

5. Challenges in Policing Financial Crime

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1. INTRODUCTION

Law enforcement efforts to disrupt financial crime rest on a myriad of crime control policies which are designed outside of the interests of enforcement bodies. For example, it has been found by Young and Woodiwiss that the inter-governmental International Criminal Police Organization, commonly known as Interpol, does not have a seat at the table when it comes to deciding and codifying criminal laws; and that such laws have historically rested with influential bankers and civil servants.¹ Neglecting to recognize the lived experiences of frontline officers threatens the effectiveness of policing efforts to tackle financial crime because officers are working with policies which do not reflect the reality of the situation ‘on the ground’. While it is not for the authors of this chapter to rehash an already saturated knowledge base concerning definitions of ‘financial crime’, it should be noted that this chapter adopts a broad interpretation of ‘financial crime’ – covering everything from fraud to money laundering to tax crimes.² Additionally, it should be noted that the terms ‘law enforcement’ and ‘police’ or ‘policing’ are used interchangeably in this chapter.

‘Financial crime’ covers a wide range of offences and the responsibility for its control rests in part on effective policing. This chapter adopts an international approach (in recognition of the complex and transnational nature of much financial crime); but its examination of policing is rooted in the UK, in the interests of facilitating a more focused analysis. As Gilmour notes, in the UK, ‘most mainstream police investigators will likely associate their experiences of financial crime investigations with fraud’.³ It is therefore natural that the literature on the policing of financial crime focuses substantially on fraud offences.⁴ There is, however, a notable lack of research charting the wider experiences of frontline officers faced with tackling the broader spectrum of financial crimes or their interactions with other agencies (including the private sector). Furthermore, as highlighted by Gilmour in his recent study of the subject, while the policing of financial crime in the UK has come in for intense criticism in the last decade, few publications have paid attention to understanding the reasons behind its inefficacy.⁵

2. GENERAL CRITICISMS OF POLICING FINANCIAL CRIME

There is no doubt that the experience of policing financial crime is an area deserving of extensive research, especially given that it has faced widespread criticism in recent years. For example, a 2018 Home Affairs Committee report on the policing of fraud states that ‘the

¹ MA Young and M Woodiwiss, ‘A world fit for money laundering: The Atlantic alliance’s undermining of organized crime control’, *Trends in Organized Crime* vol 24(1) (2021) 70–95.

² For a detailed and valuable discussion on the meaning of ‘financial crime’, see M Levi and M Soudjin, ‘Understanding the Laundering of Organized Crime Money’, *Crime and Justice* vol 49 (2020).

³ P Gilmour, ‘Exploring the Barriers to Policing Financial Crime in England and Wales’ (2020) *Policing*, 15 (2020) 1508.

⁴ See M Skidmore, J Goldstraw-White and M Gill, ‘Understanding the Police Response to Fraud: The Challenges in Configuring a Response to a Low-Priority Crime on the Rise’, *Public Money & Management* (2020); and M Button, D Blackburn and M Tunley, ‘The Not So Thin Blue Line After All? Investigative Resources Dedicated to Fighting Fraud/Economic Crime in the United Kingdom’ *Policing* vol 9 (2020).

⁵ Gilmour (n 3).

police response to fraud is in desperate need of a fundamental overhaul'.⁶ In addition, the findings of a 2021 report by Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services broadly conclude that 'too many victims still receive a poor service and are denied justice ... police forces, remain under-resourced'.⁷ Lack of resources and poor management decisions lead to ineffective policing, thereby directly challenging the ability of policing – and wider law enforcement efforts – to destabilize financial crime. The challenges encountered by police who attempt to curb these crimes are discussed below.

2.1 Fragmentation

Focusing on structural challenges, a main criticism is that policing bodies in different jurisdictions are fragmented. This fragmentation leads to inconsistencies and a lack of communication between forces globally. Simply put, the dots do not join up and, alarmingly, connections are not always made when it comes to investigating cross-border financial crimes. Although Interpol 'can provide [a] platform for cooperation' (including for UK police forces to cooperate with their overseas counterparts), inconsistencies and disconnections continue to exist at all levels, including nationally.⁸ This fact is recognized by the UK National Crime Agency. Indeed, in 2018 former Director General Lynne Owens stated the urgent need to 'fundamentally re-examine the policing model' – an assertion which echoes the 2018 Home Affairs Committee report on policing financial crime.⁹ Specifically, Owens' comment relates to the structural capacity of forces in England and Wales to respond to 'modern, global criminals'.¹⁰ In England and Wales, forces are still divided according to a model devised in the nineteenth century (the 1856 County Borough and Police Act), which dictates that towns and counties must have full-time operating forces – a structure which has been criticized as outdated, with governance concentrated at the local level and forces of differing sizes struggling to deal with complex financial and organized crime threats.¹¹ Currently, there are 43 separate constabularies. The sophisticated, international character of financial crime poses challenges to this antiquated model, requiring cooperation across multiple forces.

In the context of this fractured policing landscape, the capacity of police bodies to 'go after the money' is limited. Indeed, some forces such as the City of London Police achieve greater success than others. However, these so-called 'successes' are restricted to the territory of the individual forces. Doig and Levi comment on this problem in their 2013 publication on fraud and policing priorities, in which they state that although the City of London Police has been designated as the national lead force in combating fraud, it lacks a full national remit – thus

⁶ Home Affairs Committee, Policing for the future: Tenth report of session 2017–19 (2018), <https://publications.parliament.uk/pa/cm201719/cmselect/cmhaff/515/515.pdf>.

⁷ Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services, *Spotlight report. A review of Fraud: Time to Choose, A revisit of the 2018 fraud inspection to assess progress of the recommendations and areas for improvement* (2021), www.justiceinspectors.gov.uk/hmicfrs/wp-content/uploads/a-review-of-fraud-time-to-choose.pdf.

⁸ Interpol, 'What is INTERPOL?', www.interpol.int/en/Who-we-are/What-is-INTERPOL.

⁹ Quoted in A Perry, 'Organised crime in the UK is bigger than ever before. Can the police catch up?', *The Guardian*, 22 November 2018.

¹⁰ *Ibid.*

¹¹ J Simpson and R Ford, 'Overhaul outdated system of 43 separate forces, urges head of National Police Chiefs' Council', *The Times*, 7 January 2020.

limiting the impact of its successes in this area of undermining financial crime.¹² However, the authors of this chapter reiterate that fraud is just one facet of financial crime, whereby committed resources for investigating such activities are generally limited to the most successful forces. These forces undertake investigations identified as performance targets which will return a profit (confiscated assets).¹³

2.2 Policing for profit

The need to ‘turn a profit’ as a territorial police force is, these authors believe, a strong indicator of the lack of dedicated police funding for some forces when it comes to financial crime investigations. Forces are beset by resourcing challenges and their efforts are made harder by the practice of being bound by ‘crime targets’ in exchange for new officers, as reported by *The Guardian* in 2021.¹⁴ Hence the need for research which focuses on the increasing monetization and corporatization of police forces – not just nationally, but regionally and internationally too. Although the primary function of confiscating criminal assets is to compensate society for its losses, the increased commitment of forces to follow the money is undoubtedly triggered by funding projects such as the Asset Recovery Incentivisation Scheme (ARIS) – launched by the UK Home Office in 2006 with the aim of providing forces with a proportion of funds recovered under the Proceeds of Crime Act.¹⁵ In effect, the structural supports of policing financial crime are propped up by those financial crimes being policed and the confiscation and redistribution of criminal proceeds.

In the US, the practice of profit-driven policing is not a new phenomenon and it is widely acknowledged that financial crimes which recoup large rewards in the form of forfeited assets are highly prized by forces. Indeed, the practice is strongly encouraged in the US, where federal and state laws allow forces to keep in excess of 50 percent of recovered, forfeited assets.¹⁶ If the focus of financial crime investigations rests on the process as a profit-making endeavour, where financial rewards are the sole purpose for investigation, prosecution and subsequent confiscation, this poses the question of whether this type of management encourages or interferes with effective policing of financial crime. The consuming greed that overwhelms some law enforcement agencies following large-scale confiscations could influence the future conduct of officers, with a breakdown of impartiality concerning law enforcement decisions. On the other hand, motivated by ‘team rewards’ from successful confiscations, policing bodies may invest diligently in the process of effective investigation of financial crimes.

¹² A Doig and M Levi, ‘A Case of Arrested Development? Delivering the UK National Fraud Strategy within Competing Policing Policy Priorities’, *Public Money and Management* 33 (2013).

¹³ M Levi, ‘Policing Financial Crimes’ in H Pontell and G Geis (eds), *International Handbook of White-Collar and Corporate Crime* (2014) Springer 599.

¹⁴ V Dodd, ‘Police in England and Wales face crime targets in return for 20,000 new officers’, *The Guardian*, 11 January 2021, www.theguardian.com/uk-news/2021/jan/11/police-in-england-and-wales-face-targets-in-return-for-20000-new-officers.

¹⁵ See Home Office Asset Recovery Action Plan (July 2019), https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/815900/20190709_Asset_Recovery_Action_Plan_FINAL_Clean.pdf.

¹⁶ See M Williams, J Holcomb, T Kovandzic and S Bullock, ‘Policing for Profit: The Abuse of Civil Asset Forfeiture’ Institute for Justice (2010), <https://ij.org/report/policing-for-profit-first-edition/part-i-policing-for-profit/>.

The UK has followed suit in using recovered assets as a lure for police forces to work in a more efficient way at combating crimes which generate substantial proceeds. In 2006, the UK introduced the ARIS, which aims ‘to provide operational partners with incentives to pursue asset recovery as a contribution to the overall aims of cutting crime and delivering justice ... It divides net receipts from asset recovery between the Home Office and operational partners’.¹⁷ Additionally, in 2019, the UK Home Office launched the Asset Recovery Action Plan, in which it states that ‘money is the common thread that runs through almost all offending’; and that forces must focus on ‘year-on-year increases in the value of assets denied to and recovered from criminals’.¹⁸ Simply put, forces in England and Wales are under huge pressure to recover dirty money – not only to contribute to the costs of operational forces that contributed to the successful confiscation, but also to swell the coffers of the Home Office. Controversially, it may be argued that the confiscation of illicit proceeds which are then used (read as ‘cleaned’) by law enforcement and government agencies involves a quasi-laundering process – albeit a legitimate one.¹⁹ The authors of this chapter strongly believe that full academic and research attention is needed to address the issues associated with the monetization of policing and the increased focus on recovering huge financial crime profits to support enforcement efforts – an area which is vulnerable to abuse.

2.3 Overwhelming Caseload

As mentioned above, police forces are under pressure to generate revenues to pay for law enforcement efforts. A lack of resourcing also underpins the structural challenge of an unmanageable workload of financial crime-related cases. According to the Crime Survey for England and Wales, there were 5 million fraud offences in the year ending June 2021 – a 32 percent increase compared with the year ending June 2019.²⁰ The increasing number of fraud offences means that a level of triage is inevitable because officers lack the structural capacity to tackle every financial crime case, as per the recommendations of the 2020 West Midlands police and crime commissioner’s report on *Tackling Fraud in the UK*.²¹ The number of reported financial crime cases is only the tip of the iceberg, of course. As with all crimes, many remain unreported or indeed undetected by victims – particularly in the case of skimming fraud, whereby criminals charge small sums to the credit cards of large numbers of victims.²² The low priority given to financial crime is also acknowledged by the UK House of Commons Treasury Committee in its 2022 report, which asserts that economic crime is increasing, and further that this type of crime ‘appears not to be a priority for law

¹⁷ Home Office, Asset Recovery Incentivisation Scheme Review (February 2015), http://data.parliament.uk/DepositedPapers/Files/DEP2015-0223/ARIS_Review_Report_unmarked.pdf.

¹⁸ Home Office (n 15).

¹⁹ MA Young, *Banking Secrecy and Offshore Financial Centres: Money laundering and offshore banking* (2012) Routledge.

²⁰ ONS.gov.uk (2022), *Crime Survey for England and Wales (CSEW) – ONS*, www.ons.gov.uk/peoplepopulationandcommunity/crimeandjustice/bulletins/crimeinenglandandwales/yearendin gjune2021#fraud.

²¹ West Midlands Police and Crime Commissioner (in association with Birmingham City University) (2020) *Tackling Fraud in the UK: Successes, Shortfalls and Strategies for Improvement*, www.westmidlands-pcc.gov.uk/wp-content/uploads/2020/10/Fraud-Report-October-20.pdf.

²² HM Treasury (2021), *Economic Crime Plan, 2019 to 2022*, www.gov.uk/government/publications/economic-crime-plan-2019-to-2022/economic-crime-plan-2019-to-2022-accessible-version.

enforcement’.²³ It is evident from the discussion so far that further research and analysis are required in order to explore this element of ‘prioritization’ in the context of law enforcement efforts and government spending priorities – not to establish ‘who is to blame’, but rather to build a more complete picture of this highly complex field.

2.4 Prioritization

Overlapping and inextricably linked to the structural challenges faced by law enforcement, are the key conceptual challenges faced by officers, including the difficulties relating to the complex nature of categorizing financial crime as a policing priority within the existing paradigm of what is considered serious crime. In the UK, Skidmore et al observe that while fraud has been ‘incorporated into the serious and organized crime policy framework ... resources have been commonly allotted to other high-profile areas’.²⁴ Young and Woodiwiss widen the discussion to point out that financial crime policies have been subsumed by the global anti-drug agenda since the 1970s – a time when financial crimes were largely ignored except in the context of drug money laundering.²⁵ Ergo, financial crimes have always been part of more pressing or politically sensitive areas of policy focus, such as drugs trafficking and the wider area of organized crime, including human trafficking and the illicit wildlife trade.

The conceptual challenge means investigating the prioritization of financial crimes at all levels of policing and how this is embodied in policies and regulations. The UK 2019 National Economic Crime Plan, for example, was launched with the lofty goal of ‘jointly deliver[ing] a holistic plan that defends the UK against economic crime’, working with the public and private sectors to fight financial crime within the wider context of ‘damaging crimes’ such as bribery and corruption and terrorist financing.²⁶ Again, this further demonstrates the phenomenon whereby financial crime as a concept is often swallowed up by more visible harms. However, it may also be argued that because financial crime is often (and wrongly) perceived as a victimless crime – resting on the incorrect assumption that some acts within the financial sector ‘were once considered to be merely poor business practice’ – such crimes are worthy of investigation only if they are clearly linked to wider social harm.²⁷ This archaic viewpoint is slowly being replaced with the rhetoric that financial crime destabilizes and undermines democracy and society.

2.5 Attitudes

The authors have already discussed the structural and conceptual challenges hampering the fight against financial crime, but these challenges must also be situated within their wider societal context. The prioritization (or lack thereof) of financial crimes by law enforcement and government alike is impacted by social and political narratives, as alluded to above regarding the prioritization of drug offences at the expense of other crimes. Additionally, media narratives play a key role. It has long been observed within criminology that ‘white

²³ House of Commons Treasury Committee (2022), *Economic Crime: Eleventh Report of Session 2021-22*.

²⁴ Skidmore et al (n 4) 369.

²⁵ Young and Woodiwiss (n 1).

²⁶ HM Treasury and Home Office, Economic Crime Plan 2019-2022 (Updated 4 May 2021), www.gov.uk/government/publications/economic-crime-plan-2019-to-2022/economic-crime-plan-2019-to-2022-accessible-version.

²⁷ Europol, ‘Economic Crime’, www.europol.europa.eu/crime-areas-and-statistics/crime-areas/economic-crime.

collar' offences, including financial crimes, have historically received substantially less interest and attention from the press than violent offences, despite the comparative frequency and significantly greater harm caused by the former. Tombs and Whyte found in 2009, for example, that white-collar offences – particularly those committed by powerful offenders such as corporations and governments – are underreported in the media when compared with other crimes such as murder.²⁸ The authors of the current work argue that law enforcement efforts against financial crime exist not within a vacuum, but rather within a societal context which frequently ignores or downplays financial crimes or neglects to highlight their adverse impact on society.

Efforts are underway to counteract these uninformed narratives. In recent years the International Consortium of Investigative Journalists has propelled large-scale, multinational financial crimes to the front pages of newspapers across the world, with the coverage of the Panama and Paradise Papers.²⁹ Meanwhile, bodies such as Europol have been keen to stress that financial crimes are by no means victimless, pointedly stating that '[t]he huge losses associated with high-level financial fraud undermine social-security systems and destabilise economic systems'.³⁰ However, it remains the case that at the national level, financial crimes lack the media appeal of sensationalized street offences; and even the more sensational cases (eg, the Paradise Papers) are hugely complex and require a level of understanding and knowledge that can easily bamboozle all but the most dedicated of readers. This comparative lack of media and public interest inevitably affects decisions concerning the prioritization of police resources.

Bringing the above discussion into the present day, societal perceptions of, and attitudes to, financial crime may be sharpened within the context of the Covid-19 pandemic. Much of the focus in the news has been on how organized crime groups have exploited the pandemic to turn a profit. This is informed by bodies such as the Global Initiative against Transnational Organized Crime, which reports on topics as wide ranging as counterfeit medical supplies and Mafia involvement with corruption in healthcare systems.³¹ These investigations feed into the public consciousness and confirm a longstanding narrative that it is organized crime groups that manipulate these international crises. While the topic is deserving of dedicated research, the authors believe that a more pressing issue is the police handling of government-related financial frauds – secret government deals which do not trickle down to the general public. This presents the tricky and sensitive issue of police forces pursuing investigations which involve wrongdoing by governments and civil servants. Indeed, if there has been unlawful action that has resulted in the individual acquisition of property which represents a benefit, then law enforcement will need to step into the territory of the Proceeds of Crime Act 2002 to examine potential breaches of the legislation – possibly leading to the recovery of criminal assets.³² While some reading this chapter may regard the authors' assertion to be tenuous, we reiterate that it has been widely acknowledged that the UK government engaged

²⁸ See S Tombs and D Whyte, 'The State and Corporate Crime', in Sim Coleman et al (eds) *State, Power, Crime* (2009) Sage.

²⁹ ICIJ, 'The Panama Papers: Exposing the Rogue Offshore Finance Industry' (2021), www.icij.org/investigations/.

³⁰ Europol, 'Financial Crime', www.europol.europa.eu/crime-areas-and-statistics/crime-areas/economic-crime.

³¹ M Shaw and T Reitano, *Criminal Contagion: How Mafias, Gangsters and Scammers Profit From a Pandemic* (2021) Hurst.

³² Proceeds of Crime Act 2002, www.legislation.gov.uk/ukpga/2002/29/contents.

in financial frauds during the pandemic, as reported by Clare Dyer in the *British Medical Journal*, who states that under former Health and Social Care Secretary Matt Hancock, the UK government ‘acted unlawfully in failing to publish details of dozens of contracts awarded without competition for goods and services such as personal protective equipment (PPE) needed during the covid-19 pandemic’.^{33, 34} Thus, research is urgently needed into the ability of police forces to carry out financial investigations into areas of government and public office.

3. OBSERVATIONS OF POLICING FINANCIAL CRIME AT THE INTERNATIONAL LEVEL

It has already been discussed that research into the challenges faced by UK policing bodies requires greater attention to mitigate the issues arising from such challenges. However, the UK is but a representative case study of the issues surrounding law enforcement bodies at the global level, as well as the oversight bodies which exist internationally to harmonize disparate policing at the nation state level. Indeed, financial crime is cross-jurisdictional and does not recognize nation state boundaries; ergo, it could be observed that all police forces encounter similar difficulties in effectively undermining transnational financial crime. Moreover, the cross-jurisdictional element of financial crime indicates the potential for cases to fall through these territorial gaps, whereby some cases are deemed too serious for local forces to investigate, yet not serious enough for the ‘high-value, high-level focus of the national bodies (such as the FBI)’ – a phenomenon which Levi describes as international in remit and further highlights that ‘cases of fairly high value but considerable effort are unlikely to be followed up’.³⁵ Fraud is an excellent example of what the authors term ‘deep-freeze cases’ – a situation which occurs when financial crime investigations are put into a period of suspended activity. Furthermore, the nature of investigations into financial crimes – which tend to be lengthy and complex, requiring specialist skills and knowledge – means that they do not sit comfortably within the target-driven, results-focused drives of many modern governments (as outlined above). At the international level, structural and conceptual challenges disrupt the efforts of international bodies such as Interpol to combat financial crime and continue to plague efforts to undermine serious and organized financial crime.

3.1 Interpol: A Data Clearing House for Global Policing

Established in 1923, Interpol is considered a ‘supranational information and intelligence clearing house’, which aims to unite international policing efforts.³⁶ As per Article 2 of its own Constitution (updated in 2017), and for the purpose of this chapter, the aims of Interpol are:

- (1) To ensure and promote the widest possible mutual assistance between all criminal police authorities within the limits of the laws existing in the different countries and in the spirit of the “Universal Declaration of Human Rights”;
- (2) To establish and

³³ C Dyer, ‘Covid-19: Hancock’s failure to publish contracts was unlawful’, *British Medical Journal* (2021).

³⁴ *R on the application of Good Law Project Limited and others v Secretary of State for Health and Social Care*, 2021 www.bailii.org/ew/cases/EWHC/Admin/2021/346.html.

³⁵ M Levi (n 13) 602.

³⁶ *Ibid.*

develop all institutions likely to contribute effectively to the prevention and suppression of ordinary law crimes.³⁷

Therefore, the original and current aims of Interpol remain to ‘ensure’ the cooperation of cross-border dialogues between police at the international level. However, problems arise because Interpol is not a policy-making body and has little sway in the creation of financial crime legislation – or crime control laws more generally. In fact, Interpol has consistently been downgraded as a valueless entity within the context of international norm making; while the roles of bankers, politicians and bureaucrats in determining financial crime policies have been elevated, at the cost of ineffective law making and policing at the global level.³⁸

The minimization of Interpol efforts to undermine financial crime can be traced back to the late 1980s, when there was a surface-level push by the US to create an Interpol Working Group on Money Laundering (as per the US Treasury Report on International Information Exchange on Money Laundering, 29 July 1987); this materialized briefly only to disappear within a year of the report being released.³⁹ Interpol has also been weaponized by countries such as the US to garner support for policy recommendations on combating financial crime, including the 1987 US Draft Code of Conduct on Money Laundering.⁴⁰ In 1987, the UK deemed Interpol’s commitment to improve communication and cooperation between law enforcement and financial communities as presenting a threat of extraterritorial implications and asserting legal obligations on banks where none had existed before. Simply put, historically and in the present day, Interpol (as a representative of global police bodies) has been the poor cousin of international norm-making bodies including the United Nations (UN) and the Financial Action Task Force (FATF) – both powerhouses of international hard and soft law on financial crime. These examples highlight the scant lip service paid to policing bodies by policy makers in the international efforts to combat financial crime and mirror those challenges faced at the national level.

One criticism often levied at Interpol is that the international policing body lacks the authority required to exercise its jurisdiction over national law enforcement efforts, and essentially is only ever as effective as its least effective individual member state. Simply put, despite its bid for a combined, supranational effort to undermine financial crime, Interpol’s inability to join the dots between national, regional and international law enforcement bodies remains a fundamental challenge to the effective policing of financial crime at the global level. Consequently, it could be observed that Interpol is a largely hollow body with a futile existence. Indeed, as far back as 1980, UK law enforcement officer J Huinns asserted that the UK’s ‘support of Interpol amounts to subsidising an unnecessary and ineffective Interpol bureaucracy’ (a criticism which could be aimed at all countries that support the institution).⁴¹

³⁷ Interpol, Constitution of the International Criminal Police Organization (I/CONS/GA/1956) (2017).

³⁸ M Young and M Woodiwiss (n 23).

³⁹ Ibid. See also Interpol Resolutions AGN/55/RES/18, 1986 and AGN/56/RES/11, 1987; US Treasury Report and Companion Report. International Information Exchange on Money Laundering; and Money Laundering and the Bank Secrecy Act: The Question of Foreign Branches of Domestic Financial Institutions. Reports submitted by the Secretary of the Treasury to the Committee on Banking, Finance and Urban Affairs and the Committee on the Judiciary of the United States House of Representatives and to the Committee on Banking, Housing and Urban Affairs and the Committee on the Judiciary of the United States Senate, 29 July 1987.

⁴⁰ M Young and M Woodiwiss (n 23).

⁴¹ JM Huinns, *Need for effective international police cooperation in the fight against increasing international crime: an examination of the effectiveness of Interpol in fulfilling the needs of the United Kingdom at the approach of the 1980s*. Bramshill, Police Staff College (1980).

Additionally, and while outside the parameters of the discussion in this chapter, it should not be ignored that negative attitudes towards the international policing body have been exacerbated in recent years by concerns and criticisms surrounding the transparency of its internal election processes regarding the potential for corruption when electing its presidents.⁴²

In summary, the chaotic melee which is Interpol undermines the body's genuine efforts to combat serious financial crime; and as such, it tends to be disregarded by policymakers, whereby police are often surplus to requirements or left out of law-making dialogues. Pointedly, the authors stress that concentrated research on the application of policies for international policing will help to address the chasm that exists between Interpol and global norm makers.

3.2 Flawed International Law at the National Level

Assessing what is needed to activate effective policing of financial crime across all countries is like opening a can of worms – a bottomless can of worms. This is because each nation state across the globe has different needs for its law enforcement bodies and the requests for assistance of one country will differ from those of its neighbour. Between them, the UN and the FATF have a dizzying array of international hard and soft law policies, which are offered up on a platter for countries to benefit from (provided that they have pre-existing law enforcement infrastructure). With specific reference to policing financial crime, it can be seen that the UN Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances of 1988 and the Convention against Transnational Organized Crime of 2000 (both of which have the power to bind states to those rules which they conform with), alongside the 'crown jewel of soft law' – the FATF Recommendations – contain provisions to encourage the effective facilitation of law enforcement efforts in combating financial crime.^{43, 44} It is a lofty ideal to think that norms which differ in their binding force on a country can work in harmony and be applied equally to all member states; and that such international laws, if used correctly, will result in a harmonious and global approach to policing financial crime. It is arguable that different binding forces coupled with hugely disparate countries renders international law obsolete in the context of policing financial crime.

If we adopt the stance that international law is created to reflect the values, behaviour and wills of the richest nation states, then it could be argued that it does not really exist and is in fact skewed by Western-centric ideals. International policies require interpretation by different countries, and states may differ in their belief of what a 'competent organization' is for the purpose of policing financial crime and confiscating criminal proceeds. Is it a policing organization? The central bank? A government department? In addition to the use of facilitative enforcement by the UN conventions is the employment of reporting and

⁴² See K Maltby, 'Interpol gets it right but there's still something terribly wrong', CNN.com (2018), <https://edition.cnn.com/2018/11/21/opinions/interpol-kate-maltby/index.html>; and BBC News, 'UAE general accused of torture elected Interpol president' (25 November 2021), www.bbc.co.uk/news/world-middle-east-59417409.

⁴³ United Nations Convention against Transnational Organized Crime and the Protocols Thereto, adopted 15 November 2000 by Resolution 55/25; United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances, adopted 14 December 1988 by Resolution 39/141; Financial Action Task Force Recommendations (revised 2012, amended 2021).

⁴⁴ G Stessens, *Money Laundering: A New International Law Enforcement Model*, CSICL CUP Cambridge (2008).

supervisory procedures by global norm makers to enforce legal obligations (these can be non-binding or contractual devices). Such procedures include annual reports collated by states, committee reviews and inquiries. The FATF also relies heavily on supervision and reporting methods to guarantee that financial institutions in countries are ‘effectively implementing the FATF Recommendations’, ensuring effective cooperation and enforcement of anti-financial crime laws at the national level.⁴⁵ However, the burden often falls to police bodies to enforce confiscation laws and clean the streets of dirty money. The upshot is that national law enforcement bodies are tasked with great procedural and fact-reporting demands from international norm makers, but the playing field is not level.

The inequality and inequity of the situation is starkest in those countries which are part of the Global South. The authors of this chapter have conducted field research with police officers from countries including the Lao People’s Democratic Republic, Vietnam and Jamaica – officers who have been tasked with combating financial crime in a bid to comply with tough international norms such as those outlined above. The collective cry from these officers, when asked what they require to undertake effective policing is, ‘More money please’ – this being resource allocation to carry out investigations. Young and Woodiwiss, in their article on the US paradigm of organized crime policies in the Global South, state that international policy makers who fail to recognise the real issues which target law enforcement create a misdirection which has consequences for individuals on the ground.⁴⁶ This includes those police officers who are bound by international financial crime laws which are not fit for purpose in their given countries (eg, Jamaica and other small island developing states), and thus are unable to attend to the most urgent matters of crime – including firearms and human trafficking – which should lead to the disruption of illicit financial flows that stem from crimes.

In summary, countries with poor law enforcement resourcing and inadequate infrastructure encounter some of the same challenges faced by UK and Western law enforcement bodies. Namely, if there is an emphasis on countries to comply (at least on paper) with international laws to combat ‘other’ crimes – which are prioritized over financial criminal activities – policing bodies will continue to be underfunded in investigating and undermining the financial bases of criminal organizations. Ultimately, neglecting to afford resources in policing and research for investigations into financial crime means that the negative social and economic impact of these crime will grow, alongside the criminal organizations whose power rests on wealth.

4. CONCLUSION

The authors of this chapter have presented a general discussion on the pressing need for further research in policing financial crime – a discussion intended to provoke debate and encourage academic attention considering the challenges faced by law enforcement and outlined above.

The authors wish for this chapter to be read as a ‘detailed treatment’ of a complex issue which deserves greater scholarly attention than that which can be allocated in a short chapter.

⁴⁵ Recommendation 23, FATF 40 Recommendations.

⁴⁶ R Ceresola, (2019) ‘The US Government’s framing of corruption: a content analysis of public integrity section reports, 1978-2013’, *Crime Law and Social Change* 71, 47–65.

The need for deeper and more extensive communication and consultation between law enforcement officers tasked with tackling financial crime alongside policymakers and academics is vital if the realities of coalface challenges are to be addressed and rectified. Dedicated academic research has the potential to engage in policy making and have policy impact. The value of academics who are active in the field of financial crime research cannot be understated, as they can bring expertise and knowledge to policy-making recommendations and changes.

It may be observed that the general lack of research in the specific areas outlined in this chapter reflects the wider societal disengagement with many financial crime cases within the wider context of policing (a discussion on trust in policing is outside the remit of this chapter, but should not be disregarded as part of the dialogues stemming from this chapter). Instead, research and resources lean towards transnational crimes which are more politically pressing and sensationalized in the media, such as drug trafficking, people smuggling and the illicit wildlife trade (as well as national headline-grabbing cases). However, these narratives often neglect to mention that financial crime represents the illicit financial flows which accompany these devastating criminal acts. Moreover, it is the flow of illicit finance which sustains such profit-motivated crimes. While the life-changing and destructive nature of such criminal acts is not to be minimized, the reality is that academic attention and policing efforts remain underfunded in the specific area of financial crime.

In summary, the lack of research funding available to scholars mirrors the lack of resources available to policing bodies and the wider law enforcement community – a problem which needs to be addressed and rectified as part of wider research on structural and conceptual challenges, ill-informed narratives, overwhelming caseloads, policing communications and profit-riven investigations. However, until there is a shift within the existing paradigm from the so-called ‘wars’ on drugs and terror to a more concentrated focus on financial crime as a singular threat, the authors remain sceptical of rapid changes which will address the problems outlined in this chapter.