
Index

Index prepared by the publisher

- Abadie, A. 80, 82, 89
Abrahamse, A. 128
accountability
 drugs seizure losses and transit profits 199
 principle, good governance perspective 373
 public sector reporting, trends in 284–5
Addink, Henk 368–78
Addison, T. 300, 310
administrative law concept
 good governance perspective 371–3
 information role, Financial Intelligence Units (FIUs) 465–6
advocates, legal privilege *see* legal privilege
 versus reporting duty for lawyers, EU
Afghan Taliban, drug production as finance source 85
Agarwal, J. and A. 129, 185
Akerlof, G. 462
Argentiero, Amedeo 184, 207–23
Argentina
 criminal justice system criticism 389–90
 Tax Information Exchange Agreements 305
Arnone, M. 41
asset recovery, effectiveness of 452–7
attorneys, legal privilege *see* legal privilege
 versus reporting duty for lawyers, EU
Australia
 anti-money laundering regulation impact 477–8
 AUSTRAC (Financial Intelligence Unit) 160, 165
 criminals' spending behavior 39
 estimated net income to drug retailers 228–9
Austria
 anti-money laundering policy 149–50
 bank customer due diligence and know-your-customer (KYC) policy 153–4
 bank staff awareness and training 151, 153
 bank transaction monitoring 154–5
 banking account manager, importance of role 153
 banks, implementation of provisions 152–5
 banks' risk analysis 152
 credit institutions, organizational design 152–3
 EU directive on money laundering 150
 failure to report suspicious transactions, penalties for 153
 Financial Action Task Force (FATF) membership 150
 Financial Market Authority (FMA) 150, 151–2, 153
 GDP and criminal revenue estimates 453
 home country laundering 27
 institutional involvement 150–52
 legal framework 150
 Oesterreichische Nationalbank (OeNB) 151–2
 risk assessment of anti-money laundering regulation 149
 savings deposits, anonymous 149
 tax fraud as predicate offense of money laundering 149
Bagella, Michele 184, 207–23
Baker, Raymond W. 38, 39–40, 45, 46, 169, 172–3, 190–93
Bank for International Settlements data, problems with use of 192–3
banking
 bank account identification 457–8
 new banking regulations on money moved out of Switzerland, impact of, trade-based money laundering and tax evasion, US 259–60
 Muslim *Hawala* banking system 86, 382, 387
 regulatory costs 357
 reporting levels 404–5
 secrecy regulations 456
Barone, R. 48, 208
Bartlett, B 35–8, 39, 40, 42, 45, 46
BCCI (Bank for Commerce and Credit International) 225, 379
Becker, G. 22, 48, 63–4, 399, 486
Bedi, R. 326
Belgium
 Financial Intelligence Unit (FIU) 471
 Ordre des Barreaux case 429–30, 431
Biggins, John 321–31
Blankenburg, E. 417
Braithwaite, J. 24, 26, 330, 402
Brazil
 criminal justice system criticism 390
 Operation Deluge 253
Brettli, Jakob 95–109

- Buehn, Andreas 172–89, 293–320
 Busato, Francesco 184, 207–23
- Camden Asset Recovery Inter Agency Network (CARIN) 455–6, 457–8, 460–61
 Camdessus, M. 40, 45, 46, 159, 214
 cash economy, measurement of tax gap from tax administrative perspective 283–92
 cash economy overview 285–6
 direct or micro-approaches 287
 enforcement activities, resources needed for 290
 gross and net tax gap, distinction between 288, 290
 indirect or macro-approaches 287
 methodological concerns 290–91
 model approaches 287
 public sector accountability reporting, trends in 284–5
 published tax gap estimates by tax administrations 288–91
 random audit programmes, use of 288–91
 risk assessment approach, need for 291
 tax administration role 283–5
 tax evasion as predicate crime, incidence of 283
 tax gap measurement 287–8
 tax laws, subjective elements and interpretations 289–90
- Cash Transaction Reports (CTRs) 23, 406, 407, 408, 409, 476
- Colombia
 criminal justice system criticism 389
 drug-related crime 132
- cooperation
 and human rights 393–5
 international, need for 454
 measures between countries, and economic crimes 394
 and mutual legal assistance 475
 private sector, Netherlands 24
- cost-benefit analysis
 EU studies 478–82
 risk-based approach to anti-money laundering and counter-terrorist financing 356–8
 victimless crimes 65
- Costanzo, Paolo 349–67
- Crain, N. and W. 82
- credit institutions 152–3, 458
- crime
 conviction rates 413–15
 crime-producing countries 131–4, 135, 136, 139
 crime–terrorism nexus 85–7
 criminal exploitation and speculation, distinction between 269
 criminal investment cases, real estate sector 269
 criminalization of drugs 59, 64, 66
 criminological analysis, real estate sector 276–7
 transnational, and financial flows *see* MIMIC method, and financial flows of transnational crime
 victimless *see* victimless crimes
- crime effects, macroeconomic approach 47–56
 anti-money-laundering regulations, effects of 55–6
 cost of money-laundering services 49–51, 52–3, 54–6
 demand for money-laundering services 49, 50–51
 dynamic model 52–6
 investment of laundered liquidity 50, 51
 investment in legal sector 51–2, 53–4
 legitimate business structures, use of 53
 money laundering definition 48–9
 reinvestment in criminal markets 50, 51–6
 specialist money launderers, use of 49–50
- crime-money and financial conduct 232–50
 behavioral approach 232–3
 cash export 238
 crime-money, savings and rainy day provision 241
 crime-money uses 233–4
 data accuracy problems 234–6, 244–5
 disguise of ownership 238
 false justification and drug entrepreneurs 239
 financial industry threat 245–7
 financial reports with an asset seizure lists, use of 235
 functional aspects 238–9
 justification and sophistication methods 238–9
 licit underworld, investment in 235–6
 ‘million-plus’ (guilder) crime-entrepreneurs 236–9
 money laundering definition, problems with 233
 off-shore banking 246–7
 property ownership 242–5
 property ownership, acquisition dates 244–5
 property ownership concentration 243–4
 ‘real’ laundering 235
 recovery of proceeds from crime 234
 spending and management of crime-money 234–9
 underworld activities 239–42

- Crombag, H. 59, 63
 ‘crying wolf’ problem 405, 414, 415
 customer due diligence (CDD) obligations
 358–9, 364, 369–70, 374–5
- Dalla Pellegrina, L. 24, 400, 412, 413, 418, 419
- data
 access, financial *see* financial data access by
 law enforcement agencies
 overload *see* rule- and risk-based policies,
 comparison of, and data overload
 sources, problems with 361, 362
- Dawe, Stephen 110–26
- Deleanu, Ioana 462–73
- derivatives, money laundering through 321–31
 central clearing counterparties (CCPs)
 323–4, 327
 contracts for differences (CfDs) 326–7
 derivatives overview 322–5
 emerging derivatives markets (EDMs) 325,
 327, 328
 exchange-traded 321, 323, 324, 325–6
 forwards 321, 323
 G16 dealers 324
 market actors 324
 mirror trading 325–6
 money laundering stages 325–7
 offsetting positions 326
 offshore front companies 326
 online spread betting 326
 option transactions 322
 over-the-counter (OTC) 321, 323, 324, 325,
 326, 327–8
 participatory notes (PNotes) 327
 regulatory reform progress 321, 323, 327–8
 size of derivatives markets 324–5
 swaps 322–3, 326
 Trade Repositories (TRs) 324
- Dominican Republic 224–5
- drugs
 BrettI–Usov Threat Index, measurement of
 money laundering threat, EU 96,
 99–101, 109
 control goals 225–6
 crime money laundering threat indexes
 (EU27) 100
 industry, countries involved in 132–3, 134,
 135, 137
 legalization, effects on education levels 64–5
 production and trafficking as terrorism
 finance source 85, 87
 sales and fraud, assessment problems
 227–9
 social cost and criminalization of drugs
 crimes 59, 63–6
 trafficking, global financial structure 191,
 192
 trafficking, global regulation 20–21, 24–5,
 27, 28
 trafficking, MIMIC method, and financial
 flows of transnational crime 174
 drugs and drug money, UN efforts to trace
 major routes 194–206
 average drug consumption per user, lack of
 data on 203–4
 cannabis data, problems with 202
 cocaine, estimates for laundering out of 203,
 204
 cocaine flows 197–202, 203, 204
 cocaine production, limited area 195–6
 cocaine-related gross profits 200, 201
 demand-based approach 199, 203
 detection rates 205
 estimation of major routes 195–6
 financial flows, estimation of 196–205
 international drug control, history of 194–5
 model design 200–201
 price and purity data, lack of 204
 proportion of money laundered out of drug
 proceeds 205
 proportions available for entering the
 financial system, estimation of 199–200
 seizure losses, accounting for 199
 sources and destinations data 202–3
 supply-based approach 198–9
 transit profits, accounting for 199
 US cocaine market, analysis of 199, 200
- dynamic macroeconomics for estimating
 money laundering 207–23
 decentralized economy solution 211–13
 firm classes and commodities 210–11,
 213–14
 Hodrick-Prescott (HP) filtered series 208,
 214, 218
 household first order conditions 211–12
 households and labor supply 208–10, 213,
 214
 legal firm first order conditions 212
 money laundering measurement 207–8,
 212–13, 215–18
 money laundering as percentage of global
 GDP 207, 218–21
 numerical results and policy implications
 214–21
 results overview 208
 theory and time series combination as
 alternative measurement methodology
 208–14
 transaction costs represented by registration
 costs 214

- two-sector dynamic general equilibrium model 222
- e-gaming, money laundering and risk
 - assessment, Europe 332–45
 - Card-Not-Present (online) payment card fraud 330
 - charge-backs 337
 - combating efforts 340–42
 - e-gaming risks 333–6
 - E-money Directive 340
 - front people, use of 337–8
 - legality issues 336
 - Money-Laundering Through the Football Sector* (FATF) 338–9
 - multiple identity bans 338
 - paying via other financial intermediaries 338
 - peer-to-peer games and deliberate losses 338
 - prepaid value cards 336, 340
 - reimbursement of gains to different cards, scale of 337
 - risks and threats 332–40
 - terrorism financing 334–5
 - unlicensed e-gaming 336
- economic analysis
 - evaluation of anti-money laundering policies 482–3
 - state toleration of money laundering 140–41
 - terrorism destabilization 81
 - terrorism, economic constraints 79
 - victimless crimes 60–63
- economic crimes, criminal justice system and money laundering 379–96
 - Argentina, criminal justice system criticism 389–90
 - asset tracing 391–2
 - Basel Committee on Banking supervision 383
 - BCCI bank case, US 225, 379
 - Colombia, criminal justice system criticism 389
 - cooperation measures between countries 394
 - crime and crime assets 382
 - criminal procedure 391–3
 - criminalization of money laundering 390–91
 - FATF Recommendations 387–90
 - Financial Intelligence Unit (FIU) regulation and power 388–9
 - financial investigation 391–2, 394–5
 - G20 involvement 384, 385
 - GAFISUD report, Latin America, regional criminal concepts of money laundering 381–2, 389–90
 - human rights and cooperation 393–5
 - information access issues 394
 - insurance companies 381
 - international treaties 383–4, 387–90
 - lawyers, security screening of 394
 - legal capacity issue 380
 - legal privilege concerns 388–9
 - lottery prizes 381–2
 - MONEYVAL (EU) 144, 358, 389, 464, 475
 - Muslim *Hawala* banking system 86, 382, 387
 - non-governmental, non-profit organizations of humanitarian character 382, 385, 387
 - overview 379–82
 - Palermo Convention against Transnational Organized Crime 392, 393
 - Portillo case, Guatemala 380
 - Roldán case, Spain 380
 - seizure and burden of proof 393–4
 - seizure and confiscation 382, 392
 - self-laundering 390
 - Slavenburg bank case, Netherlands 379–80
 - special investigation techniques 392–3
 - suspicious transactions, definition problems 388
 - terrorist association as criminal offense 393
 - UN Convention against Transnational Organized Crime 386
 - UN International Convention for the Suppression of the Financing of Terrorism 384–5
 - UN Security Council terrorism sanctions 385–6
 - Vienna International Convention on Drug Trafficking 24, 25, 383–4
 - Wachovia Bank case, US 380–81
- effectiveness
 - asset recovery 452–7
 - and efficiency levels 407, 420
 - enforcement *see* money laundering process and effective enforcement
 - evaluation, risk-based approach 356–8, 362–3, 364
 - global regulation 25–9
 - law enforcement 456–9
 - money laundering process *see* money laundering process and effective enforcement
 - principle, good governance perspective 373, 374
- effects of money laundering 35–46
 - anti-money laundering policy, effectiveness of 41
 - capital inflows/outflows, higher 39–40
 - credit availability and FDI 40
 - crime increase 41
 - drugs money saving banks 40
 - economic growth 42

- financial sector effects 40
- law enforcement agencies and criminal convictions 38
- literature overview 35–42
- statistical distortion on consumption and spending 38–9
- unfair competition and artificial price increases 39
- efficiency assessment
 - risk-based approach 356–8
 - rule- and risk-based policies, comparison of 407, 420
 - victimless crimes 61–2
- Egmont Group 25, 166
- Egypt, Islamic Jihad honey shops 84
- enforcement
 - activities, resources needed for 290
 - effective *see* money laundering process and effective enforcement
 - effectiveness and legitimacy problems, global regulation 25–9
- Enste, D. 180, 227, 286
- estimates of volume of money laundering, assessment of 224–31
 - crime control objectives 225
 - drug control goals 225–6
 - estimates, evaluation of 227–30
 - expert knowledge, doubts over 229–30
 - fraud and drug sales, assessment problems 227–9
- integrity of core financial system, protection as goal 225
- marginality of volume measures 224–5
- money laundering control goals 225–7
- money laundering, differing definitions 226
- predicate crimes taxonomy 226–7
- terrorism funding sources 225
- EU
 - beneficial ownership transparency 479–80
 - blue-collar crime money laundering threat indexes (EU27) 101
 - cash declarations 28
 - Charter of Fundamental Rights 372
 - cost-benefit analysis studies 478–82
 - Council of Europe, criminalization of money laundering 369, 384
 - drug crime money laundering threat indexes (EU27) 100
 - dynamic macroeconomics for estimating money laundering *see* dynamic macroeconomics for estimating money laundering
 - e-gaming *see* e-gaming, money laundering and risk assessment, Europe
 - EPPO (European Public Prosecutor's Office) proposal 467
 - freezing orders Framework Decision 454
 - good governance perspective *see* good governance perspective, prevention of money laundering and terrorist financing
 - legal privilege *see* legal privilege versus reporting duty for lawyers
 - liquid resources regulation 438
 - measurement of money laundering threat *see* measurement of money laundering threat, EU
 - Money Laundering Directive, first (91/308/EEG) 27, 407, 430, 432
 - Money Laundering Directive, second (2001/97/EG) 27–8, 407
 - Money Laundering Directive, third (2005/60/EG) 28, 127, 139, 144, 150, 160, 356–7, 360, 371, 407, 426, 428–30, 443, 463–4, 476, 479–82
 - money laundering threat indexes (EU27) 98–9
 - MONEYVAL (Council of Europe Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism) 144, 358, 389, 464, 475
 - Primarolo Report 297
 - reporting systems 28
 - risk-based approach to anti-money laundering *see* risk-based approach to anti-money laundering and counter-terrorist financing
 - SWIFT agreement with US 457–8
 - tax haven definition 297, 298, 299, 300, 301
- European Court of Human Rights (ECtHR)
 - Campbell v. England* 427–8
 - legal privilege protection 427–8
- European Court of Justice (ECJ)
 - Akzo Nobel* case 427
 - AM&S* case 427
 - legal privilege protection 427, 428
 - Ordre des Barreaux (Belgium)* case 429–30
 - reporting obligation and right to fair trial 370
- evaluation of anti-money laundering policies 474–85
 - beneficial ownership and control information, accessing 478–82
 - Cash Transaction Reports (CTRs) 23, 406, 407, 408, 409, 476
 - economics of crime and money laundering 482–3
 - EU-wide cost-benefit analysis studies 478–82

- freezing orders 476–7
- investigation phase 476
- judicial phase 476–7
- mutual legal assistance and cooperation 475
- new assessment methodologies and cost-benefit studies 477–82
- postponement orders 476
- reporting/intelligence phase 476
- seizures and confiscations 475, 476–7
- suspicious transaction reports (STRs) 475, 476
- traditional assessment methodologies and output indicators 474–7
- transparency, need for more 478–9

- fair trial right 370, 427, 429–30
- Ferwerda, Joras 9, 11, 15, 26, 35–46, 169, 233, 242, 245, 268–82, 370, 486–7
- Financial Action Task Force (FATF) 19, 24, 384
 - blacklisting of countries 26–7
 - contracts for differences (CFDs) 326–7
 - countries' compliance 25–6, 150
 - direct hierarchical compliance 26
 - Forty Recommendations 24–5, 41, 78, 160, 369, 370, 385, 387–90, 407, 428–9, 463–4, 467, 474–5, 478–9, 483
 - Global Money Laundering and Terrorist Financing Threat Assessment* 360
 - Grey List 127, 384
 - Misuse of Corporate Vehicles, Trusts and Company Service Providers* 433
 - money laundering stages 437
 - Money-Laundering Through the Football Sector* 338–9
 - Narcotics Money Laundering* report 160
 - Non-Cooperative Country and (or) Territory (NCCT) 26, 127
 - preventive-administrative obligations 387–8
 - self-laundering 390
 - Special Recommendations on Terrorist Finance 25, 78
 - statistical information gathered 475
 - Strategic Surveillance Initiative 359–60, 363, 364
 - Trade-Based Money Laundering Report 253–4
- financial data access by law enforcement agencies 452–61
 - acquisitive nature of crimes 453
 - asset recovery, effectiveness of 452–5
 - Asset Recovery Offices (AROs), access to 456–7
 - authorisation procedures 456–7
 - bank account identification 457–8
 - banking secrecy regulations 456
 - Camden Asset Recovery Inter Agency Network (CARIN) 455–6, 457–8, 460–61
 - credit reference agencies, use of 458
 - disclosure provisions 457
 - Financial Intelligence Units (FIUs), access to 456–7
 - international cooperation, need for 454
 - law enforcement effectiveness 456–9
 - money trails, following 453–4
 - Mutual Legal Assistance (MLA) requests for access 454–5
 - national registers, use of 455
 - processing of financial data and response times 458–9
 - research scope 455–6
 - SWIFT agreement between US and EU 457–8
- financial flows *see* drugs and drug money, UN efforts to trace major routes; MIMIC method, and financial flows of transnational crime
- Financial Intelligence Units (FIUs)
 - access to 456–7
 - information role *see* information role, Financial Intelligence Units (FIUs)
 - Netherlands 407, 409, 413, 471
 - reporting obligation 370
 - US 383, 388
- financial market integrity and small states *see* Austria, as example of role of small states for financial market integrity
- financial products, derivatives *see* derivatives, money laundering through
- financial structure, global *see* global financial structure facilitating money laundering, scale of
- financing, terrorism *see* terrorism financing and money laundering risk assessment
- fraud
 - 'bottom up' approach 70
 - bribes and false accounting 70
 - cheque fraud 71, 72, 73
 - costs of 68–77
 - and drug sales, assessment problems 227–9
 - fraud definition 68–9
 - fraud losses (transfer costs) 69, 71
 - identity fraud 71, 72
 - legal control effects 74
 - measurement of 69–74
 - measurement of money laundering threat, EU 97
 - mortgage fraud 73

- motor frauds 71, 72
- non-volume frauds, measurement problems 73
- online banking fraud 71, 73
- organised fraudsters 73
- payment card fraud 71, 72
- rogue trading 72
- social security fraud 71, 72, 74
- tax avoidance 72–3
- ‘top down’ approach 70
- trends in fraud 70–75
- freezing orders 454, 476–7
- Frey, B. 88, 89, 207
- GAFISUD report, Latin America 381–2, 389–90
- gambling,
 - access *see* derivatives, money laundering through; e-gaming, money laundering and risk assessment, Europe
 - measurement of money laundering threat, EU 97
- global financial structure facilitating money laundering, scale of 190–93
 - abusive transfer pricing 191, 193
 - anonymous trust funds 191
 - consequences of 191–2
 - cross-border illicit money types 190
 - drugs trafficking 191, 192
 - foreign aid depletion 191–2
 - future research 193
 - global shadow financial system, interrelated parts 190–91
 - market capitalizations and stockholdings, analysis of 193
 - offshore secrecy jurisdictions 191
 - shadow financial system 190–91, 192, 193
 - terrorism 192
- global money laundering measurement, and Walker Gravity Model 159–71
 - assumptions of 164
 - capacity to provide money laundering services 168
 - common culture and reduced transaction costs 163, 166
 - DYMIMIC (dynamic multiple-indicators multiple causes) model, problems with 161
 - estimates of money laundering from model 165
 - excess shadow economy measurement and proceeds of crime 166–8
 - foreign crime proceeds flowing into country 165–6
 - future challenges 169–70
 - global flows of illicit finance, estimates of 169
 - international trade theory, lessons learned from 163–5
 - measurement methods 160–61
 - proxy variables as measurement 161
 - revisions 165–6
 - robustness of model 166–8
 - surveys of experts and law enforcement agents, problems with use of 160–61
 - ‘suspicious transactions’ focus, problems with 160
 - triangulation with Baker’s findings 169
 - Walker Model overview 161–3
- global regulation 19–32
 - blacklisting of countries 26–7
 - countries’ compliance, instruments to reach 25–7
 - direct effects of laundering, lack of 20
 - drug trafficking 20–21, 24–5, 27, 28
 - effectiveness 27–8
 - enforcement, effectiveness and legitimacy problems 25–9
 - human rights 28
 - international standard setting 25
 - legitimacy problems 28–9
 - political economy of money laundering 21–3
 - politically exposed persons (PEPs) 27
 - private interest in lobbying, lack of 22
 - private and public organizations, distinction between 29
 - public interest theory of regulation and US interests 22–3
 - regulatory responses 23–5
 - reporting system 23–4, 28
 - risk-based approach 23–4
 - smurfing 23
 - tax evasion 27
 - terrorism financing and money laundering, ambiguous relation between 20–21, 25
 - weaknesses 27
- Global Threat Assessment (FATF), risk-based approach to anti-money laundering and counter-terrorist financing 360
- globalisation
 - economic development and terrorism 82, 192
 - economic integration effects 134–7
 - see also* international trends
- Gnutzmann, H. 7, 45, 127, 130, 137, 138, 140, 141
- good governance perspective, prevention of money laundering and terrorist financing 368–78
 - accountability principle 373

- administrative law concept 371–3
- constitutional principles 372
- customer due diligence measures 369–70, 374–5
- effectiveness principle 373, 374
- effectiveness and protection of fundamental rights, tensions between 374
- Financial Intelligence Unit (FIU) reporting obligation 370
- human rights principle 373
- legal framework 369
- legal professional privilege and reporting obligation 370
- participation principle 373
- policy enforcement requirements 371
- private sector role 374–5
- proper administration principle 372–3
- record keeping obligation 371
- risk-based approach and customer due diligence measures, tensions between 374–5
- tensions in preventive policy 374–5
- transparency principle 373
- twin-track approach, current 368
- Groot, Loek 57–67
- Guatemala
 - crime-producing country 131
 - Portillo money laundering case 380
- Hawala* banking system 86, 382, 387
- Helliwell, J. 163
- Huelsse, R. 24, 26, 27
- human rights
 - European Court *see* European Court of Human Rights (ECtHR)
 - global regulation 28
 - good governance perspective 373
- Huntington, S. 22
- Hutter, B. 24, 402
- IMF 27, 28
 - Offshore Financial Centers (OFCs), tax haven definition 299, 300, 301
- information
 - access issues, criminal justice system 394
 - gathering and effective enforcement 441
 - tax havens and exchange of information criterion 300, 304, 305–6, 308
- information role 462–73
 - administrative model 465–6
 - collaborative filtering 468–71
 - expert panel – the optimal recommender system 471
 - financial or criminal information, importance priority 464–5, 469–70
 - financial intelligence gathering, importance of 464–8
 - Financial Intelligence Units (FIUs) 464–5
 - intelligence gathering and balance of power shifting 462–3
 - judicial type 466–7, 468
 - law enforcement authorities (LEAs) 464, 467, 470, 471
 - law enforcement model 466, 467
 - optimal filter 470–71
 - Reporting Entities (REs) 464, 466
 - theoretical background 468–9
- international trade theory, lessons learned from 163–5
- international treaties 383–4, 387–90
- international trends
 - co-operation, need for 454
 - drug control, history of 194–5
 - standard setting and global regulation 25
 - terrorism and political factors 80
 - trade mispricing *see* trade-based money laundering and tax evasion, US
 - transnational crime, financial flows *see* MIMIC method, and financial flows of transnational crime
- Iran, Lebanon-based Hezbollah financial aid 84
- Ireland, Provisional IRA private finance 85
- Israel, terrorism, economic effect 82
- Italy
 - dynamic macroeconomics for estimating money laundering *see* dynamic macroeconomics for estimating money laundering
 - home country laundering, exclusion of 27
- judicial phase, evaluation of anti-money laundering policies 476–7
- judicial type, Financial Intelligence Units (FIUs) 466–7, 468
- Kleemans, E. 234, 269, 449, 450
- Krieger, Tim 78–91
- Kurdistan, PKK private finance 85
- Latin America, regional criminal concepts of money laundering (GAFISUD report) 381–2, 389–90
- Latvia 224–5
- law enforcement authorities (LEAs)
 - financial data access *see* financial data access by law enforcement agencies
 - information role 464, 467, 470, 471
 - surveys, problems with use of 160–61
- lawyers, security screening of 394

- legal capacity issue, economic crimes, criminal justice system and money laundering 380
- legal definition, tax havens, lack of, Netherlands 296
- legal and illegal monies, distinction between values of 128
- legal institutions, comparison of 416–17
- legal privilege
 - concerns, economic crimes 388–9
 - and reporting obligation 370
- legal privilege versus reporting duty for lawyers, EU 426–34
 - applicable exemptions 429
 - confidential relationship 426, 427–8
 - ECJ and the ECtHR protection 427–8, 429–30
 - and EU Anti-Money Laundering Directive 426, 428–30
 - fair trial right 427, 429–30
 - and FATF, Recommendations 22 and 23 428–9
 - Ordre des Barreaux (Belgium)* case 429–30, 431
 - overview 426–7
 - soft law 428
 - suspicious transactions 426, 429, 430
 - terrorist financing 426–7
- Levi, Michael 28, 38, 45, 46, 68–77, 160, 232, 332–45, 368, 376, 412, 453
- Liechtenstein, 143–7
 - anti-money laundering regulation 144, 145–6
 - Due Diligence Law 144, 146
 - EU Anti Money Laundering Directive 144
 - financial centers, attractiveness of small states as 145
 - Market Abuse Act 146
 - MONEYVAL membership 144
 - overview 143–4
 - taxation and small states 147
 - wealth preservation strategy of small states 145–6
- Luxembourg, anti-money laundering regulation impact 477
- McCarthy, Killian J. 7, 127–42
 - macroeconomic approach
 - crime effects *see* crime effects, macroeconomic approach
 - money laundering estimation *see* dynamic macroeconomics for estimating money laundering
- Masciandaro, Donato 20, 24, 46, 47–56, 113, 159, 186, 187, 208, 400, 412, 413, 418, 419
- measurement of money laundering threat, EU 95–109
 - BrettI–Usov Threat Index 95–8
 - bribery and corruption 96–7
 - fraud 97
 - gambling 97
 - gravity model/formula (Walker) 95, 105–6
 - identification and classification of threat variables 96–7
 - people smuggling 97
 - scores and weights to threat variables, assigning 97–8, 99
 - tax evasion 97
- Meierrieks, Daniel 78–91
- Meloan, J. 39, 160, 246, 247, 269, 450
- Mexico, crime-producing country 131
- Michael von und zu Liechtenstein, Prince 143–7
- Mihalijek, D. 325
- Mill, J.S. 5, 20, 35, 58–9, 60, 61, 62, 64, 66
- MIMIC method, and financial flows of transnational crime 172–89
 - benchmarking procedure problem 180–81
 - crime types and their proceeds 174
 - DYMIMIC (dynamic multiple-indicators multiple causes) model, problems with 161
 - global flows from illicit activities 173–4
 - indicators and causes 177–8
 - latent variable meaning, problems with 180
 - limitations 179–81
 - Maximum Likelihood (ML) function 179
 - model benefits 175–7, 179–81
 - out-of-country illicit financial flows 173–4
 - overview 175
 - top 20 destinations of laundered money 183–4
 - transnational crime organizations, estimating financial flows 175–85
 - transnational crime proceeds 172–4
 - unstable coefficients’ problem 180
 - Walker gravity model 185
- money laundering
 - definitions 48–9, 144, 226, 381, 436–7
 - origins of term 3, 19
- money laundering process and effective enforcement 435–51
 - Air Holland case study 444–6
 - alternative four stages concept 439–41
 - information gathering 441
 - integration phase 439
 - investment phase 441, 442, 445, 447–8
 - justification phase 439–41, 445, 447–8
 - knowledge and understanding, need for 443–4

- layering phase 438–9, 445, 447–8
- Paarlberg case study 446–8
- placement phase 438, 445, 447–8
- risk-based approach, move to 443
- three stages concept 435, 437–9
- three-stage model, consequences of applying incorrect 441–4
- tracking capital acquisition 441–2
- typologies and characteristics of money laundering 442–3
- MONEYVAL (EU) 144, 358, 389, 464, 475
- Mühl, Burkhard 452–61
- Muslim *Hawala* banking system 86, 382, 387
- Myanmar, Non-Cooperative Country and (or) Territory (NCCT) 26
- Nelen, H. 268–9, 270, 272, 273, 275, 453
- Netherlands
 - Air Holland case study 444–6
 - corporate income tax (Wet Vpb 1969) 302
 - crime-money and financial conduct *see* crime-money and financial conduct
 - criminals' spending behavior 39
 - domestic and foreign corporations, differing treatments as criterion 300
 - domestic and foreign corporations and participation exemption rules 302
 - drug trafficking 28
 - and EU Money Laundering Directives 407, 408
 - Financial Intelligence Unit (FIU) 407, 409, 413, 471
 - Identification for Financial Services Act 407
 - information exchange criterion, need for 300, 304, 305–6, 308
 - money laundering, incidence of 160, 165–6
 - no substance criterion 300
 - overview 293–5
 - Paarlberg case study 446–8
 - Penal Code 407, 444–6
 - political response 293, 294
 - Prevention of Money Laundering and Terrorism Financing Act 407
 - private sector cooperation 24
 - real estate sector, detection of money laundering *see* real estate sector, detection of money laundering, Netherlands
 - reporting system 28
 - Reporting Unusual Transactions Act 407, 408, 414–15
 - rule- and risk-based policies, comparison of *see* rule- and risk-based policies, comparison of, and data overload
 - Slavenburg bank money laundering case 379–80
 - special investigative techniques 392
 - terrorist association as criminal offense 393
 - transaction thresholds for mandatory reporting 408–9
 - unusual transactions, indicator list 407, 408, 410–15
- Nigeria, crime-producing country 131
- notaries, legal privilege *see* legal privilege versus reporting duty for lawyers, EU
- Nowotny, Ewald 148–56
- OECD
 - definition of tax haven 296–7, 298, 300, 301, 318–20
 - four-stage money laundering model 433
- offshore companies
 - derivatives, money laundering through 326
 - Offshore Financial Centers (OFCs), IMF 299, 300, 301
 - secrecy jurisdictions 191
- Panama, crime-producing country 131
- Peru, crime-producing country 131
- Pietschmann, Thomas 194–206
- policy enforcement requirements
 - good governance perspective, prevention of money laundering and terrorist financing 371
 - see also* regulation
- policy evaluation
 - anti-money laundering policies *see* evaluation of anti-money laundering policies
 - recommendations, state toleration of money laundering 140
 - rule- and risk-based *see* rule- and risk-based policies, comparison of, and data overload
- political approach to tackle money laundering 140
- political corruption 132
- political credibility, need of, and terrorism 87
- political economy of money laundering 21–3
- politically exposed persons (PEPs) 27
- Portugal, Financial Intelligence Unit (FIU) 407, 409, 413, 471
- Posner, R. 5, 60–62, 63, 64, 401
- predicate crimes
 - global regulation 23, 27
 - tax evasion 283
 - tax fraud 149
 - taxonomy 226–7

- private interests
 - lobbying, lack of 22
 - private and public organizations, distinction between 29
 - private sector cooperation, Netherlands 24
 - private sector role, prevention of money laundering and terrorist financing 374–5
 - terrorism financing 84–5, 86–7, 374–5
- Proctor, C. 329
- property sector *see* real estate sector, detection of money laundering, Netherlands
- public sector accountability reporting, trends in 284–5
- Quirk, P. 38, 42, 45, 46, 232
- Rawlings, G. 7, 26, 45, 128, 138
- real estate sector, detection of money laundering, Netherlands 268–82
 - criminological analysis 276–7
 - foreign financier as indicator 272
 - future research 278–80
 - indicators 271–5
 - mortgage, lack of, as indicator 272–3, 279
 - outliers, identification of, and indicator-based approach 269–71
 - potential abuse 268–9
 - purchase amount and appraised value, differences as indicator 275, 279
 - real estate object is involved in multiple transactions, as indicator 274, 279
 - research method 269–71
 - statistical and econometrical analysis 277–8
 - transactions in high-risk urban areas as indicator 275, 279
- regulation
 - global *see* global regulation
 - loopholes, identification of 361–2
 - see also* policy enforcement requirements
- reporting duty versus legal privilege *see* legal privilege versus reporting duty for lawyers, EU
- Reuter, Peter 21, 27, 28, 38, 45, 72, 95, 96, 97, 99, 102, 107, 128, 129, 159, 187, 224–31, 232, 237, 334, 368, 376, 407, 422, 453
- Rice, E. 295, 296, 300, 315–17
- Rietrae, J. 376, 433
- risk assessment
 - American and Dutch reporting systems, comparison of 406–9
 - anti-money laundering regulation, Austria 149
 - anti-money laundering reporting performance comparison 409–14
 - banks' reporting levels 404–5
 - control industry, growth of 419–20
 - conviction rates 413–15
 - 'crying wolf' problem 405, 414, 415
 - and customer due diligence measures, tensions between 374–5
 - discretionary authority and legal uncertainty, early 401–2
 - double risk assessment 404
 - effectiveness and efficiency levels 407, 420
 - e-gaming *see* e-gaming, money laundering and risk assessment, Europe
 - global regulation 23–4
 - money laundering threat *see* measurement of money laundering threat, EU
 - move to, money laundering process and effective enforcement 443
 - need for, tax administrative perspective 291
 - terrorism financing *see* terrorism financing and money laundering risk assessment
- risk-based approach to anti-money laundering and counter-terrorist financing 349–67
 - adversarial legalism 416–17
 - appropriate behaviour, determination of 352–3
 - banks' regulatory costs 357
 - changeover transition 358
 - as complete set of rules 350
 - compliance issues 351, 355
 - compliance variance, acceptance of 353, 354, 355–6
 - cost-benefit analysis 356–8
 - customer due diligence (CDD) obligations 358–9, 364
 - data sources, problems with 361, 362
 - effectiveness evaluation 356–8, 362–3, 364
 - efficiency assessment 356–8
 - features of 350–56
 - Global Threat Assessment (FATF) 360
 - guidance, and compliance and control implications 353–6
 - HACCP (Hazard Analysis and Critical Control Point) methodology 402–3, 421
 - illicit money flows, assessment of dynamics of 361
 - incarceration rates 415
 - interpretation problems 352
 - judgement needed in 351–2
 - lack of variation in 351
 - legal institutions, comparison of 416–17
 - long-term historical trend and move to detailed rulings 401–2
 - micro and macro risk assessments 358–60
 - non-listed measures, use of 354
 - objectives, failure to meet 355

- over-reporting possibilities 407
 - overview 400
 - preventive measures, problems identifying
 - effectiveness of 362
 - principle-based regulation 420–21
 - recent developments 364
 - regulation comparisons 406–7
 - regulatory enforcement levels 416
 - regulatory loopholes, identification of
 - 361–2
 - reporting duties' comparison 408–9, 416–17
 - research methodology problems 363
 - risk estimation, actors involved 403–4
 - Risk-Based Auditing 402–3, 404
 - risk-based regulation, benefits of 402–3
 - risk-based regulation, move to 402–4
 - risks of risk-assessment 404–5
 - rules and sanctions, distinction between
 - 401
 - sanction levels 415, 416
 - 'soft' instruments, use of 353, 354
 - Strategic Surveillance Initiative (FATF)
 - 359–60, 363, 364
 - supervisory requirements for obliged
 - subjects 359
 - systemic risk factors 359, 360–62
 - tools for risk assessment 360–62
 - tort law 415–16
 - transaction thresholds for mandatory
 - reporting 408–9, 410
 - transactions, comparison of numbers
 - reported 409–12
 - transactions reported and quality of
 - information 412–13
 - transfer instruments, identification of 361
 - Schneider, Friedrich 21, 83, 129, 166–7,
 - 172–89, 227, 286, 326
 - seizure
 - and burden of proof 393–4
 - and confiscation, criminal justice system
 - 382, 392
 - and confiscation, policy evaluation 475,
 - 476–7
 - self-laundering 390
 - Seychelles 140
 - Anti Money Laundering Act 26
 - Economic Development Act (EDA) 26
 - shadow financial system 166–8, 190–91, 192,
 - 193
 - Sharman, J. 25, 26, 295
 - small states
 - and financial market integrity *see* Austria,
 - as example of role of small states for
 - financial market integrity
 - and money laundering *see* Liechtenstein, as
 - example of money laundering and small
 - states
- Spain
 - Basque Country, terrorism, economic effect
 - 82
 - Roldán money laundering case 380
 - specialist money launderers, use of 49–50
 - Sri Lanka, Tamil Tigers private finance 85
 - Stapleton, D. 187
 - state sponsorship, terrorism 84, 86
 - state toleration of money laundering 127–42
 - black-market businesses 131–2
 - crime and criminalisation costs 128
 - crime-producing countries 131–4, 135, 136,
 - 139
 - 'cui bono' concept 131–9
 - developed countries 134–8, 139, 140
 - drugs industry, countries involved in 132–3,
 - 134, 135, 137
 - economic approach to tackle 140–41
 - and foreign direct investment (FDI) flows
 - 130
 - globalisation and economic integration
 - effects 134–7
 - government regulation role 130–31
 - industry scale 129
 - irrepressibility of the money launderers 130
 - legal and illegal monies, distinction between
 - values of 128
 - legalistic approach to tackle 140
 - money launderers' reinvestment 130
 - money laundering effects and economic risk
 - 130
 - money laundering market 128–30
 - money laundering services, demand for 128
 - policy recommendations 140
 - political approach to tackle 140
 - political corruption 132
 - small states 137–8, 139, 140
 - toleration paradox 131
 - 'trickle down economics' 132
 - Stessens, G. 368, 370, 371, 449
 - Stiglitz, J. 22, 329
 - Stouten, Maaïke 426–34
 - Sullivan, M. 296, 309, 315–17
 - Suspicious Activity Reports (SARs)
 - UK 73
 - US 23, 406–7, 408, 409, 410–13, 414
 - suspicious transactions
 - definition problems 388
 - evaluation of 475, 476
 - failure to report, penalties for, Austria 153
 - focus, problems with 160
 - indicator list, Netherlands 407, 408, 410–15

- legal privilege versus reporting duty for lawyers, EU 426, 429, 430
- Liechtenstein 146
- Sweden, published tax gap estimates 288, 289
- SWIFT agreement, EU and US 457–8
- Switzerland, Money Laundering Act (MLA) 259–60
- Takats, E. 23, 24, 45, 128, 186, 400, 405, 406, 407, 412, 413, 415, 417, 418, 419
- Taliban, drug trafficking 21
- Tanzi, V. 38, 40, 42, 45, 46, 207, 232, 245, 286
- Tavares, J. 80, 82, 477
- tax and taxation
 - avoidance, costs of 72–3
 - EU definition of tax haven 297, 298, 300
 - fraud as predicate offense 149
 - gap measurement *see* cash economy, measurement of tax gap from tax administrative perspective
 - Liechtenstein 147
 - OECD definition of tax haven 296–7, 298, 300, 301, 306, 318–20
 - owner is unknown to tax administration, as indicator, real estate sector 274, 279
 - ‘pure’ tax havens’ definition 298
 - reputation test for tax havens 300–301
 - Stichting Onderzoek Multinationale Ondernemingen (SOMO) definition 298–9, 301, 318–20
 - Tax Justice Network (TJN) definition 298, 300, 301, 306, 318–20
 - tax policies for corporations 302–3
 - tax rate criterion 300, 303
 - tax treaties 303
 - transparency criterion 300, 303–4, 305, 307–8
 - US Congressional Research Service (CRS) definition 299
 - US Governmental Accountability Office (GAO) definition 299, 300, 301, 318–20
 - US Internal Revenue Service (IRS) definition 299, 300, 301
 - withholding taxes on dividend, interest and royalties 303
- tax evasion
 - global regulation 27
 - measurement of money laundering threat, EU 97
 - trade-based money laundering *see* trade-based money laundering and tax evasion, US
 - victimless crimes 57
- tax haven
 - definitions 294–302, 318–20
- Tedds, L. 180
- terrorism 78–91
 - anti-money laundering regulation 86–7
 - Brettl–Usov Threat Index, EU 96, 97, 103–5, 109
 - causes 79–81
 - costs 81–3
 - counter-terrorism measures 78, 79, 81
 - crime–terrorism nexus 85–7
 - demographic factors 80–81
 - future research 89
 - Hawala* banking system 86, 382, 387
 - international trade transaction costs, increase in 82
 - origin perspective 80
 - political credibility, need of 87
 - prosecution implications 86–7
 - self-radicalization and ‘home-grown’ terrorism 80
 - September 11 78, 83, 85, 86, 88–9
 - socio-economic and politico-institutional conditions, comparison of 79–80, 81, 87
 - terrorist association as criminal offense 393
 - USS Cole* bombing 83
- terrorism financing
 - counter-terrorist financing *see* risk-based approach to anti-money laundering and counter-terrorist financing
 - direction of financial flows 78–9, 87
 - drug production and trafficking as finance source 85, 87
 - and e-gaming 334–5
 - economic constraints 79
 - economic destabilization 81
 - funding sources, estimates of 225
 - and global economic development 82, 192
 - legal privilege versus reporting duty for lawyers, EU 426–7
 - and money laundering, ambiguous relation between 20–21, 25
 - and national economic development 82
 - and national economic diversification 83
 - private financing by unlawful means 85, 86–7
 - private financing sources, legitimate 84–5, 86
 - sources and money laundering 83–6
 - Special Recommendations on Terrorist Finance, Financial Action Task Force (FATF) 25, 78
 - state sponsorship 84, 86
 - and sub-national economic development 82–3
 - trade-based money laundering and tax evasion, US 254–5, 259–61

- terrorism financing and money laundering risk assessment 110–26
 - factor and module scores, aggregation to derive proxy assessment 122
 - key risk events, analysis modules for analyzing 116
 - money laundering and financing of terrorism processes 111
 - national risk, deriving and assessing 123–4
 - net risk 112
 - perpetrator not sanctioned adequately 115
 - proxy indicator of likelihood of substantial money laundering or successful terrorism financing 115
 - risk assessment keys, threat, vulnerability and consequences 111–13, 114
 - risk events 117–21
 - risk management application 113–15
 - risk-scoring system 113–14
 - scoring factors 116–22
 - successful consequences, deriving proxies for 122–3
- Thomas, J. 180, 207
- Thony, J.-F. 86–7, 464
- threat measurement *see* measurement of money laundering threat, EU
- Tilleman, André 426–34
- trade-based money laundering and tax evasion, US 253–67
 - character-based analysis 261–2
 - country average price vs. world average price 256
 - Country Risk Index 262–3
 - database 255–6
 - FFIEC Bank Secrecy Act Anti-Money Laundering Examination Manual 254, 260–61, 264
 - Financial Action Task Force (FATF), Trade-Based Money Laundering Report 253–4
 - International Price Profiling System (IPPS) 264–5
 - International Price Profiling System (IPPS), application of 265–6
 - money moved out of and into the US 259
 - new banking regulations on money moved out of Switzerland, impact of 259–60
 - overview 254–5
 - Product Risk Index 263
 - research methodologies 256–9
 - statistical analysis of inter-quartile price range, application of 259–60
 - terrorist financing 254–5, 259–61
 - trade financing 260–66
 - Transfer Pricing Regulation (US IRS) 257, 262
 - transnational crime, financial flows *see* MIMIC method, and financial flows of transnational crime
 - transparency
 - criterion, Netherlands as tax haven 300, 303–4, 305, 307–8
 - need for more, evaluation of anti-money laundering policies 478–9
 - principle, good governance perspective 373
 - Transparency International 29
 - Tromp, Lotte 293–320
 - Truman, E. 27, 28, 95, 96, 97, 99, 102, 107, 128, 159, 187, 225, 226, 237, 407, 422

UK

 - CIFAS (fraud prevention) 69, 72, 74
 - Code for Crown Prosecutors and reasonable prospect of conviction 71
 - Fraud Act, England and Wales 68–9
 - fraud costs, measurement of 69–70
 - Internet fraud rise 340
 - mass-marketing frauds 73
 - National Fraud Authority and fraud losses 71, 72–3, 74
 - payment card expenditure on gaming 335, 340
 - payment cards and Chip and PIN 72
 - principle-based regulation 420–21
 - published tax gap estimates 288, 290
 - Regulatory Impact Assessment 477
 - Suspicious Activity Reports (SARs) 73
 - Threat Assessment on Organised Crime 452
 - VAT carousel fraud 72–3

UN

 - Convention against Transnational Organized Crime 386
 - drugs, tracing major routes *see* drugs and drug money, UN efforts to trace major routes
 - International Convention for the Suppression of the Financing of Terrorism 384–5
 - Palermo Convention against Transnational Organized Crime 392, 393
 - Security Council Resolution 1373 78
 - Security Council terrorism sanctions 385–6
 - Vienna International Convention on Drug Trafficking 24, 25, 383–4

Unger, Brigitte xv, 3–16, 19–32, 37, 38, 39, 40, 43, 45, 64, 113, 128, 129, 130, 132, 138, 159–71, 175, 176, 183, 184, 185, 186, 187, 233, 242, 245, 248, 268–82, 367, 374, 399–425, 436–7, 450

US

- adversarial legalism 416–17
- Annunzio-Wylie Money Laundering Act 23, 406
- Association of Certified Fraud Examiners 69
- Banking Secrecy Act 23, 406
- BCCI bank money laundering case 225, 379
- capital inflows/outflows, higher 39–40
- Cash Transaction Reports (CTRs) 23, 406, 407, 408, 409, 476
- civil penalty lawsuits 23
- Congressional Research Service (CRS) tax haven definition 299
- Currency Transaction Report (CTR) 23, 406, 407, 408, 409
- drugs trafficking 38
- dynamic macroeconomics for estimating money laundering *see* dynamic macroeconomics for estimating money laundering
- FFIEC Bank Secrecy Act Anti-Money Laundering Examination Manual 254, 260–61, 264
- Financial Intelligence Unit (FIU) reporting 383, 388
- Foreign Account Tax Compliance Act (FATCA) 147
- fraud and drug sales, assessment problems 227–8
- Governmental Accountability Office (GAO) 410
- Governmental Accountability Office (GAO) tax haven definition 299, 300, 301, 318–20
- Internal Revenue Service (IRS) tax haven definition 299, 300, 301
- Money Laundering Control Act 23, 38, 406, 437
- Money Laundering and Financial Crimes Strategy Act 23
- money laundering stages concept 437–8
- Money Laundering Suppression Act 23, 406
- National Commission against Organized Crime 383
- Operation Deluge 253
- Patriot Act 23, 406, 414
- predicate crimes for money laundering 23, 27
- Public Company Accounting Oversight Board (PCAOB) 420
- public interest theory of regulation and US interests 22–3
- published tax gap estimates 288
- risk-based approach 24
- Sarbanes-Oxley Act 420
- Suspicious Activity Report (SAR) 23, 406–7, 408, 409, 410–13, 414
- SWIFT agreement with EU 457–8
- tax compliance 147
- Trade Transparency Units 253
- trade-based money laundering and tax evasion *see* trade-based money laundering and tax evasion, US
- transaction thresholds for mandatory reporting 409
- US v \$4,255,625.39* 3
- USS Cole* bombing 83
- Wachovia Bank money laundering case 380–81
- war on drugs, costs and reasons for failure of 63–4
- war on drugs, foreign costs 65
- Usov, A. 95–107, 109
- Van de Bunt, H. 234, 272, 273, 274
- Van den Broek, Melissa 368–78, 433
- Van der Linde, Daan *xv*
- Van Dijk, M. 298, 299, 320
- Van Duyne, Petrus C. 129, 229, 232–50, 332, 436, 449, 450
- Van Eekelen, J. 232, 235
- Van Kommer, Victor 283–320
- Van Koningsveld, Jan 435–51
- Van Rossum, Iris 293–320
- Van Waarden, Frans 24, 27, 374, 399–425
- Vervaele, John 89, 379–96
- Vettori, Barbara 474–85
- victimless crimes 57–67
 - blackmail example 61, 62
 - budgetary impact of ending drug prohibition 64
 - cost-benefit analysis consideration 65
 - and criminal law 58–60, 62
 - decriminalization arguments 60–61, 63, 66
 - demand and supply correlation between money laundering and drugs 57–8, 62, 63
 - drug legalization, effects on education levels 64–5
 - drugs, social cost and criminalization of drugs crimes 59, 63–6
 - economic analysis of law 60–63
 - efficiency considerations 61–2
 - Harm Principle (Mill) 58–9, 60, 61, 62, 64, 66
 - moral implications 60
 - Pareto efficiency 61–2
 - solitary and consensual victimless crimes, distinctions between 59–60

- tax evasion 57
- toxic waste disposal example 59, 62
- trade of illegal goods 57
 - as voluntary exchanges 61–2
- war on drugs, reasons for failure of 63–4
- Vogel, D. 416
- volume estimates of money laundering *see*
 - estimates of volume of money laundering, assessment of
 - Walker, John 21, 23, 38, 39, 42, 43, 45, 46, 95, 99, 105–6, 129, 130, 131, 138, 159–71, 175, 183, 185, 186, 187, 227, 228–9, 230, 248, 280, 406
 - World Bank 27, 28
 - crime proceeds, estimates of 453
 - World Development Indicators, problems with use of 192
 - Zdanowicz, John S. 19, 45, 46, 187, 253–67