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THE NEGATIVE EFFECTS OF ORGANIZED CRIME  
IN THE CROSS-BORDER CONTEXT

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**Summary**

*This article examines the harmful consequences of organised crime on the sustainable development of contemporary society. Organised crime is the most dangerous form of criminal activity facing mankind. These negative consequences most often consist of disrupting economic activity, causing imminent dangers to public security, also in terms of committing terrorist acts, influencing political decisions by distorting democratic processes, etc. The aim of the authors is to raise awareness among readers and specialists in the field in order to make prevention and counteraction of this social scourge more effective.*

*Keywords: crime, organised crime, criminal organisations, transnational context, prevention, combating, etc.*

**Introduction.** The multiple political, economic, social and cultural transformations that have accompanied and continue to accompany the beginning of this millennium have radically metamorphosed the phenomenon of crime [1, p. 11]. Organised crime has various definitions. Recently it has been defined as “illegal activities carried out by groups or networks acting together, engaging in violence, corruption or related activities in order to obtain, directly or indirectly, a financial or material benefit” [2].

Transnational organised crime occurs when these activities, or these groups or networks, operate in two or more countries. Transnational organised crime can take many forms and is constantly evolving. The groups and networks involved are fluid and the channels for trafficking one product are often used for others. Some of the typical activities carried out by transnational criminal organisations are trafficking in people, arms, drugs, minerals and wildlife; production and sale of counterfeit goods; fraud and extortion; money laundering and cybercrime.

Globalisation, digitisation and other technological developments are further changing the nature of illicit markets and the modi operandi of transnational organised crime, including recently the emerging use of cryptocurrencies that makes illicit financial flows harder to trace.

Every year, countless lives are lost as a result of organised crime. Drug-related health problems and violence, gun-related deaths, unscrupulous methods and reasons of human traffickers and migrant smugglers are all part of this situation.

Transnational organised crime is not stagnating, but is an ever-changing industry, adapting to international markets and creating new forms of crime. And in short, it is an illicit business that transcends cultural, social, linguistic and geographical boundaries and knows no borders or rules.

**Discussions and results obtained.** Transnational organised crime covers practically all serious criminal activities of an international nature, motivated by profit, involving more than one country.

It threatens peace and human security, leads to human rights violations and undermines the economic, social, cultural, political and civil development of societies worldwide. The high amounts of money involved can undermine legitimate economies and have a direct impact on governance, such as corruption and 'buying' elections.

While transnational organised crime is a global threat, its effects are felt locally. When organised crime becomes entrenched, it can destabilise entire countries and regions, in effect undermining development assistance in those areas. Organised crime groups can also collaborate with local criminals, thus leading to an increasing incidence of corruption, extortion and violence, as well as a range of other more sophisticated crimes at local level. Violent groups can also turn central cities into dangerous areas and endanger the lives of citizens.

Organised crime affects people in both developing and developed countries. Money is laundered through banking systems. People become victims of identity theft.

In many developed countries, criminal groups traffic women for sexual exploitation and children for forced begging, robbery and pickpocketing. Car theft is also an organised business, as well as vehicles stolen on demand and taken abroad.

Fraudulent drugs and food enter the licit market and not only defraud the public, but can endanger their lives and health. In addition, the trade in counterfeit goods deprives countries of tax revenue. This can also have an impact on legitimate businesses when illegally produced goods replace sales of original products, which in turn affects employers' incomes.

Organised crime contributes to increased public spending on security and police and undermines human rights itself. Profits from most crime are generated in the form of cash, which poses a risk to criminals. Being difficult to hide, cash increases the likelihood of exposure, theft by rival criminals and confiscation by police. When cash enters the legal economy, it is particularly vulnerable to identification and law enforcement intervention. Criminals therefore act to prevent cash from attracting suspicion. For example, they may move it abroad, use it to buy other assets, or try to introduce it into the legal economy through businesses with high cash turnover. As an integral part of transnational organised crime, it is estimated that around 70% of illicit profits are probably laundered through the financial system. However, less than 1% of these laundered profits are intercepted and confiscated.

Combating a global phenomenon such as transnational organised crime requires partnerships at all levels. Governments, businesses, civil society, international organisations and people from all over the world have a role to play.

**Transnational organised crime has a significant impact on global public goods.** Global public goods are for the benefit of all countries and all citizens of the world; no one can be excluded from their benefit and they cannot be adequately provided by a state acting alone. Clean air, biodiversity and healthy oceans are prime examples of global public goods. Recent years have demonstrated all too clearly how seemingly local environmental problems such as deforestation and plastic pollution can have transboundary or global ramifications, and the same applies in other areas.

The transnational dimension of a large part of organised crime helps it to evade law enforcement, which is mainly set up to operate within national borders. Transnational crime actors systematically exploit jurisdictional gaps and differences in law enforcement approaches and capabilities in different countries. Successfully combating transnational organised crime therefore requires international cooperation.

Transnational organised crime represents a significant barrier for progress on global public goods.

**Global public health also suffers from organised crime.** Transnational organised crime

can have a negative impact on global public health through the widespread and growing production and trafficking of counterfeit medicines. This problem particularly affects low- and middle-income countries, where, according to the World Health Organization [3], an estimated one in ten medical products is either substandard or counterfeit. In 2015, the prevalence was estimated to be up to 70% in parts of Africa and Asia. The trade in counterfeit medicines often has a transnational element, as medicines are manufactured in one country (China, India and Singapore being the main source countries) and then distributed to many others and introduced into legitimate medicines supply chains worldwide.

Counterfeit medicines can be ineffective in treating the targeted disease and, at worst, can seriously harm or kill those who take them. The WHO estimates that more than 1 million deaths a year worldwide are caused by substandard or falsified medicines, with the highest number of cases (200 000) occurring in Africa [4].

Counterfeit antibiotics are the main type of counterfeit medicines and have been directly linked to the rise in acquired bacterial resistance to antibiotics, including the global increase in drug-resistant tuberculosis.

**Global economy resistant to transnational crime.** Financial integrity and the fight against tax evasion are essential in this regard. Transnational organised crime directly affects states' public financing capacities and can hamper economic development through tax evasion and illicit financial flows [5].

This is particularly dangerous for developing countries because it deprives state treasuries of much-needed finance for investment in public goods such as health, education and infrastructure. Transnational organised crime can also undermine a country's economic stability by draining currency reserves and affecting asset prices. Money laundering involves a wide range of financial, legal and commercial actors who deliberately help criminals to turn the profits of crime into assets that cannot be traced back to the original crime and channel illicit funds into the legal economy. According to the International Monetary Fund, illicit financial flows involve the cross-border movement of money whose source, transfer or use is illegal. These flows can have consequences for local markets and companies [6].

For example, in several advanced economies, illicit financial flows have distorted housing markets, such as in Germany and the UK, exacerbating housing problems for local residents. As the Panama Papers and subsequent Pandora Papers leaks have shown, a vast global "offshore" economy operates in parallel with the legal international economy, with around 10% of the world's wealth hidden in offshore financial assets by many of the world's wealthiest and most powerful individuals and entities, including former heads of state, heads of government and public officials, as well as members of the business elite [7].

**The influence of organised crime on the environment.** Transnational organised crime has also undermined environmental conservation and sustainable management of natural resources. Organised environmental crime is a broad area ranging from illegal logging, illegal extraction of natural resources and trade in protected species to the storage of banned chemicals and waste. While the immediate impact is often localised, with devastating effects on communities and ecosystems, the consequences can also be global. For example, organised environmental crime appears to be a major driver of deforestation in Central and South America, damaging biodiversity and releasing large amounts of carbon that contribute to global climate change [8].

Another example is the illicit production and smuggling of synthetic refrigerants, hydrofluorocarbons (HFCs), which undermine the achievements of the Montreal Protocol [9] in reducing the production and use of ozone-depleting substances. HFCs are considered "super pollutants" because they can be hundreds or thousands of times more potent than carbon dioxide in contributing to climate change per unit mass. There has been significant smuggling of HFC refrigerants in Europe, an unintended consequence of the gradual reduction in HFC production, skyrocketing

prices and the low risk of serious penalties for smuggling.

Organised environmental crime has grown rapidly as a result of being highly profitable but presenting low risk. For example, a study conducted on a small sample of 27 cases of illegal dumping of waste and toxic materials found that they generated between \$175,000 and \$58 million in revenue. The lack of consensus on what constitutes organised environmental crime, countries' different approaches to criminalisation and enforcement, and criminals' "forum seeking" have allowed many to evade legal liability.

**Peace and international security.** Organised crime undermines international peace and security by supporting violence and armed conflict. The illicit arms trade ranks as the third largest illicit market worldwide. The illicit flow of arms escalates conflicts and increases the risk of conflict and facilitates violent crimes and other organised criminal activities [10].

In conflict zones, non-state armed groups engage in illicit markets as a means of support, including through illicit extraction and trade in natural resources and various forms of smuggling. However, the involvement of non-state armed groups in transnational criminal markets is often overshadowed by the role of state actors, highlighting the close links between transnational organised crime, political power and public institutions, as well as corruption in many parts of the world.

Annual victims' rates caused by organised crime often far exceed by far those caused by armed conflict. Violence linked to organised crime affects several countries in Central and South America in particular. The corrosive transnational effects of organised crime-related violence are increasingly visible in Central and South America as destabilisation and violence spread to some of the region's smaller, previously peaceful countries.

The challenge the international community now faces is how to address transnational organised crime as an obstacle to development and, at the international level, how to prevent it from undermining global public goods.

**Multilateral responses to transnational organised crime.** The 2000 UN Convention against Transnational Organized Crime (UNTOC) [11] is the main legal instrument to combat transnational organized crime and sets legislative standards for states. The UNTOC and its protocols are currently under review by member states. The UN Office on Drugs and Crime (UNODC) is the secretariat for UNTOC and other major international legal instruments to combat transnational organised crime, including the 2003 UN Convention against Corruption. The UNODC's two governing bodies are the UN Commission on Crime Prevention and Criminal Justice and the Commission on Narcotic Drugs. Both have mandates that include issues related to transnational organised crime [10].

The International Criminal Police Organization (INTERPOL), an intergovernmental organization, provides support for national law enforcement efforts against organized crime, including transnational organized crime. Within the European Union (EU), EUROPOL conducts crime and terrorism analysis and supports the law enforcement efforts of Member States, as well as cooperation with partner states outside the EU and international organisations.

Unfortunately, multilateral efforts to develop collective responses to transnational organised crime have been weak and fragmented, and the current cooperation regime has been described by the Global Initiative against Transnational Organised Crime as ineffective and outdated. A 2019 Global Initiative Report concludes that 79 of the 102 UN entities, bodies and agencies have mandates that address a particular dimension of organised crime, while several other multilateral organisations are also engaged in efforts to combat the problem and have a different vision. Despite the UN's wide coverage, the report says, it does not have a coherent strategy on combating transnational organised crime and instead adopts a fragmented approach.

The UNTOC has struggled to remain relevant in a context of rapid adaptation to change of criminal groups and a lack of enthusiasm expressed by member states for using the convention as a basis for cooperation. Some powerful states prefer informal and unilateral solutions to deal

with transnational organised crime to the use of complex and slow-moving formal international channels; however, these approaches often lack oversight and challenge the rule of law and human rights.

The institutions directly responsible for preventing and combating this phenomenon must take into account technical and scientific aspects, forensic characteristics of organised criminal groups, geographical location, ethnic and linguistic links and other specific aspects in order to elucidate the causes and conditions that generate the emergence and consolidation of organised crime on the territory of the Republic of Moldova [12].

**Conclusions.** Some aspects that would be essential in the fight against organised crime include:

*Coordination:* an integrated international action is crucial to identify, investigate and prosecute the individuals and groups behind these crimes.

*Education and awareness-raising:* ordinary citizens should learn more about organised crime and how it affects everyday life. Voice your concerns to policy-makers and politicians so that this truly global threat is considered by politicians as a top priority among major public concerns. Consumers also have a key role to play: know what you are buying, do it ethically and make sure you are not fuelling organised crime.

*Information and technology:* criminal justice systems and conventional law enforcement methods are often ineffective against powerful criminal networks. Better information methods need to be developed through the establishment of more specialised law enforcement units, which should be equipped with the latest technology.

*Assistance:* Developing countries need assistance to strengthen their capacity to counter these threats. One important instrument that can help with this is the United Nations Convention against Transnational Organised Crime, which has been ratified by 170 parties and provides a universal legal framework to help identify, deter and dismantle organised criminal groups.

*Reinvigorating multilateralism against transnational crime.* The response to transnational organised crime and corruption should be taken into account in the process of reinvigorating multilateralism. There are two key tasks for strengthening multilateral responses to transnational organised crime. First, efforts should be made to develop a more comprehensive understanding of how transnational organised crime and corruption undermine essential global public goods. Second, the political will must be created to work through effective instruments of international cooperation.

In addition, a common response and strategy to combat transnational organised crime in conflict prevention, peace operations and consolidation must be addressed in the “New Agenda for Peace” [13], a UN report that, as promised by Guterres, will respond to profound changes in the global environment and establish mechanisms and collective responses to traditional and emerging threats to peace and security. A more holistic vision and approach is needed that goes beyond purely criminal responses and addresses the development, human rights and security implications of transnational organised crime and corruption for some of the world’s most vulnerable populations.

The Moldovan authorities, with the support of international organisations, have been working to address these challenges. However, the effectiveness of these measures has fallen short of expectations and combating organised crime often requires a comprehensive approach that includes legal reforms, law enforcement cooperation and international collaboration.

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