainland China report that enforcement authorities are extremely co-operative in regard to drug smuggling, reasonably co-operative in regard to counterfeit smuggling, but polite and reserved in regard to abalone smuggling. The only area of Chinese law that could conceivably be used to combat the perlemoen trade is customs and excise law; even here, South African law enforcement officials report that their counterparts are less than enthusiastic.

Yet if there is little basis in the domestic law of consumer countries for a co-operative relationship, there might, some argue, be a basis for co-operation in international instruments and agreements. In 2004, the organisation TRAFFIC published a paper urging the South African government to consider using provisions in the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) to leverage joint commitments from border control authorities in perlemoen consumer countries and in transit countries.<sup>32</sup> CITES is an international agreement between governments; its goal is to ensure that international trade in specimens of wild animals and plants does not threaten their survival. South Africa is a signatory, as are its neighbouring states through which perlemoen is transhipped, as is as China.

Endangered species are listed by CITES in three appendices. Appendix 1 offers the highest protection for a species under CITES and is reserved for species threatened with extinction. Commercial trade in Appendix 1 species is disallowed. Appendix II species are not necessarily threatened with extinction, but could be threatened by unrestricted trade. Commercial

trade in Appendix II species is thus allowable, but heavily restricted.<sup>33</sup>

TRAFFIC has recommended that South Africa explore the possibility of listing perlemoen under Appendix III, which contains species that are protected within at least one country, which has asked other CITES signatories to assist in controlling the trade. By listing perlemoen under Appendix III, South Africa could request its neighbouring states to disallow the export of perlemoen without a CITES export permit. Consumer countries, in turn, would be requested to prevent the importation of abalone consignments that do not have a CITES export permit.

Would listing perlemoen on a CITES appendix work? The answer is complicated and uncertain. For a start, identification of perlemoen by authorities in consumer countries would not be easy. Canned perlemoen may well have to be excluded from the listing because the only way to detect the product would be to destroy it. Illicit exporters who substituted a canning process for a drying process would thus skirt the CITES regulations.

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Live perlemoen might also have to be excluded from the listing. The South African abalone farming industry, which exports frequent, low volume shipments of live abalone, has expressed its reservations about a CITES listing, citing concerns over impractical administrative burdens associated with the CITES export permit system.

That leaves dried perlemoen, which is notoriously difficult to identify. Indeed, there have been South African court cases in which the prosecution has been forced to use DNA evidence to prove that the species the accused has poached is indeed perlemoen. It is not feasible to expect Chinese customs agents to have or to develop such expertise.

Indeed, detection at consumer country ports would depend on the development of a profiling system tailored to perlemoen, developed in tandem with South African enforcement authorities. Border control agencies in consumer countries would have to flag containers originating from sub-Saharan ports, familiarise themselves with perlemoen-specific methods of doctoring waybills and manifests, and so forth. In other words, perlemoen would have to join a long list of commodities which Chinese border control authorities routinely profile. The gap between a country formally agreeing to this, and a border control agency actually doing so with enthusiasm, can be a large one. A successful CITES listing would have to be preceded by a great deal of co-operative work between South Africa and consumer countries. South

African would have to get to know the border control environment of consumer countries extremely well, identify difficulties and pitfalls in the identification and profiling of abalone, and be in a position to offer substantive assistance.

## Conclusion

A controversial and not especially popular position that evolved in the South African enforcement environment in the late 1990s and early 2000s went something like this: The battle against abalone poaching was a lost cause from the beginning because poaching got a head start over enforcement. Enforcement was always going to be several steps behind. It suffered from having entered an environment in which the odds were stacked against it. Thus, the argument went, all money spent on enforcement is wasted money. Rather let the resource diminish, wait until the illicit industry has lost its institutional memory of abalone poaching – perhaps a decade – and then release cultured abalone back into the sea. That way, the argument continued, a viable strategy to keep the resource in the sea could be developed from before the start. The awful race against time in which the enforcement authorities found themselves in could be wished away.

It is a somewhat foolish position, not least because it assumes that abalone ranching can be planned and executed at will. As MCM's Rob Tarr explains:

International experience with stock enhancement has not been promising. Locally, no notable progress has been made, although a few pilot projects are underway which have shown success in some areas. There seems to be potential for establishing new populations of abalone in areas of coastline such as the northwest coast of South Africa, south of Port Nolloth... Trials have shown good growth rates and reasonable survival rates, but more research is required, in particular to identify what characteristics define a suitable release habitat.<sup>34</sup>

Should the battle against the illicit industry be lost, resulting in the commercial extinction of the species, it is not clear that the stock of wild abalone will ever be replenished. And if it is, its distribution along the coastline may be very different from its current distribution. Nonetheless, if all of these things do indeed come to pass – if the wild stock is lost and then replenished – South Africa will *de facto* be in a position to plan enforcement strategies *a priori* – before there is a resource to poach. Looking back at the 1990s and 2000s, what is there to learn?

It is obviously foolish to put all one's eggs into one basket, and to rely entirely on a single enforcement

strategy. Investigating organised crime, strengthening South African border control, using international instruments to draw transit and consumer countries into assisting us are all of importance. But if there is a single lesson to be learned from current experience, it is that the key to any enforcement strategy is to keep the resource in the water. In the 1990s and 2000s, the authorities had to evolve co-management and enforcement plans on the hoof, by trial and error, and against the clock. Co-management is notoriously difficult. Whether it would ever have worked is a moot point. But if state institutions can preserve the memory of the trials they have faced and the errors they have made and (recently) overcome, they will have much better shot at the goal the second time around.

## Notes

- 1 R Tarr, *Perlemoen: The South African Abalone*, <<http://www.environment.gov.za>>, 2003, viewed in January 2005.
- 2 T Hecht, *Behavioural thermoregulation of the abalone Haliotis Midiae and the implications for intensive culture*, in *Aquaculture* 126, 1994, pp 171-181; R Tarr, *Abalone*, in A Payne and R Crawford (eds) *Oceans of Life off Southern Africa*, Cape Town: Vlaeberg, 1989; A Willock, M Bergener and A Sancho *First Choice or Fallback? An examination of issues relating to the application of Appendix III of CITES to marine species*, TRAFFIC International, 2004.
- 3 R Tarr, *Perlemoen, the South African abalone*, op cit.
- 4 See, *inter alia*, M Hauck and NA Sweijd, *A case study of abalone poaching in South Africa and its impact on fisheries management*, in *ICES Journal of Marine Science* 56, 1999, pp 1024-1032; M Hauck, *Crime, conservation and community development: ecological criminology and the case study of abalone poaching*, Masters thesis, University of Cape Town, 1997.
- 5 R Tarr, *Perlemoen, the South African abalone*.
- 6 Author's interview with Marcel Kroese, deputy director of monitoring and surveillance, Marine and Coastal Management, January 2005.  
To make matters worse, South Africa's stock of wild abalone simultaneously came under threat from a natural predator. Baby abalone take shelter from predators under the spines of sea urchins, enabling them to survive in areas where there is little natural shelter. In the early 1990s, for reasons marine scientists have yet to determine, a large population of Cape rock lobsters moved into the inshore coastal region between Hermanus and Hangklip, virtually destroying the sea urchin population in the area, and thus depriving baby abalone of a primary source of protection. Scientists believe that illegal harvesting would have taken far longer to decimate the perlemoen population in the absence of the rock lobster migration. See R Tarr, *Perlemoen, the South African abalone*.
- 7 I say "wild" perlemoen because perlemoen farming



is growing apace. At the time of writing there are 11 perlemoen farms in South Africa, which, combined, are responsible for exporting more abalone than the wild harvest.

- 8 See <[www.reservebank.co.za](http://www.reservebank.co.za)>.
- 9 This information was gleaned from an interview with a law enforcement official. During the course of the research I interviewed people from several security agencies who had been involved in investigating the abalone trade: The SAPS Endangered Species Unit, the SAPS Organised Crime Unit, SAPS Crime Intelligence, the Justice Department's Directorate of Special Operations, the National Intelligence Agency and the South African Secret Service. Their names are not published because they prefer to remain anonymous.
- 10 Every law enforcement official interviewed for this study was asked to calculate prices and profit margins at every point in the value chain. Everybody offered different figures, leading to the inevitable conclusion that law enforcers simply do not know. One is thus left with the trite but undeniably correct statement that trading in contraband abalone is very lucrative!
- 11 P Gastrow, *Triad Societies and Chinese Organised Crime in South Africa*, Pretoria, Institute for Security Studies, Paper 48, 2001.
- 12 <[www.homeoffice.gov.uk](http://www.homeoffice.gov.uk)>.
- 13 J Roth, *The Radetzky March* trans. Joachim Neugroschel, New York, Overlook, 2002, p 192 (first published as *Radetzkymarsch*, Berlin, 1932).
- 14 T Leggett, *Rainbow Vice: the drugs and sex industries in the new South Africa*, London, Zed, 2001, p 36.
- 15 T Leggett, *Rainbow Vice*, op cit, p 36.
- 16 See, *inter alia*, *Tik case: focus on immigration*, 21/01/2005 at <[http://www.news24.com/News24/South\\_Africa/News/0,,2-7-1442\\_1650562,00.html](http://www.news24.com/News24/South_Africa/News/0,,2-7-1442_1650562,00.html)>.
- 17 P Gastrow, *Triad Societies and Chinese Organised Crime in South Africa*, op cit.
- 18 With the exception, in recent times, of cargo bound for the United States. Under the recently implemented Container Security Initiative (CSI), American border control officials risk-profile every US-bound cargo container at the point of origin. The CSI is a counter-terrorism initiative and aims to prevent the smuggling of nuclear, chemical and biological weapons. It has been operational at South African ports since mid-2004.
- 19 Willock et al, *First Choice or Fallback?*, op cit, p 30.
- 20 Author's interview with Angus MacKenzie, chief oceanographic technician, abalone research: inshore resources, Marine and Coastal Management, January 2005.
- 21 Author's interview with Gadija Tommy, Heideveld, Cape Town, 12 June 2003.
- 22 Author's interview with Hawston resident, 22 November 2002.
- 23 M Hauck, *Crime, conservation and community development*, op cit, p 112.
- 24 Ibid, pp 115-116.
- 25 Author's interview with Marcel Kroese, deputy director of monitoring and surveillance, Marine and Coastal Management, January 2005.
- 26 For the best account of this style of policing in South Africa see T Leggett, *The State of Crime and Policing*, in S Buhlungu, J Daniel, J Lutchman and R Southall (eds), *The State of the Nation: South Africa 2004/2005*, HSRC, Pretoria, 2004.
- 27 South African Police Service, *Annual Report, April 1 2000 to March 31 2001*, Pretoria, p 47.
- 28 Peter Ip Pau Fuk, *Organised Crime in Hong Kong*, Speech presented to a seminar on *Organised Crime in the 21st Century* at the Centre for Criminology, University of Hong Kong, 26 June 1999.
- 29 Ibid.
- 30 <[www.aph.gov.au/senate/committe/nca\\_ctte/ncaac2.htm](http://www.aph.gov.au/senate/committe/nca_ctte/ncaac2.htm)>
- 31 Ko-lin Chin *Chinatown Gangs*, Oxford, Oxford University Press, 1996, p 123.
- 32 Willock et al, *First Choice or Fallback?*, op cit.
- 33 See <<http://www.cites.org/eng/disc/how.shtml>>.
- 34 R Tarr *Perlemoen*, 2003, op cit, p 68.



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## About this paper

In the first 20 years following the introduction of a quota on abalone harvesting in 1970, poaching existed but was contained. This changed dramatically in the early 1990s. Within a couple of years, the illicit perlemoen trade had become a highly organised, multimillion-dollar industry, controlled by street gangs on the shoreline and by transnational enterprises on the trade routes to East Asia. As a result of this binge of illegal harvesting, South Africa's stock of wild perlemoen today stands on the brink of extinction. This paper explores why the illicit abalone trade took off so dramatically in the 1990s and chronicles the attempts of various enforcement agencies to contain it. We evaluate which measures may have worked, which may still work, and which were doomed from the start.

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Jonny Steinberg is a freelance journalist and researcher. His work in the fields of crime and criminal justice includes two books, *Midlands* (2002) and *The Number* (2004), an edited collection of essays, *Crime Wave* (2001), and several monographs and papers. He has worked as a senior consultant at the Centre for the Study of Violence and Reconciliation in Johannesburg, and as a senior writer at Business Day. He has an MA in political studies from the University of the Witwatersrand and a doctorate in politics from Oxford University.

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