



Criminological Overview of Criminal Acts Against the Economy in Kosovo During the Time Period 2001-2010

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Abstract: This paper presents an historical overview of the comparative criminal justice and of criminal acts against the economy in Kosovo during the period 2001-2010. It considers the meaning of criminal acts against the economy and their characteristics. The paper examines the reporting of criminal acts against the economy. The paper offers a comparative overview of criminal acts against the economy in Kosovo with criminal acts against the economy in Albania, Macedonia, Montenegro, Serbia and Bosnia and Herzegovina. The paper examines some characteristics of these criminal acts against the economy in Kosovo, by considering also the perpetrators' age, gender, marital status, and ethnicity. The paper offers suggestions and recommendations regarding criminal acts against the economy in Kosovo during the period 2001-2010.

Keywords: criminal acts; criminological overview; fighting crime; Kosovo

1. Introduction

Criminal acts against the economy manifest certain criminological features which are of interest for study and analysis in their criminological aspects. By studying and analyzing the features that have to do with the volume of filing criminal acts against the economy, their structure, their dynamics of movement, the personal features of the perpetrators—as well as recognizing and analyzing the factors that affect their performance—greatly help in the process of fighting and preventing this negative phenomenon of society. During the presentation of the phenomenology and etiology of criminal acts against the economy, this analysis will use data from the studies and statistical evidence for various periods of time dealing with Kosovo, and the data relating to these criminal acts against the economy for the period 2001-2010 will appear separately.

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This paper will present the real situation of the criminal acts in daily practice. However, we will take into account and treat only the Court Judgments dealing with crimes which were made against the Kosovo economy during the period 2001-2010.

2. Overview of the Phenomenology of Criminal Acts against the Economy

Criminal acts against the economy, and general economic criminality, manifest certain characteristics that distinguish these forms of criminality from other forms of dangerous social behaviour. Usually this form of crime, compared with classic crime, is not transparent to visible consequences for daily life. In this form of criminality, crimes are committed in secrecy and their causes may generate unnoticeable shifts in daily life; moreover, their consequences are not always apparent. Perpetrators of these crimes are at first sight unknown persons and reactions against this form of criminality usually come only after they have erupted into known affairs and scandals. These criminal acts usually last longer intervals before their detection, therefore, it is more difficult to find the perpetrators and the material damage they do will grow. The best cases are the illustration of the misuse of affairs by local and international officials in Kosovo Energy Corporation (KEK) to 4.5 million euros, in which case the investigations that are underway then are misused in the Post and Communications of Kosovo (PTK). A number of these crimes usually remain permanently undiscovered. Therefore, it may rightly be concluded that “the dark number” of this form of crime is extremely high. This crime is also connected with certain circles of power, since the perpetrators of these crimes hold certain segments of government. Crimes against the economy are numerous and from their contents are different. In the theory of criminal law, it is questionable whether the fact that we can talk about common object of these offenses, or we are dealing with very protective facilities, or specifically dealing with many groups of offenses (Ukaj & Bektashi, 2016).

Crimes against the economy, in one way or another are protected by the structures of state power, because the perpetrators of offenses against the economy have multiple connections with different government structures at all levels (Brown, 1991).

The main forms of economic crime arise in the field of the movement of goods, the violation of the unity of the market, unfair competition, etc. According to Latifi (2002), all forms of economic crime can be grouped into seven categories:

- Acquisitions of non-recorded surpluses caused by the calculation of average families in the mall and we allowed normative production;
- Acquisitions of non-recorded surpluses caused consumer scams;
- Acquisitions of non-recorded surpluses created with the business of personal accounts;
- Acquisition consequences concealing shortcomings deficient and forgery of documents and other methods;
- Corruption and misuse;
- Useful ploy;
- Unconscientiously off license.

Criminal acts against the economy and economic crime in general are, in most cases, carried out in the sphere of trade and different service activities. This has been evident in the past. In the former Yugoslavia all branches of economy, trade and service activities evidenced this form of criminality, amounting to more than 50% of property (Halili, 2002).

Meanwhile, participation in criminal acts against the economy in the past was quite high. During period 1984-1998, criminal acts against the economy in Kosovo took part in the structure of overall crime in relation to persons sentenced, with a total of 30.1%. This participation—when it comes to minors—was 26.6% in the structure of total criminal acts by minors for the period 1984-1998. After the liberation of Kosovo and its imposition of international administration, new circumstances arose which had an impact on economic crime in Kosovo, including the Prishtina district court. Then completely different circumstances were created for the functioning of economic life in the country. In this condition, the phenomenon of economic crime almost immediately began to appear, against which there was not much help from countries that are more developed and stable than Kosovo. It was a situation where Kosovo's economic system almost collapsed and the functioning of the most important segments of the state was lacking. This also affected the appearance of some new forms of economic crime, which previously had not been recognized, such as racketeering, smuggling of various goods, money laundering, avoidance of

paying taxes, misuse of data and misuse of tenders, etc. (Halili, 2002) Of course this is the period when in post-war Kosovo there were registered many private enterprises that wished to operate in Kosovo's economic market, and not all were interested in exercising legal and fair activities. It is understandable that some of the owners of these enterprises wanted to get rich rapidly and aimed to make it easier, particularly after being received with economic crime: facing fraud, tax evasion, corruption, etc. In order to fight this kind of crime in our society, Kosovo is still making continuous efforts; and this type of crime was more prevalent in the post-war period. Creating other circumstances in Kosovo after the war was difficult, as the malfunctioning of some segments of government affected the state so that the number of crimes against the economy was not disclosed in a proper measure, and the number of economic crimes which is known from then was low. The period 2001-2003 was the period when courts adjudicated under the old laws, and after 2004 (when the new Criminal Code entered into force), courts began to take decisions according to the provisions of this Code. In the following pages the volume, dynamics and structure of criminal acts against the economy handled in the Prishtina district court during 2001-2010 will be presented, and some features of their perpetrators will be analysed.

2.1. Volume and Dynamics of Criminal Acts against the Economy

The report of criminal acts against the economy in the territory of Kosovo during the period 2001-2010 will feature final judgments of the courts of Kosovo, the Kosovo Judicial Council and the Statistical Office of Kosovo. During this period, we note that the number of crimes against the economy in the territory of these courts was extremely low, so according to the statistical data of these courts, we may conclude that within this period there were only 3119 incidents of criminal acts against the Kosovo's economy. The following will present the number and types of criminal acts against the economy in the territory of the court for the researched period.

The following figure shows that in the Municipal Court from 2003 to 2010, a total 3119 people were sentenced, while in the District Court from 2003 until 2010, the total number is 305 people:

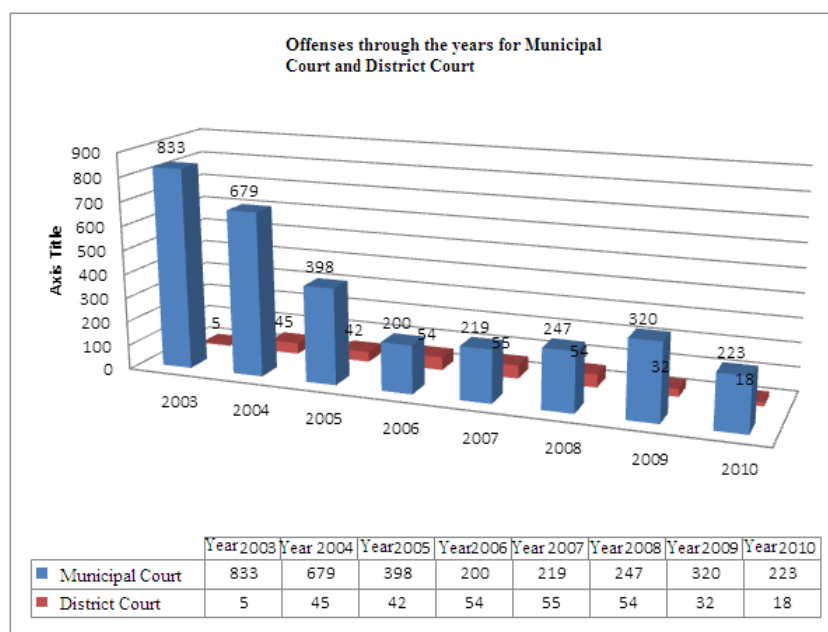


Figure 1. Offences through the years for Municipal Court and District Court

Source: Kosovo Agency of Statistics, annual reports 2003-2010

2.1.1. Number of Criminal Acts against the Economy in the Courts of Kosovo during the period 2001-2010

As can be seen from the data presented in this table it appears that during the period 2001-2010 in the Municipal Court and the District Court of Kosovo there were only a few criminal acts against the economy. This number, as shown, is extremely low, and we think that it does not respond to the reality of criminal acts in the territory of the courts for the researched period. We think that the dark number of this kind of crime is high. Numerous factors have led to the lack of discovery and non-sentencing of the perpetrators of this type of criminal act, above all the genuine failure of government bodies. Meanwhile, if we consider the dynamic movement against economic criminal acts during the period investigated, we may conclude that the greatest number of them have been undertaken in the years 2003, 2004, 2005 and 2009, whereas in 2001 and 2002 we do not mark any kind of these criminal acts.

2.2. The Structure of Criminal Acts against the Economy

If we look at the structure or the types of crimes that have been committed during this period in the territory of this court, we can see that the most of them had to do with criminal acts of counterfeit money. The structure of criminal acts was as is reported below.

In the structure of criminal acts against the economy performed in the Municipal and District courts, the criminal act of counterfeiting money (as provided in Article 244 of the Provisional Criminal Code of Kosovo) has predominated. This criminal act accounts for 37.5% of the total number of criminal offenses against the economy. The presence of the criminal act of illicit trade in the criminal law of former SAP of Kosovo (article 116, paragraph 4) is 25%. Representing smaller percentages are these criminal acts: the forgery of documents (article 203 paragraph 1 of Kosovo Penal Law- LPK); trafficking in drugs (article 229 paragraph 4 of LPK); and tax evasion (article 123 paragraph 2 of LPK), which represent an overall fraction of these criminal acts to a total of 12.5%.

2.3. Some Features of the Perpetrators of Criminal Acts against the Economy

Age is an important characteristic of criminal phenomena. According to statistical data and jurisprudence, perpetrators of crime come from various ages. Usually in criminological literature there is a categorization of age groups who participate in various rates of criminality.

In our study made in courts of Kosovo, based on the age classification of five years distinction, it appears that the most common age for having participated in the commission of criminal acts against the economy was 32-36 years of age. The most youthful age was 22-26 years old (with only 10%), the age group of 27-31 years old scored 20% of participation, the age group of 32-36 years old represented 50% and over 37 years old scored 20% participation. These data lead us to conclude that mostly people in their 30s formed these criminal groups, for they were at the stage of physical and mental maturity to carry out this kind of crime.

According to contemporary research, it is known that male perpetrators commit this kind of crime more than female. This is explained by numerous factors which push the men to be more present in crime than women. Even our research has verified this finding. Based on numerous subjects that have been studied, men have participated significantly more than women in the commission of criminal acts

against the economy: the participation of men was 90% of the total number of perpetrators of this type of crime.

– **Occupation and educational level of perpetrators**

In the commission of criminal acts in general one encounters people with different professions. In the modern world they are numerous and difficult to ascertain. In our study, those committing criminal acts against the economy were by profession workers (around 80%), while 1% were in the profession of doctor or director. However, if we notice the educational level of perpetrators of this type of crime, we observe that most of the perpetrators were high school qualified (80%), and 1% with college. These data regarding the professional preparation of the perpetrators of this crime clearly indicate that this criminal group mainly included people who have a specific knowledge to deal with this criminal activity.

– **Repetition of criminal behaviour and the ethnicity of perpetrators**

Repetition of criminal behaviour represents one of the most specific and dangerous forms of crime. Usually higher penalties are imposed against those who reoffend, and they have a special treatment during their stay in prison. Based on the subjects that were studied it appears that all perpetrators of criminal acts against the economy were not previously convicted.

Regarding the nationalities of the perpetrators of this type of crime, most of them are Albanian. The ethnic Albanian perpetrators participated in 80% of cases, while 2% of foreign citizens were Romanian and Syrian.

From what has been said so far it is apparent that criminal acts against the economy manifest certain phenomenological features, which are of interest, and may be studied and analysed in order to fight and prevent them.

In the fight against economic criminality, a main importance is paid to preventive measures which means building of protective elements in the economic system (Suçeska, 2007). Through those measures can be prevented the efforts of economic crime. Prevention is achieved through actions with documents whose validity is assessed compared to the applicable legal provisions (Summers, 2008). If for any reason they are perfectly legal provisions, so if normative legal acts have no legal void, then the prevention has been achieved.

3. Several Factors of Criminal Acts against the Economy with Special Emphasis on the Territory of Kosovo during the period 2001-2010

In the report of crimes against the economy, and economic crime in general, multiple factors and circumstances of different natures are encountered. The general factors mentioned in the literature affecting the appearance of criminal acts mentioned in the literature are: social and economic factors, ideo-political factors, socio-pathological factors and other influences of a subjective nature. All the factors of criminality in general, economic crime in particular, are divided into two groups: external (objective) factors and internal (subjective) factors (Gashi, 2014). But, criminal acts against the economy have some specifics of manifesting their characteristic features, yet a number of factors and circumstances are more evident. The most frequent reasons that are mentioned in relation to the manifestation of this type of crime are the existing materials of society, namely antagonisms and socio-economic inequality, depending on different circumstances like economic, geographical, legal, political, cultural, and moral factors (Boshković, 1998).

3.1. Special Factors of Criminal Acts against the Economy

The reporting of crimes against the economy, and the factors affecting some special circumstances, may occur directly as criminogenic factors.

Below we will observe some of the factors that have an impact on the reporting of crimes against the economy, with special emphasis on the territory of the District Court of Prishtina during the period investigated. The reasons that may affect the reporting of crimes against the economy and economic crime in general are numerous. Fundamental reasons leading to the reporting of this form of criminality are: the form of the report on the property of the working organization, forms of property, the degree of function concentration, the development and reasonableness of the defence system, the organization's business position, the working and developing governance and organization of the professionals, and the intellectual ability of the perpetrators (Latifi, 2002). Very strong criminogenic factors have affected the reporting of crimes against the economy (and economic crime in general) after the war in Kosovo and the District Court of Prishtina. Notable among these are the consequences of war; economic misery and poverty; the existence of anarchy in operative elements of power in Kosovo; and the lack of efficient work by the police, the prosecution, and the courts. It should also be mentioned that the lack of legislation in the field of legal regulation of the Kosovo economy and its economic system as well as effective protection of certain measures increased these

difficulties. One should additionally mention that neglect by the holders of state functions in the performance of their duties, in particular the criminal justice bodies, was significant. Other influential factors in the reporting of crimes against the economy were the aforementioned weaknesses in the internal organization of the volume and the method of the economic sectors. Also, one could include deficiencies related to the control of internal and external economic concessions; the weaknesses of many in carrying out inspections of regular economic activity; insufficient protection of physical and legal property; and weaknesses in policy and personnel. Other factors that seem influential are the lack of professional people in important places; family ties; the concentration of two or more functions in individual regulations of insufficient or inadequate legal, negative influences; and interference by certain circles in power and politics. Even the anti-corruption strategy in Kosovo witnessed some causes of corruption, and that applies to economic crime in general: a lack of a base relevant to the legislature; the privatization of property; a comprehensive reform of the political system, law enforcement and judicial system; a lack of effective judicial mechanisms; and a lack of awareness raising on the necessity of anti-corruption measures.

4. Conclusion

This paper discusses criminal acts against economy that belong to the group of criminal acts under the penal codes and laws of the contemporary societies. These acts are important due to the fact that penal acts against economy in Kosovo could violate country's economy as one of the vital segments of social life. Therefore, their study and treatment is of a scientific and social interest. Given the great importance of the criminal law protection of the Kosovo economic system, also the Provisional Criminal Code of Kosovo grants a great importance to these criminal offenses by grouping them into twenty types of criminal offences. This research identified the following issues for discussion that are identified as problems in this sector:

- Subjects for economic crimes are mostly related to money forgery but also to tax evasion and prohibited trade etc.;
- Economic crime cases usually stay longer in the drawers of the Courts of Kosovo because it takes too much time to prove them;
- Lack of professional experts in the field of economic crimes even though they are needed since it is a field that requires more research;

- Cases of economic and financial crimes and corruption are not always reported.
- Citizens are reluctant to report cases;
- The need of specialization in certain areas;
- Expecting better political will and a great support from the centre for fighting economic crimes;
- In our society financial economic crime is in the first place but its fighting lags behind.

Regarding criminal sanctions against the ones that conduct criminal offenses against the economy in Kosovo, we consider that there is not an adequate system to combat and prevent criminal offenses against the economy. Based on what is said above, in all courts of Kosovo there are more acquittals issued than sentences for the offenders of the economy in Kosovo for the period 2003-2010. At the end, summarizing the data on criminal acts against the economy, it is worth mentioning that this study represents an effort for further information that could serve for the state and local institutions and society in general, who are engaged in their own way for a safer environment and a healthier society.

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