

HIGHLIGHTS OF THE ESCALATING PHENOMENON OF ORGANIZED CRIME IN THE CURRENT ECONOMIC CRISIS

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Abstract: The history of mankind as a whole has proven that every time they appear and show major economic crisis, global exponential stage for development appear to various phenomena of crime, of poverty amid ancestral human population and the evil inclinations the detriment of his neighbor, for selfish economic advancement. And, as civilization develops, the same is climbing forms of the criminal manifestation of human potential. In the current economic crisis, organized crime knows a replay practices during the '30s economic crash, accompanied by absorption of "benefits" to the current technical discovery. In Romania, there is clearly upward trend in the field of organized crime, human trafficking, macro-economic and financial crime, cyber crime and drug trafficking.

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1. INTRODUCTION

Overall, organized crime, in the context of extended crossing a transition to a market economy, coupled with the impact of uncertainties caused by the current economic crisis, experiencing a steady upward trend, the number of their members, the nature of crime, social and economic damage results and impacts public awareness is high impact.

„Crime is growing unprecedented, and by new forms of expression, by nature more organized, and increased internationalization obvious danger constitutes a threat to human communities, democratic institutions and even states”¹.

According to art. 2 of Law no. 39/2003 on preventing and combating organized crime, organized criminal group is “structured group of three or more persons, existing for some time and act in a coordinated manner in order to commit one or more serious crimes to get direct or indirect financial benefit or other material benefit, not organized

¹ Ion Pitulescu - Third World War. Organized crime, National Publishing House, Bucharest, 1996, p. 151

criminal group occasionally made for immediate commission of one or more crimes and has no continuity or structure fixed or predetermined roles for members within the group”².

According to the same article, the serious offense is "offense that is part of one of the following categories:

1. murder, aggravated murder, aggravated murder;
2. unlawful deprivation of liberty;
3. slavery;
4. blackmail;
5. crimes against property, which produced very serious consequences;
6. offenses relating to failure regime weapons and ammunition, explosives, nuclear materials or other radioactive materials;
7. counterfeiting or other values;
8. disclosure of economic secrets, unfair competition, breach of the provisions on import or export operations, embezzlement, breach of the provisions on the import of wastes and residues;
9. pimping;
10. gambling offenses;
11. drug trafficking offense or precursors;
12. crimes of trafficking and crimes related to trafficking in persons;
13. smuggling;
14. money laundering;
15. corruption offenses, offenses assimilated and offenses directly related to corruption offenses;
16. smuggling;
17. fraudulent bankruptcy;
18. crimes committed through computer systems and networks and communications;
19. trafficking of human organs and tissue;
20. any other offense for which the law provides for imprisonment, a special maximum of at least 5 years. "

Also transnational offenses are defined as "any offense, as appropriate:

1. is committed on the territory of a state and outside its territory;
2. is committed in the territory of a State, but preparation, planning, management or control takes place, in whole or in part, in another;
3. is committed in the territory of a Member of an organized criminal group engaged in criminal activities in two or more states;
4. is committed in the territory of a State, but the outcome occurs in another state. "

2. ORGANISED CRIME IN ROMANIA AND THE NATIONAL ECONOMY

According to statistics recorded in 2010, the Organized Crime Division, following specific activities by police officers specialized in the fight against organized crime, prosecutors supervised by the Directorate for Investigating Organized Crime and Terrorism, may be extracted the following figures in respect of a financial impact:

² Law no. 39 of 21 January 2003 on preventing and combating organized crime, Official Gazette no. 50 of January 29, 2003

	CFTSB	CCI	Antidrugs	CTP	Total
Euros	1.349.683	294.542	219.617	119.145	1.982.987
US dollars	2.236.046	118.836	15.250	102	2.370.234
Gold (kg)	7	-	-	7	14
Silver (kg)	88	-	-	-	88
Buildings	44	14	10	58	126
Cars	100	31	65	63	259
Hard disks	-	1.189	-	-	1.189
Cash flow from operations of illicit	833.790.000	27.330.000	70.170.000	1.499.000	932.789.000
Value of other assets	68.495.000	12.160.000	18.644.000	194.000	99.493.000

Also, when specific activities have been organized criminal groups destructured 284, arranged as:

	CFTSB	CCI	Antidrugs	CTP	Total
groups broken	69	59	92	64	284
people	525	528	572	499	2124
arrested	218	267	271	226	982
foreigners	42	2	18	26	88

Estimated total value of all goods identified and raised to confiscation, in 2010, from organized crime groups, that, in 2010, in Romania, 284 organized criminal groups, consisting of 2124 people have defrauded the state with damage estimated at about 1,070,000,000 lei, or about 253 million euros, representing 0.20% of GDP.

Observation can be shared and four major levels of illegal activity carried out by organized crime in Romania:

- 69 organized criminal groups, consisting of 525 people specialized in economic fraud in the field of organized crime, have defrauded the state with estimated damage at about 923 million lei.

- 59 organized criminal groups, consisting of 528 people specialized in computer crimes, have defrauded the state with about 45 million damage estimated at RON

- 92 organized criminal groups, consisting of 572 people specialized in drug trafficking, have defrauded the state with about 91 million damage estimated at RON.

- 64 organized criminal groups, consisting of 499 people specialized in trafficking have defrauded the state with about 11 million damage estimated at RON.

It should be noted that these figures represent the value of the goods tested, following the issuing indictments by prosecutors and the prosecution of perpetrators.

Taking into account that is considered to be successful and prove criminal activity to collapse about 5% of the damage caused by organized crime, we can appreciate the true value of economic involvement of organized crime networks in Romania is somewhere in the neighborhood of 5,000,000,000 euros, or about 5% of PID, which is very much in an economy in full transition, strong ground gaps generated by the current financial crisis.

Prior to classify, but the four categories of crimes, should be borne in mind that, for example, cybercrime is a new field of ongoing illicit activities with high criminal potential, which is rising, macro-economic crime financial, by embedding them in money laundering, has direct interconnection with all forms of manifestation of organized crime offenses in the field, just as between all other types.

Do not overlook the fact that there is, in addition to specialized members of organized crime, a growing interest in establishing relations between various groups, especially those manifested in growing and development planning.

Therefore, for a proper study of the economic impact of organized crime generally supposed to review all its forms of manifestation, in the context of their interconnection and interdependence.

2.1. HUMAN TRAFFICKING

Regarding human trafficking, providing premises Balkan position stuttering approach to macro-economic measures by the legislative machine, able to increase the persuasive possibilities of members of organized crime networks that recruit more people under the promise of providing well-paid jobs in western Europe, which ultimately exploit them sexually and black labor, taking over their entire savings then.

Romanian society was born, so financial boosted characters, type "Ghenosul" adversely affecting the economy and national consciousness.

Although January 1, 2007 marked a milestone in Romania's accession to the bloc, internationalization human trafficking, rapid adaptation to varying conditions of offenders economically and socially, have resulted in limits to maintain relatively close to previous years the number of trafficking offenses committed.

Romania retained after accession to the European Union strongly character source country of trafficking, human trafficking continues to include all forms of forced labor, slavery and servitude in all industries and in agriculture.

Labor market discrimination revealed by high rates of unemployment (labor market women are last hired and first fired, thus being pushed increasingly to unconventional sectors of the economy must work "black" to earn a living, one of the most profitable sectors of the labor market "black" the sex industry), combined with poverty motivated by poor pay and work opportunities to emigrate emigration led to consideration of more developed countries, as the only solution.

2.2. COMPUTER FRAUD

In general, there was a decrease in approaching this radical type of crime from members of organized crime groups. If in previous years a phenomenon known special scale, with time and the emergence of an increasing number of IT specialists, organized crime with concerns such as computer fraud had a recycling criminal inclinations, from simple computer fraud, with gains small to large counterfeit credit card fraud, which involves the use of "brain" local, consisting of young members recruited and trained in electronics and IT, leading to much greater financial gain.

Members of organized crime groups with concerns in committing such crimes come from young people with talents in the surfing on the Internet, and communication skills and application of persuasive techniques.

Easy access to work with computer technology in the network moved the areas of business premises of the old crime of Internet cafes in most locations, especially at motels rooms rented by the day, until they cover areas in parks mobile communication networks to the Internet.

2.3. COUNTERFEIT CREDIT CARD FRAUD

It manifest constant specialization and concentration of criminal efforts to conserve, specialization and full use of their youth members with real talent in the criminal field, leading to financial gains fabulous, in a very short and difficult to prove.

Moreover, Romania is known internationally as a small nursery professionals involved in this phenomenon, which is growing constantly evolving and extremely harmful to the financial systems used in macro-economic level in all states.

This has long been intuited and exploited by the major organized crime groups, drawing their lines on almost all major criminal offenders with skills in committing such frauds.

For the next period, given that, from a technical standpoint, it is difficult to conceive and implement new ways to secure macro means of electronic payment and ATM, credit card fraud phenomenon is expected to be counterfeit a steady upward trend clearly.

Due to the complexity of the specific features of this type of crime committed, you can not set a precise map of this phenomenon crime rate. However, it is obvious that they are concentrated in urban areas.

In the last period of time, given the ease of movement of persons within the Community and not only, the committing of such crimes exceeded the boundaries of traditional physical and virtual, most groups with a transnational character.

2.4. DRUG TRAFFICKING

"Civilizations that go to large-scale drug consumption inevitably lose their spirit, are destroyed. When the spirit of a people was destroyed, it is almost impossible to cure him, "warned former U.S. president Richard Nixon, as if anticipating the American drama, which, although it represents only 2% of world population, consume 60% of drug products around the globe.

Helmut Kohl, surprised and annoyed by the fact that in Germany broke up drugs in prison, having invaded the towns and places of entertainment, and more than 100,000 people have become dependent on high-risk drug use, exclaimed: "is a huge challenge to all democratic societies!"

In another world, which seemed completely free from the relentless danger, no less concerned, admitted in the spring of 2003, Prime Minister of Romania, Adrian Nastase, that "it is time that this issue be a priority of Romania together, because drug hit her Romanian society to the point most sensitive and most important for the future - young people".

Given the deepening economic crisis, there was much cheaper alternative type of product Spice, decreasing thus implicitly consumption and trafficking of synthetic drugs.

The first data and information about trafficking and consumption of Spice type were collected in 2008 and from February 2009 were identified and monitored all stores of this kind of activity.

Generic names "ethnobotanical plants" and "soft drugs" are trade names manipulative in order to induce their positive perceptions of the society. In reality, the effects of these substances are equivalent or similar drugs risk and high risk drugs produce hallucinogenic states, addiction and attacks the central nervous system effects are irreversible.

Originally appeared sale sites online promoting the suggestive packaged herbal blends, which were engraved with leaves of cannabis, illegal satisfaction guaranteeing a legal framework.

They were subsequently identified "dream stores" like this, come ready packaged products and mixtures already achieved in countries such as England, Germany, Holland, Italy and China, especially among adolescents.

Immediately after the introduction of new substances identified under control most of the "dream store" was closed as a result of actions organized under the coordination of the Romanian Police, which were later reopened and offered for sale other types of synthetic chemicals with the same effect.

At the same time, there are still on-line stores, owned by people who usually deals with the distribution of these products.

Advertisements and product names are manipulative, inciting to consume even if explicit mention is made that these products are not intended for human consumption.

Usually, these sites are hosted on servers outside the country, to hinder their identification fields that are created are different and IPs are changed periodically.

Orders for products can be made online or by phone and deliveries by courier companies, mail or even by different people, whether applications are in the same city.

2.5. MACRO-ECONOMIC AND FINANCIAL CRIME

The biggest impact on the national economy it is undoubtedly damage caused by committing crimes in the sphere of economic and financial serious crime. Legislative background characterized by abundant, incoherent, inconsistent, full of exceptions, is very much favoritism and loopholes exploited by individuals recruited and controlled by large groups of organized crime.

Criminogenic phenomena such as usury, fee protection money extortion, illegal reimbursement of VAT, avoiding payment of taxes, smuggling of tobacco products or counterfeit products are part of daily reality of economic life in today's society, more tried endless transition to a market economy, an economic crisis that never-ending and the imminence of another, which configures the global macro-economic horizon.

Small producers are asphyxiated by an order to pay more and more taxes, the middle stratum is increasingly thin, while organized crime networks, stuck deep in the underground economy, increasingly prosperous.

Moreover, it appears paradoxical situation in which the great underworld leaders become models for the younger generation and fashionable appearances monopolizes the media.

"Smuggling and tax evasion types of crime are best developed in Romania. Bands were identified with the activities in which the writers have their default roles, pursuing huge profits and power by violence, fraud and corruption.

Smuggling and tax evasion is maintaining and growing economy, is attracted in such illicit activities of political personalities, government and civil servants from different areas, decision makers"³.

³ Adrian Iacob, Victor Constantin Draghici - Police cooperation between states in organized crime, Sitech Publishing House, Craiova, 2009, p. 25

2.6. MONEY LAUNDERING

All offenders, whether human trafficking, drug trafficking, smuggling or fraud of electronic financial systems, are interested to recycle money from criminal activities, to distort their origins, or to divert the route investigations taking place on offenders and thus, their property confiscated.

„Inevitably, any major illegal action, which seeks maximum gains and continuity of operations undertaken, will reach the critical point when they will try to integrate it into the banking circuit. Hence the special interest of organized crime manifests to ensure control over the financial and banking institutions, especially at the level of their decision”⁴.

Whoever appeals to money laundering system, the operational principles are essentially the same, and the overall aim is the reintegration of money in legal economic cycle.

Money laundering should be seen as a dynamic process in three stages, which requires first movement of funds from direct association with the crime, then hiding all to prevent prosecution, after which the availability of money to the offender again, this time with hidden origin.

These are the three classic stages of money laundering, namely placement, layering and integration.

As a common feature in money laundering techniques, it is important to remember that all those who made money laundering concern in achieving their schemes:

- Discretion, transactions seem normal, not to draw attention
- Speed - fast moving income to not be detected;
- Complexity - making it difficult to trace money
- Secrecy - sending earnings in places where law enforcement bodies are not able to follow easily.

As long, however, persists and manifests economic and financial crisis persists and manifests the same degree inclination various state officials to corruption, organized crime indispensable needs the money laundering and recycling product of crime.

3. CONCLUSIONS

Organized crime, eventually, an amount of facts with a great degree of social danger, not needy people never commit, are in desperate poverty, but rather the perpetrators are rich people, powerful, ruthless and without prejudice.

Rarely motives of such actions is to achieve real and immediate value, because, usually, those who organize and lead large-scale commission of crimes aimed at the conquest of power and positions in a particular community they belong to, because then, under this power and position, to come profits.

The phenomenon of organized crime for too long already manifested globally, affecting all types of manifestation of people's everyday reality, and hence the fundamental relations of society in general.

Setting the percentage interference on macro-economic organized crime, along with understanding the mechanisms of its functioning, leading to more efficient prevention and fight against the phenomenon.

⁴ Costica Voicu - Money laundering dirty, Sylvi Publishing, Bucharest, 1999, p. 31

In parallel with the establishment of economic damage to the manifestation of organized crime, the costs incurred in preventing and combating conducive to cost-benefit, therefore, to determine the effectiveness of law enforcement institutions engage effectively in reducing the negative effects the scourge.

Metering and monitoring of illicit wealth built on a permanent foundation organized crime in general allows the company to reconsider the position of this scourge, leading to the identification of solutions, future plans and strategies for effective control.

It goes without saying that all this can be done effectively only in so far as intention is permanent cooperation between all institutions, national and international bodies and organizations that can put shoulder to minimize the propensity of human nature transcendental to commit illegal acts, whether spontaneous or planned, homogeneous or inhomogeneous.

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