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ECONOMIC CRISIS AND ORGANIZED CRIME IN LITHUANIA

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Abstract. *Tendencies of organized crime in the context of economical crisis are dealt in the article. The author shows his own position about the economical crisis and how it influenced organized crime in Lithuania. The reasons of economical crisis, characteristics and peculiarities of crimes of organized groups, which operate in Lithuania, are discussed in the article. The author reveals specific features, which enable to evaluate the real influence of organized groups to the economical state of Lithuania.*

Keywords: *organized crime, economic crisis, tendencies of the evaluation of organized crime activity, criminal activity.*

1. Social Consequences of Economic Downturn in Lithuania: Increase in the Crime Rate

Economic crisis usually occur as a result of sudden, unanticipated shocks (e.g., the shock that arises from large capital outflows), and they lead to a sharp decline in the output and often to a substantial increase in prices.¹ Economic crises affect communities and households in a number of ways. The most important consequences of crises are likely to be the following: reduced demand for labour, and thus lower employment; reduced wages and lower labour income; changes in relative prices, which tend to affect poor people disproportionately; fiscal cutback, which lead to reduced public services or transfers, or higher taxes; changes in asset prices – from shares traded in the stock market to cattle or other goods used as savings by the poor; changes in the community environment, in terms of both public health or public safety, bringing increased risks of disease, violence, and insecurity.²

Since the start of new millennium, the Baltic region has enjoyed one the highest growth rates in the world. The key reasons included a housing investment boom fuelled by large capital inflows and cheap credits due to a very loose monetary regime and pro-cyclical fiscal policy. Further, the growth was certainly also driven by economic catching-up and financial deepening effects after obtaining EU membership in 2004. In Europe financial integration has a strong relationship with the current account deficit (CAD), the direction of that relationship depending on a country's income. The relatively large CAD in Lithuania and Latvia 2000-2004 was in a range consistent with per capita income.

As the growth in the Baltic States was largely driven by credit growth, tighter lending standards in the wake of the global credit crisis and falling house prices put an end to expanding domestic demand. The Baltic economies have furthermore been hit particularly hard by lower capital inflows as capital markets froze completely, resulting in major economic contractions in the Baltic economies.³

Like in many countries worldwide, the economic downturn in Lithuania has had a significant adverse impact on the national social economic development. It can be stated already that the economic decline will have far-reaching negative effects on the most vulnerable groups of the population in Lithuania, unless that Government takes additional measures aimed at employment promotion and the social protection of the population. In order to mitigate the possible negative social consequences that may occur in Lithuania in a long run, it is reasonable to assess the impact of the economic decline on the country's socio-economic development (development of the population, income indicators of households, etc.) as well as to anticipate measures.

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- 1 Prenzushi, G.; Ferreira, F.; Ravallin, M. *Macroeconomic Crisis and Poverty: Transmission Mechanisms and Policy Responses*. The World Bank, 1999.
 - 2 Sumner, A.; Wolcott, S. *What is the Likely Poverty Impact of the Global Financial Crisis?* UK Institute of Development Studies, 2009, p. 23.
 - 3 Klyviene, V.; Rasmussen, L. T. Causes of financial crisis: the case of Latvia. *Economics. Research Papers*. 2010, 89(2), 2010: 7–8.

The most problematic factors for doing business in Lithuania: tax rates, tax regulations, inefficient government bureaucracy, corruption, restrictive labor regulations, inadequately educated workforce, access to financing, policy instability, inadequate supply of infrastructure, poor work ethic in national labor force, inflation, government instability, crime and thefts, foreign currency regulations.⁴

The analysis suggests that the economic recession in Lithuania has a significant adverse impact on the national socio-economic development. The major negative social consequences of the economic decline for the population manifest themselves in job losses and income decrease, which respectively result in rising long-term unemployment and growing social exclusion, as well as boost emigration and shadow economy in the country. In the long run, all these circumstances increase the poverty of the population and reduce quality of the labour force (lost qualifications and reduced work motivation), as well as weaken the growth (recovery) potential of the national economy.

The economic crisis has had a major negative impact on the Lithuanian labour market.⁵ In the first quarter of 2009, the national unemployment rate more than doubled as compared with the first quarter of 2008. If these trends continue, Lithuania would see a dramatic increase in the number of the long-term unemployment (in 2010, their share in the unemployment structure could account for 30 %, or 78 thousand persons). A high number of the long-term unemployment would persist even after the recovery of the national economy (in the period from 2012 to 2015) as most unemployment person would be less competitive on the market due to poorer or lost qualifications after a long period of unemployment.

The rising unemployment in the country worsens the financial situation of households. This is indicated by the ever-increasing number of persons receiving social benefits in Lithuania. The assessment of changes in earnings and unemployment in Lithuania allows predicting that household income will continue to go down in 2010, but then will start slightly rising due to the growing shadow economy as well as slow economic recovery which might be expected in 2011. However, the income level of the year 2008 will not be reached even in 2015. The decreasing household income will boost the absolute poverty rate which may stand at 13.2% in 2010. This means that the income of 440.7 thousand persons will be below the poverty line. The absolute poverty rate is expected to go back to the level of the year 2008 (i.e. 4.8 %) only in 2015.⁶

The deteriorating macroeconomic situation in the country boosts emigration from Lithuania.⁷ Bearing in mind that the Lithuanian economy is expected to recover only in 2011-2012, the extent of emigration of the population is likely to grow further in 2010, along with the recovery of foreign economies. By then, the rates of emigration may

4 Porter, M. E.; Martin, X. S. I.; Schwab, K. *The Global Competitiveness Report 2007-2008*. Switzerland, 2007, p. 232.

5 Labour Force, Employment and Unemployment. Statistics Lithuania, 2009 [interactive]. [accessed 12-02-2011]. <www.stat.gov.lt>.

6 Gruzevskis, B.; Zabarauskaitė, R. Social Consequences of Economic Downturn (2008) in Lithuania. *Economics. Research Papers*. 2010, 89(3): 83.

7 International Migration of Lithuanian Population. Statistics Lithuania, Vilnius 2008 [interactive]. [accessed 12-02-2011]. <www.stat.gov.lt>.

reach 20-25 thousand per year. Thus, it may be projected that, as a result of growing emigration, Lithuania may lose another 100-150 thousand residents by 2015.⁸ In the long run, a greater extent of emigration entails such acute problems as population decline, “brain drain”, demographic ageing, which markedly weaken the growth potential of the national economy and slow down the improvement in the standard of living in the country.

The analysis revealed that, with a view to mitigating long-term negative social consequences of economic recession in Lithuania, the key measures at the policy level should be aimed at securing jobs (both in the private and in the public sectors), (re) integrating unemployed people into the labour market, as well as improving the support (social security) networking in the country.

The statistical data analysis has showed that during the economic decline, accompanied by a rising unemployment and a decreasing household income, the crime rate is increasing.

Since 2008, the number of criminal offences recorded has been annually increasing by 6-7 %, and in 2009 reached 83.2 thousand. Crimes accounted for about 90 % of all offences recorded. About 5-6 % of the crimes were serious and grave crimes. In 2009, just as every year, two-thirds of the criminal offences recorded were property related the number of such criminal offences increased by 6 %. Three-fourths of all property-related criminal offences recorded were thefts. In 2009, 40 thousand thefts were recorded, which is by 3 % more than in 2008.

In 2009, the number of criminal offences against the financial system recorded increased by 47, criminal offences related to the possession of narcotic or psychotropic substances – by 19 %.⁹

The number of cases of the production of counterfeit currency and securities increased by 158.6 % (from 237 to 613 cases), the number of frauds grew by 59.1 % (from 915 to 1456). Furthermore, the unlawful production of alcoholic beverages and the number of crimes committed by persons under the influence of alcohol nearly doubled during 2009. The increase in crime is expected to continue till 2012-2013 as, based on the Lithuanian and foreign experience, restraints on economic crimes are more time-consuming and related to a rise in the standard of living in the country.

2. Growth of the Shadow Economy

In the face of the economic downturn, an increasing number of business entities are encountering financial difficulties and some of them turn to the shadow economy, seeing it as one of business rescues. This is particularly relevant in the area of labour relations and failure to pay relevant taxes (income, social insurance). According to the data of

8 At the beginning of 2010, the company “Spinter tyrimai” conducted a survey on the attitudes of Lithuanian citizens towards emigration. In total, 1003 respondents were surveyed. According to the survey, 58.7 % of the respondents would like to leave the country (65 % of them were persons aged 18-25).

9 *Statistical Yearbook of Lithuania 2010*. Vilnius, 2010, p. 219–220.

the Statistics Lithuania, in 2004-2008 the shadow economy in Lithuania accounted for about 15 %. It can be forecasted that the declining profitability of business entities, raised taxes and the worsening macroeconomic environment may increase the scope of the shadow economy to 20-22 % by 2015.¹⁰ It is noteworthy that shadow activities develop very fast. Their restraint (elimination), however, requires a much longer period.

Imports of Russian goods from Lithuania are more sensitive to changes in LTL/USD rather in RUB/USD, as global price of energy resources bought from Russia is settled in US dollars in international market. Lithuanian exports to Russia will suffer due to cheaper rouble. Despite the fact the most popular currencies of settlements with Russia is dollar and euro, Lithuanian goods will get more expensive in Russian market as rouble loses its values and purchasing power of Russians shrinks.

A growing number of complains, requests and enquiries of citizens about infringements of their rights that are registered by the State Labour Inspectorate confirm that an increasing number of business entities move into the shadows during the period of the economic decline. The reasons behind the widespread unofficial activity are persistent. Economic reasons include the heavy tax burden, the complicated tax system, and generally difficult economic situation. Broader causes include the low tax morale, low risk, and favorable environment. For instance, about 5-7 thousand of the abovementioned complaints were received in 2006, whereas this number increased to over 11 thousand in 2008. This number continues to grow in 2009 - the number of complaints and requests received during the first two months of 2009 increased by one third from the same period of the previous year. Furthermore, it is likely that a significant number of people do not apply to the State Labour Inspectorate regarding various infringements (e.g. unofficial envelope wages) for fear of losing their job. Therefore, it can be stated that the latter may actually be significantly higher. Different estimates suggest that the shadow economy in Lithuania can account for up to one-third of GDP. The biggest share of the shadow economy is in smuggling, closely followed by unaccounted sale of goods and services and unreported remuneration. Instead of increasing taxes or further cutting social benefits and salaries of public servants, the government (rightly) decided to extract one billion litas from the shadow economy – roughly 5% of total tax income in the national budget. Although not an easy task, this can be accomplished with the right combination of economic and administrative instruments.¹¹

The shadow economy does not only exert a huge adverse impact on the country's economy, but also entails a wide range of negative social consequences, namely, increasing social and economic differentiation, rising levels of corruption in the country, reduction of the social guarantees for individuals, and low efficiency of resource allocation across sectors, unbalances the tax system, lowers the level of common infrastructure

10 Nausėda, G. *Economic Outlook and Prospects of Lithuanian Economy in 2009*. Vilnius, 2009.

11 *Survey of the Lithuanian Economy*. Lithuanian Free Market Institute, 2009; Pedersen, T. What are the prognoses for Lithuania's economy 2011-2013? [interactive]. [accessed 12-02-2011]. <<http://vilnews.com/?cat=30>>; Trasberg, V. Tax administration and shadow economy in EU new members [interactive]. 2004 [accessed 12-02-2011]. <<http://www-3.unipv.it/websiep/wp/313.pdf>>; World Bank Tax Policy and Administration [interactive]. [accessed 12-02-2011]. <<http://www1.worldbank.org/publicsector/tax/>>.

and main public services, as well as slows down the pace of the country's economic growth.

Lithuania may unexpectedly get closer to euro due to global recession and very low oil prices as cheaper energy resources have higher positive effect on inflation in Lithuania than in developed EU countries. However, it is important that fiscal deficit criterion is not missed instead of inflation indicator.

3. Description of Organized Criminal Groups Acting in Lithuania

In 2010 there were 23 Organized Criminal Groups active in Lithuania.¹² Many groups in Lithuania are broken or dismantled. Members of these groups (in Kaunas, Vilnius, Klaipeda, Panevėžys) are in prison, gone abroad or dead. During the last two years the number of Organized Criminal Groups has almost remained the same. Organized Criminal Groups of higher level are characteristic of long-term activity or they are re-composed from the members of broken or dismantled Organized Criminal Groups. The level of crime principals is constantly renewed by members of young age or criminals who have already served imprisonment sentences. Persons with criminal authority are recruited for the higher level of members including men of business of leaders in places of imprisonment.

The most significant trend of Lithuanian organized crime is the retreat of Organized Criminal Groups of older generation (those which split or were dismantled) from the most influential positions and the emergence of Organized Criminal Groups of new generation as well as their quick gain of strength. Organized Criminal Groups make their control centralized in Lithuanian regions the organized crime of which had features of national influence. Organized Criminal Groups of this kind aim to be prevailing in their regions and gain the power of interregional influence. The dominant Organized Criminal Groups expand their network of criminal authorities and Organized Criminal Groups influenced by them in different regions. Part of Organized Criminal Groups started seeking for dominant positions when members of higher level returned from corrective institutions.

Due to the change of criminal leaders, the situation of internal and external Organized Criminal Groups conflicts and dishonesty with accomplices of criminal deals started in Lithuania a few years ago and it continues. Violent actions are expressed among Organized Criminal Groups seeking to be dominant. Interregional Organized Criminal Groups support their followers during the conflicts of local Organized Criminal Groups. Firearms are used in the campaigns of influence spread or revenge. During assaults people are kidnapped, harmed or killed and their property is destroyed too.¹³

12 Criminal Police Bureau. Information Analysis Board [interactive]. [accessed 12-02-2011]. <<http://lkpb.policija.lt/>>.

13 OCTA. *EU Organized Crime Threat Assessment 2009* [interactive]. Europol, 2009 [accessed 12-02-2011]. <[http://www.europol.europa.eu/publications/European_Organised_Crime_Threat_Assessment_\(OCTA\)/OCTA2009.pdf](http://www.europol.europa.eu/publications/European_Organised_Crime_Threat_Assessment_(OCTA)/OCTA2009.pdf)>.

The situation of controversial relation encourages consolidation of associate Organized Criminal Groups as well. Activity in criminal fields becomes dependent on the capability to specialize functions. Organized Criminal Groups of weaker capacities join the stronger ones and become specialized for certain tasks of the criminal activity cycle. Harmonization of roles and influence over the field of activity is particularly significant among Organized Criminal Groups acting on international and local levels.

In 2009-2010 (1st half-year) the indicators of criminal situation in Lithuania were decreasing. However, the tendency to increase was characteristic of crimes committed by Organized Criminal Groups. The number of criminal acts related to murders and attempts to murder, possession of weapons and seizure of weapons, seizure of property, property extortion, destruction of property and drug distribution as well as smuggling of excise goods increased in the regions of activity of the most influential Organized Criminal Groups. The crimes committed by Organized Criminal Groups had features of high level of planning and application of special means and measures.

The criminal fields such as smuggling of drugs and excise goods and their distribution are the most important factors for the Organized Criminal Groups to gain power. Organized Criminal Groups created infrastructure of drug trade and developed channels of supply as well as networks of distributors almost in all the regions of Lithuania. Even the Organized Criminal Groups members who are in prison remain in the system of drug trade and control it. Activity in the field of drug and excise goods smuggling is a strong factor encouraging the creation of new Organized Criminal Groups that are specialized only for this function.

In certain regions of Lithuania Organized Criminal Groups acting only in the field of smuggling are dominant. Organized Criminal Groups controlling international relations ensure provision of illicit commodities. Organized Criminal Groups of lower level organize distribution and or implement the function of smuggling. Competition because of influence is more typical of the field of retail trade in drugs. One more criminal field over which Organized Criminal Groups have strong sub-groups or new specialized Organized Criminal Groups are created is property seizure. Organized Criminal Groups acting on international level seize luxurious cars and watercraft, equipment of cargo shipment, agriculture and building. Property is seized from trade points and residential premises in different ways. In 2009 a tendency to burgle into agencies in which large amounts of money was kept or organize armed raids on them emerged.¹⁴

During the crisis period the number of crimes against the economy, financial system and other fraud committed by Organized Criminal Groups rose. Property extortion and abuse of authority were encouraged by the derangement of economic activity of companies and mutual debts. Both businessmen controlled by Organized Criminal Groups and dependent on criminals experienced this situation. They became targets of property extortion because of debts. Another reason for criminal profiting from property extortion was the rise in the number of persons engaged in the distribution of illicit com-

14 Information from divisions of Lithuanian Criminal Police Bureau [interactive]. [accessed 12-02-2011]. <<http://lkpb.policija.lt/>>.

modities or smuggling. Management of financial resources gave Lithuanian and foreign Organized Criminal Groups a possibility to make investments in business sector. However, some of Organized Criminal Groups lost their influence during the economic crisis because they turned down financially and lost their powers which had been previously gained by the use of services of legal business companies.¹⁵

4. Transnational Aspects of Lithuanian Organized Crime

The geographical location of Lithuania is favourable for the international activity of Organized Criminal Groups. Lithuania is the crossroads of illicit commodity carriage routes both in internal and external EU directions. The locality of Organized Criminal Groups preconditioned their specialization in the control of separate external EU borderland. Some of them make use of their influence at the Belorussian border others do it at the Russian border. Closer international relations in neighbouring countries are also characteristic of local Organized Criminal Groups at the internal EU borderlands with Latvia and Poland.

In Russia in 2009 and 2010 year Lithuanian Organized Criminal Groups used possibilities related to the acquisition of excise goods for smuggling to the West and precursors for smuggling to the Kingdom of the Netherlands, handling of smuggled cocaine, hashish, cannabis, amphetamine, methamphetamine and ecstasy (MDMA), handling of smuggled heroin in Kaliningrad region, handling of stolen vehicles and running of LBSs. Some members of Lithuanian Organized Criminal Groups have settled in Russia.

In Poland in 2009 and 2010 year Lithuanian Organized Criminal Groups used possibilities related to transit of excise goods smuggling and their handling, counterfeiting of cigarette products, transit of drug smuggling, vehicle thefts and the use of counterfeit electronic payment instruments.

In Germany in 2009 and 2010 half-year Lithuanian Organized Criminal Groups used possibilities related to the handling of smuggled cigarettes, transit of drug smuggling, trade in heroin and management of prostitution organization networks, trafficking in human beings, seizure of vehicles and other property, distribution of forged identity documents, counterfeit Euros, carriage of illegal migrants, purchase of property, running of LBSs, money laundering and use of corruption. There are some Organized Criminal Groups members serving their imprisonment sentences in Germany.

In Latvia in 2009 and 2010 year Lithuanian Organized Criminal Groups used possibilities related to the acquisition of smuggled cigarettes and pure alcohol, transit and handling of heroin, cannabis and ecstasy (MDMA), Euro counterfeiting, vehicle thefts, thefts from pipelines, cargo seizures, thefts of the equipment and chemicals for agriculture, legalization of stolen vehicles, use of false electronic means of payment, fraud, use of forged documents and running of LBSs.

15 The reports of Organized Crime Investigation Divisions of criminal police [interactive]. [accessed 12-02-2011]. <<http://lkpb.policija.lt/>>.

In Estonia in 2009 and 2010 year Lithuanian Organized Criminal Groups used possibilities related to the transit of drugs smuggled and running of LBSs.

In Finland in 2009 and 2010 year Lithuanian Organized Criminal Groups used possibilities related to the smuggling of cocaine amphetamine and methamphetamine as well seizure of property. There are some OCG members serving their imprisonment sentences in Finland.

In Sweden in 2009 and 2010 year Lithuanian Organized Criminal Groups used possibilities related to the transit and handling of cannabis, amphetamine, ecstasy (MDMA), thefts of cars, watercraft and their parts as well as seizure of other property. There are some members of Lithuanian Organized Criminal Groups who have settled in Sweden for residence.

In Denmark in 2009 and 2010 year Lithuanian Organized Criminal Groups used possibilities related to the transit and handling of methamphetamine smuggled, thefts of cars, watercraft and their parts as well as seizure of other property.

5. Description of Criminal Groups¹⁶

The organized criminal group of “Agurkas” having regard to its high level of threat. Its criminal activity covers production of narcotic substances, their distribution and smuggling, smuggling of excise goods, thefts of vehicles and thefts from residential premises, robberies, extortion of property, fraud, trafficking in human beings, organization of prostitution, currency counterfeiting and document forgery. In 2009-2010 the members of the organized criminal group were also suspected of criminal acts related to illegal activity of companies, possession of criminal property, possession of weapons, disturbance of public order, resistance to officers or their offence, unlawful deprivation of freedom, threats of killing, health impairment, attempts of killing and sexual abuse.

International Dimension of the organized criminal group - In the Baltic region: Russia, Latvia, and Estonia. Activity in other EU countries: Norway, the United Kingdom, Spain. In Eastern countries: Ukraine.

It is one of the strongest organized criminal groups in Lithuania. The level of organized crime in Lithuania depends on its activity. This organized criminal group also has influence over the tendencies of organized crime expression committed by the Lithuanians abroad.

The threat regarding the influence of this organized criminal group in the Baltic region is relevant to Poland, Latvia, Estonia, Sweden and Russia. Norway, the Kingdom of the Netherlands, Germany, Belgium, the United Kingdom, Ireland, Spain and Ukraine in the East are important EU countries for the interests of organized criminal group. The societies of the countries mentioned suffer damage due to the crimes related

16 The main source of information for the description of organized crime groups was the reports of Organized Crime Investigation Divisions of criminal police, Lithuanian police units on the work done during the period of 2009 and 2010. Data of State Border Guard Service and Customs Criminal Service too.

to drug distribution and property seizures. Grey economy in the West is encouraged by the handling of smuggled excise commodities and handling of property seized in the East.

Criminal Activity of the “Beglikas” organized criminal group. Drug and alcohol smuggling, money laundering and other crimes against financial system. International Dimension of the organized criminal group in the Baltic region: Latvia, Estonia and Russia. Activity in other EU countries: Spain. Perspectives of the powers of the organized criminal group may be related to the criminal authority of the organized criminal group leader, his connections, capability to have influence entrenched and countermeasures in criminal activity regarding drug smuggling in the route of Spain-Lithuania-Russia. The power of the organized criminal group should be also increased by the economic activity of LBSs related. Latvia, Estonia and Russia are the countries in the Baltic region to which the threat posed by this organized criminal group is relevant. Other EU countries important for the interest of the organized criminal group are transit countries through which drugs are smuggled from Spain to Russia. Damage to the society is made by the organized criminal group due to drug distribution. The increasing economic power of the organized criminal group makes up a threat as well.

The OCG of “Šmikiniai”. Drug smuggling and distribution, smuggling and distribution of excise commodities, robberies, thefts of luxurious vehicles, thefts from vehicles, extortion of property, handling of stolen property, distribution of counterfeit money, organization of prostitution, possession of weapons, destruction or damage of property, health impairment and money laundering. International Dimension of the organized criminal group: in the Baltic region: Latvia, Estonia, Finland, Sweden, Germany and Russia. Activity in other countries of Western Europe: Switzerland, Iceland. Transit of illegal commodities in the Baltic region takes places through Latvia and Estonia. Drugs are distributed and property is seized in the region of Scandinavia. Due to the same criminal activity the organized criminal group is dangerous for many EU countries in north-western region. The organized criminal group is dangerous for Russia because of cocaine smuggling from South America. The organized criminal group has strong positions in Germany and Spain. The societies of these countries suffer damage due to drug distribution and money laundering. Victims of trafficking in human beings from Lithuania and the East may be exploited in prostitution networks.

The organized criminal group of “Žemaičiai”. Its criminal activity covers production of drugs, smuggling and distribution, smuggling of counterfeit money and its distribution, extortion of property, fraud, robberies, thefts, vehicle thefts as well as land and water motorcycle thefts, handling of stolen property, crimes against the economy and financial system, money laundering, violation of public order, possession of weapons, destruction and damage of property, illegal deprivation of freedom, health impairment and murders. International Dimension of the organized criminal group: in the Baltic region: Latvia, Estonia, Germany and Russia. In other EU countries: Belgium, the Kingdom of

the Netherlands, the United Kingdom, Ireland, France, Bulgaria, Italy and Spain. Drug smuggling is facilitated by free movement of people and commodities in the territory of the EU and factors related to the failings of external border security. The organized criminal group uses LBSs in the fields of haulage, agriculture and finance for criminal purposes. The organized criminal group uses options of the system related to absorption of EU financial support in order to strengthen its powers. Thanks to technologies the members in distance may maintain constant contact.

The organized criminal group of “Miliai”. Criminal Activity of the organized criminal group: drug smuggling and distribution, smuggling of excise commodities, property extortion, crimes against the economy and money laundering. International Dimension of the organized criminal group: In the Baltic region: Sweden and Russia. In other EU countries: Norway, Belgium, the Kingdom of the Netherlands, the United Kingdom and Italy. In the East: Belarus, Ukraine.

The organized criminal group of “Buduliai”. Criminal activity of this organized criminal group covers drug smuggling and distribution as well as cigarette smuggling. International Dimension of the organized criminal group: in the Baltic region: Latvia. The role of Latvia: interests in the field of drug smuggling. In other EU countries: Norway. The role of Norway: organized criminal group connections with immigrants from Lithuania. Latvia suffers damage due to the activity of international organized crime. Trade in drugs and smuggled cigarettes might be encouraged in Norway.

The organized criminal group of “Švinius”. Criminal Activity of the organized criminal group: the criminal activity of this organized criminal group covers cigarette smuggling, money laundering, crimes against the economy, fraud, property extortion, robberies, health impairment and possession of weapons. International Dimension of the organized criminal group: in the Baltic region: Latvia, Germany and Russia. In other EU countries: the United Kingdom. In the East: Belarus. The role of Belarus: the organized criminal group runs LBSs, acts in the field of construction business and makes use of corruption. Grey economy and corruption are encouraged in destination countries due to cigarette smuggling, so organized criminal group property increases. Cigarette smuggling is facilitated by free movement of people and commodities in the territory of the EU and factors related to the failings of external border security. Organized criminal group specialization is preconditioned by geographical location of the region in which it acts. Social and economic situation, tolerance in the society ensures the demand for smuggled cigarettes. The economic activity of the organized criminal group is based on the possibilities of both small and large LBSs. The need of means of intelligence and conspiracy for crime commission is ensured by technologies.

Wide interregional and international connections have been developed by the organized criminal group leaders because of their criminal authority and financial power.

6. Description of Criminal Acts¹⁷

6.1. Narcobusiness

The drug market trends in the Baltic States are similar, the increase in problem is observed, in 2010 large¹⁸ consignments were seized in Lithuania and Latvia, new uncontrolled psychoactive substances are getting popular. However, there also are some differences, e.g. heroin is common for Lithuania, but there are really small amounts of it in Estonia, however, fentanyl (synthetic heroin alternate) is used instead. In Lithuania the most popular synthetic drug is metamphetamine, and in Estonia amphetamine is in demand. In Latvia amphetamine and metamphetamine share the market almost equally. All three countries are used for transit from the East to the West and vice versa and for transit of synthetic drugs to Scandinavia.

In Lithuania when committing criminal activity, the members of Organized Criminal Groups share functions among themselves: some are responsible for the production of drugs or their acquisition, others are in charge of local logistics (selection of couriers and their recruitment), yet others are responsible for handling. Functions are usually distributed with regard to the capabilities of the members of the group.¹⁹ Heroin is usually brought to Lithuania from Russia. Part of heroin remains in Lithuania and part of it is shipped to Kaliningrad Region and Latvia.

While committing its activity, Organized Criminal Groups uses the sectors of transport and finance, illicit market of commodities and services, possibilities of new technologies which facilitate organization of criminal act and encumbers disclosure of crimes and evidence gathering. One of the reasons for Organized Criminal Groups to commit illicit circulation of drugs is quick and great profit received from criminal activity, constant demand for narcotic substances and market of consumers.

Cocaine has not been marketable in the illicit market of drugs in Lithuania due to the high price for there is amphetamine or methamphetamine, which are considerably

17 The main source of information for the description of organized crime situation in Lithuania and organized crime groups was the reports of Organized Crime Investigation Divisions of criminal police, Lithuanian police units on the work done during the period of 2009 and 2010.

18 In 2009 3.7 kg and 853 ml of heroin were detained in Lithuania. In 2010, 1st half-year, 5.5 kg of a narcotic substance, namely, heroin, were found in a hidden compartment in a truck at the Latvian and Lithuanian border. This is the largest quantity of heroin detained in Lithuania. Its value on the black market would amount to one million Litas (i.e. 289620 EUR) [interactive]. [accessed 12-02-2011]. <http://lkpb.policija.lt/index.php?option=com_content&view=article&id=135>.

Apart from several areas of cannabis cultivation in Lithuania in 2009, 2 specially equipped cannabis cultivation places were disclosed: 5.3 kg of cannabis were seized in one of them and 13 kg - in another one. In 2009 several cases of indoor cannabis cultivation (of small scale) were disclosed. In total 82 kg of cannabis were withdrawn from circulation in Lithuania. *Neteisėtos narkotikų apyvartos Lietuvoje 2009 metais apžvalga* [Review of Illegal drug trafficking in Lithuania 2009]. Lithuanian Criminal Police Bureau, 2010, p. 24.

In 2009 2.5 kg of amphetamine were withdrawn from circulation in Lithuania. In 2009 69823 ecstasy tablets were withdrawn from circulation in Lithuania. It has been noticed that the place of ecstasy is being replaced by mCPP and its mixtures. *Neteisėtos narkotikų apyvartos Lietuvoje 2009 metais apžvalga* [Review of Illegal drug trafficking in Lithuania 2009]. Lithuanian Criminal Police Bureau, 2010.

19 Criminal Police Bureau. Information Analysis Board, *supra* note 12.

cheaper and have similar influence. There is a trend becoming significant, when a great quantity of cocaine is brought to Lithuania, later it is carried to Europe or Russia and all of it is done to mislead law enforcement for the destination country of the legal cargo (in which drugs are hidden) is Lithuania in which the market of cocaine is not really big.

Just like ATS, cannabis has remained the most popular drug among consumers. Lithuania, just like Europe has faced a spreading phenomenon, i.e. indoor cannabis cultivation. For this reason cannabis may be cultivated in Lithuania or brought from the Netherlands or Spain. In 2009 313 cases of cannabis detention were registered and 356 suspects were identified.²⁰

Amphetamine type stimulants (ATS) have remained the most popular in the country as it was the previous year. Quite a quantity of these substances is brought from foreign states. In 2009 2.5 kg of amphetamine were withdrawn from circulation in Lithuania. It has been noticed that there was a decrease of amphetamine in the local market for methamphetamine is the most popular ATS. Illicit production of methamphetamine and amphetamine has been disclosed in Lithuania and its products are meant not only for the local market but are also transported to Scandinavia (through Latvia and Estonia) and Russia. Part of this narcotic substance, namely, ecstasy remains in Lithuania and the other part is transported to Russia. The smuggling routes created are used for the transportation not only of drugs produced in Lithuania; the same routes are used for the carriage of ecstasy and the imported amphetamine.

6.2. Cigarette and Alcohol Smuggling

In 2009 in comparison with 2008 retail prices of tobacco products increased by 26.1 % in Lithuania. The prices of cigarettes increased due to the fact that in 2009 excise and value added tax rates were doubled. Mostly (by 35.1 %) has increased the price of cigarettes with filters belonging to the forth price segment (the one representing the cheapest cigarettes). In 2009 the retail sales of tobacco products reduced by 31 % (for comparable prices) in comparison with 2008. Statistics of the first half-year of 2010 shows that the legal market of cigarettes is shrinking.

In comparison with previous years the significant rise in the amount of contraband cigarettes shipped from third countries (most often from Russia and Belarus), and in the amount of contraband cigarettes detained on the territory of Lithuania has been observed. Just as before, Lithuania remains a transit country, 85 % of the cigarettes detained in Lithuania are intended for the “black” market of the European countries (the United Kingdom, Germany, Poland). The most popular cigarettes smuggled via the territory of Lithuania have remained the cigarettes “Jin Ling”. Having legally acquired tobacco products in third countries (most often in Russia) and having illegally sold them on the black market of EU member states the profit comprising 1000 % is gained. It has been noticed that the persons who previously organized the smuggling of cigarettes via the “green border” started to transport them in the hidden compartments equipped in cargo trucks and in cars, thus decreasing costs for transportation of the contraband.

20 Criminal Police Bureau. Information Analysis Board, *supra* note 12.

The intensified cross border shopping has been lately observed in Lithuania, when due to the different prices of cigarettes in the neighbouring countries individual persons legally bring the allowable amount of cigarettes and alcohol drinks via the state border not violating the order established for travellers, however, those goods are intended not for personal use, but for resale. It has been noticed that the number of Polish citizens, who in order to attract less attention of the Lithuanian law enforcement officers purchase cars with Lithuanian registration numbers and with specially equipped hidden compartments (in a fuel tank, in a gasbag and in a specially equipped double floorboard) for illegal shipment of cigarettes, has increased.

In comparison to the year 2008, in 2009 retail prices of alcoholic beverages increased by 9.2 %. The increase of alcoholic beverages' prices was caused by higher excise rate, which started to be applied on January 1, 2009. Also the increase was influenced by value added tax, which was raised in 2009. Also the increase was influenced by value added tax, which was raised in 2009. The prices of the fortified alcoholic beverages have increased to a great extent. 3.3 million of dekalitres of fortified beverages were sold in 2009, which is 559 thousands of dekalitres (14.3 %) less than in 2008. The principal tendencies of the alcohol smuggling have remained the same²¹: products are smuggled from the neighbouring EU countries, i.e. from Poland and Latvia. The scope of the transportation of illegal alcohol from Poland and Latvia and the scope of the production inside the country has expanded. Due to quite liberal application of formulas for denaturing alcohol established in those countries legally produced alcohol or alcohol brought from third countries is shipped to the territory of Lithuania (legally or illegally), where it is illegally processed under domestic conditions using simple technological equipment and sold on the home market. In order to conduct the smuggling of cigarettes and alcoholic beverages a special experience is needed, i.e. it is necessary to be familiar with terrain, to be able to minimally speak foreign languages, to maintain contacts with the members of a criminal group in the neighbouring countries, to have specially equipped cars and professional drivers. Having distributed tasks and roles the members of the same organized crime group usually conduct all the stages of the criminal activity. Some buy cigarettes from foreign suppliers or legally operating factories (in Kaliningrad Region (Russia) or in Ukraine), other bring cigarettes to Lithuania, the rest arrange orders and sell cigarettes to the persons, who later handle cigarettes in Lithuania or resale them. The smuggled cigarettes are most often shipped to Lithuania in hidden compartments or by hiding them under various goods in trucks and cars. From Kaliningrad Region cigarettes are also shipped across the state border bypassing the border checkpoints and carrying them across the river with waterborne transport. Tobacco and its products are illegally shipped by transit via Estonia, Latvia, Lithuania, Belarus, Poland, Greece, Hungary and Sweden. The destination countries are Lithuania, Poland, Germany, England, Ireland and Norway. Contacts are maintained with Russian, Polish, German, Latvian, Belarusian, Ukrainian, Israeli and with other countries criminal groups.

21 Statistikos departamentas. 2010-06-11 pranešimas spaudai "Alkoholio vartojimas ir padariniai 2009 m." [Department of Statistics. 11-06-2010 Press release "Alcohol consumption and consequences 2009"]. [interactive]. [accessed 12-02-2011]. <<http://www.stat.gov.lt/lt/news/view/?id=7855>>.

The economic social situation, which has changed for the worse and considerable increase of cigarettes' prices are listed as the main reasons that have caused the increase of the smuggling of tobacco products. Organized Criminal Groups commit this criminal activity as it brings fast and high profit and does not require considerable labour expenditures. The organizers of the smuggling usually stay in the background, it is hard to identify them and they are rarely punished by imprisonment. Also the responsibility foreseen for this criminal activity is relatively lighter than, for instance, for the smuggling of narcotic substances.

The smuggling of cigarettes and alcohol inflicts direct damage on collecting of state budget revenue and on the Lithuanian economy and image. Persons, who engage in this trade, work illegally, do not declare their income, do not pay taxes to the country; a strained competition emerges on the market, when legal trade competes with illegal one. Due to the fact that the biggest part of the cigarettes shipped via Lithuania is intended for the "black" market of EU countries, the damage is surely caused to the economy of those countries, however, we do not possess any specific data on the influence of this criminal activity in the Baltic Sea region, inside and outside the EU.

6.3. Counterfeiting of Euros

Production and distribution of counterfeit EUR is not a very frequent criminal activity in Lithuania, since Lithuania is not a member of the Euro zone, nevertheless, the Euro is the most frequently occurring counterfeit currency in Lithuania. Banknotes in denomination of 20 and 50 Euros are mostly counterfeited and distributed. The majority of counterfeit Euros are handled in Euro zone countries but there are cases when people are fobbed off with counterfeit Euros for the commodities sold. Nevertheless, according to the data of the European Central Bank, the number of counterfeit Euro banknotes in comparison with the increasing number of genuine Euro banknotes in circulation is not very high.²²

Cancellation of internal border control gives the persons committing crimes a possibility to freely travel in EU countries and carry counterfeit money or other illicit items with themselves. Technological processes in rapid development allow organized groups to acquire high quality in counterfeit money production which encumbers counterfeit money detection significantly. Due to the reason that many countries do not have the Euro introduced people have difficulties in telling the difference and foreign citizens are very trusting; people likely to commit crimes find it easy to deceive them. Economical and financial problems in the states are partial preconditions for the commission of such criminal acts as production, keeping or handling of counterfeit money or securities.

Production and distribution of counterfeit Euros does not make particular influence over the economics of the countries of the Baltic region for these are usually private persons who suffer damage due to the ignorance of security features of Euros and acceptance of qualitatively counterfeited Euro banknotes. Bank employees detect the

22 Bank of Lithuania [interactive]. [accessed 15-09-2010]. <<http://www.lb.lt>>.

counterfeits with special equipment, meant for the identification of security features of currency, easily and withdraw them from circulation immediately.

6.4. Trafficking in Human Beings and Exploitation of People

It has been noticed that trafficking in human beings has acquired new forms, i.e. a victim agrees to travel to the countries with higher standard of living and get engaged in prostitution voluntary half of the income giving for the organization of prostitution for her due to her social vulnerability (unemployment, absence of income) and absence of other perspective options. Trafficking in human beings is organized and committed not only by Organized Criminal Group members but also by individual persons in some regions of Lithuania having no tight connections with Organized Criminal Groups.

Trafficking in human beings is committed by recruiting people (by deception or telling the truth), organizing transportation of people (document forgery is possible, ways of transportation are found) and searching for locations of selling and receiving profit. More cases occur in which payment for a person is made from the very person's earnings. Victims of trafficking in human beings are usually women aged 18-24. Girls are recruited through modelling agencies, various radio station shows, online dating, social networks such as *Facebook* and other websites and leave voluntary. Cases are also known in which girls are firstly suggested legal jobs (e.g. as waitresses, dancers) and when carried abroad they are forced to provide sexual services. Violence is also often inflicted against girls in order to make them work and intimidate others. Search for and recruitment of girls to be engaged into prostitution are conducted by the low level members of organized criminal groups. Girls for this activity are recruited not only by procurers but also by working prostitutes who receive pecuniary rewards for a new girl from the procurer (in some cases up to 600 EUR a girl).²³

Poland is one of the main transit countries through which persons are carried. Cases were also disclosed when persons were carried through Latvia, Germany, the Czech Republic (using land transport where there was no internal border control). Destination countries are the states which have higher standard of living, their economy is more stable, and there is demand for cheap labour and sexual services (Germany).

When committing these criminal acts, employment agencies, agencies of employment mediation, dating, modelling, recreation centres, night clubs, rented flats and hotels are used. The establishment of LBSs is often planned together with the criminal activity organized, i.e. companies are established in the names of other persons (having no profit or antisocial persons). LBSs are established not only in Lithuania but also in the countries in which criminal acts are committed. Favourable conditions for the commission of these criminal acts are made by tolerant national legislation, scarce control of responsible state institutions and demand for sexual services and cheap labour in destination countries.

The commission of criminal activity is conditioned by complicated economic situation and high level of unemployment in Lithuania. The reason for the Organized

23 Criminal Police Bureau. Information Analysis Board, *supra* note 12.

Criminal Groups to participate in the commission of these criminal acts may be low risk and high profit. Favourable influence over the organization and commission of criminal acts is made by scarce control of the employment of cheap labour and market of sexual services. The proceeds of this crime are invested in legal business and the economy of the state is destabilized in this way.

6.5. Fraud Including VAT Fraud and Fraud in Public Tendering

In 2009–4229 cases of fraud were registered in law enforcement agencies and in January – July 2010–2494 cases were registered. In comparison with 2008, statistics shows that there is obvious increase in the commission of this kind of crime (2773 cases of fraud were registered in 2008).²⁴

Economic crisis has touched many business fields. Payments among the subjects of economy in disarray and massive increase of mutual debts raise probability of increase in crimes with characteristics of fraud. Business difficulties will stimulate the rise of new ways of fraud, various manipulations, shady financial transactions and other ways of appropriation. An increase of insurance fraud is also predicted. Companies going bankrupt and receiving no bank loans, being short of circulating assets will easily get attracted by financial assistance or investment suggested not getting into details where the money comes from. When analyzing the investigations conducted there were trends of criminal activities committed by organized groups identified. This allows to presume that favourable environment for taking over the legal business by obtaining insolvent companies and for laundering proceeds of crime may be created. There has currently been an increase in the number of fraud cases among legal entities, companies are established or purchased in order to commit fraud, commodities are purchased on the grounds of consignment and there are also cases of fraud in the recovery of value added taxes. Later on companies of this kind go bankrupt or are fictitiously sold to other persons with no further activity being implemented. The persons who acquire them are usually antisocial or trade is conducted using identity documents lost or stolen. Recently many cases have been disclosed in which companies participated in fraud regarding social allowances; the salary of a female employee is raised before her maternity leave in disproportion and she receives a “raised” social allowances for two years. Fraud of this kind is usually possible in private companies.

Analyses of law enforcement agencies have shown that the core in crimes of fraud is the use of personal data belonging to another person.²⁵ It has been established that fraud is closely related to the forgery of identity documents. In the recent years criminal acts of economic nature have been noticed such as handling of real estate belonging to other persons, fraud in order to acquire real estate of great value, fraud in employment, deliberate bankruptcy (phoenix), cargo fraud, etc. Criminal acts of the so called “Phoenix syndrome” have been registered in the recent years, it happens when companies

24 The IT and Communications Department under the Ministry of the Interior of the Republic of Lithuania. Crime Statistics [interactive]. [accessed 26-08-2010]. <https://www.ird.lt/viewpage.php?page_id=55>.

25 Criminal Police Bureau. Information Analysis Board, *supra* note 12.

transfer property or activities onto newly established subsidiary companies to evade paying VAT or other taxes, or payment for commodities or services to the suppliers. In the course of the analysis of the investigations, the following new trends of criminal acts committed by organized groups have been established:

Assets of the Lithuanian budget are targeted by foreign nationals acting on behalf of foreign companies, i.e. they forge documents indicating alleged purchase of commodities from Lithuanian companies (the case of telephone purchase), provide these falsified documents to State Tax Inspectorate (hereinafter referred to as STI) and request the recovery of VAT due to overpayment. These are cases where commodities were allegedly bought for handling in Lithuanian market and then they were allegedly taken (exported) abroad;

In order to commit VAT embezzlement, these are Lithuanian companies which are usually used and no foreign undertakings are involved; recently there have been more cases in which companies aimed to appropriate VAT from the budget of the state and not to evade VAT to be paid, i.e. trade is simulated after which the state stays in debt with regard to the companies under consideration.

VAT embezzlement is usually disclosed in the course of trading with oil products, metals, vehicles and their parts, consumer commodities, in the sector of constructions, provision of various services and works hard to verify and assess their completion (advertising, implementation of various researches, mediation services) as well as field of information technologies and meat processing.²⁶

Although the methods of the activity of OC groups are becoming more elaborate, having made an analysis it should be stated that the scheme of VAT embezzlement has remained the same as in the previous years:

- export operations of commodities are simulated using falsified documents;
- using forged documents, the purchase of goods or services from other companies operating within the territory of the Republic of Lithuania, is simulated;
- forged documents, certifying the supposedly legal purchase are used for legalization of illegally purchased goods; later on such commodities are resold to other undertakings;
- in order to fictitiously increase the prices of commodities and services to be purchased or to reduce the prices of goods and services to be sold, front companies (those not conducting actual activity) are involved in the chain of the purchase of commodities or services.
- Being aware of complicated financial situation (impending bankruptcy) of the company, company managers continue the search for customers and take up responsibility to complete appropriate work or provide services taking advance fees agreed for work (service) completion.

The most popular model of VAT embezzlement is as follows: purchase of commodities or services from other companies active in the territory of Lithuania is simulated

26 Lithuania to cut benefits, pay, hike VAT to fight crisis. EUbusiness [interactive]. [accessed 12-02-2011]. <<http://www.eubusiness.com/news-eu/1245249122.94/>>.

using falsified documents; a variety of the model under consideration is this: companies with no actual activity conducted are involved in the chain of purchase of commodities or services, fictitious increase or decrease of the price of commodities or services purchased is sought. It was established that companies conducting fraudulent operations are very often involved in legal activity as well. VAT embezzlement models are handled employing companies with no actual activity conducted. The existence of companies of this kind has remained an essential condition giving preconditions for VAT embezzlement. Criminals have recently acquired companies buying shares of companies previously established by other persons.

Moreover, it was established that subjects involving companies with no actual activity conducted in the chain of purchase of commodities and services and including the allegedly conducted trade of purchase and sale of commodities and services provided evade not only VAT that should be paid but also evade the compulsory corporation tax having activity expenditure of the company been fraudulently increased. In order to fraudulently evade taxes or appropriate assets of the state budget, when committing fraud members of organized groups share roles.

In order to commit criminal acts of this kind private companies are usually used, the role of which includes purchase of real estate and its registration in the name of the company. It should be noted that OCG members work in the companies mentioned. These companies are engaged both in legal and illegal activity which is harmonized with each other and implemented in Lithuania.

6.1. Money Laundering

The main methods used of organized criminal groups:

Foreign companies transfer their money to the accounts of bogus foreign or Lithuanian companies which are usually established by foreign citizens in the Lithuanian banks where they money is cashed;

Money is transferred from one foreign country to another by transit through Lithuania using the accounts of foreign bogus companies opened in credit establishments of Lithuania;

Lithuanian companies transfer money to the accounts of Lithuanian bogus companies or non-profit companies (usually various fitness clubs) and the money is immediately cashed after it has been transferred;

The proceeds of crime acquired in Lithuania are taken to foreign states or the proceeds of crime acquired in foreign countries are taken to Lithuania.

The money is cashed and accounts of foreign bogus companies are opened and managed both by the citizens of Lithuania and foreign countries who are often antisocial or have connections with criminal groups.

It is supposed that the major part of assets coming to Lithuania or used in order to conceal the illegal origin of assets and damage is incurred on the budgets of foreign countries, nevertheless, cases have been disclosed in which these were Lithuanian nationals who used accounts of foreign countries committing analogous criminal activity.

Lithuanian companies used companies registered in foreign countries and foreign nationals more and more by transferring money for the alleged deals to the accounts of bogus companies or offshore companies in foreign banks. More cases occur in which money is cashed in neighbouring countries and in which the citizens of that particular country are involved;

Having the proceeds of crime which were transferred to the accounts of offshore companies of foreign banks been made legal, investments are made in the Lithuanian economy branches in the names of the companies under consideration purchasing companies or their shares.

Quite a number of accounts of foreign bogus companies have been opened in the credit establishments of Lithuania which may be called transit accounts, - international payment transfers made into these accounts from abroad, including doing it online, are further transferred to another foreign commercial bank. The scheme of this kind of money movement in which money travel through many countries and get into many accounts may be used in various schemes of tax evasion and in the legalization of the proceeds of crime, in this case it is especially difficult to identify sources of assets and final receivers.

Money laundering has a geographical principle which is closely related to the principle of neighbourhood (close in distance, no language boundaries) and a possibility to cross border of EU countries freely. Since the border of Lithuania is one of the external border of the EU, illegal assets are smuggled to the third countries (the Russian Federation, Belarus) not declaring them to the customs services of the Republic of Lithuania. Cash smuggling is one of the most frequent elements in money laundering schemes meant to conceal the illicit source and origin of money as well as its state of origin. Having the internal EU borders become open, the export of the proceeds of crime from the Republic of Lithuania and their export have become extremely simple and after further financial transactions the state of origin of the illicit assets becomes particularly difficult to trace. The geography of the financial transactions of organized criminal groups is also influenced by geographical location of Lithuania, which is especially attractive for drug transit.

Conclusions

It should be mentioned that globalization have a huge impact to criminological situation in all countries. In Lithuania increase of international crimes could be seen. For instance, Lithuanian organized crime groups have strong relations with criminals from UK, Germany, Spain. They are planning and doing criminal activities together, especially in these areas: drugs, trade in human beings, smuggling, forgery. It takes them easier to implement their criminal activities. Drug dealing business makes huge profit that's why organized groups are engaged in that activity not only in freedom, but also in prison. They are concurring between themselves trying to control all drug business. Less financial strong members of criminal world and criminal groups attempt to join

economical strongest criminal groups. The criminal groups from small cities of Lithuania also trying to join criminal associations operating in capital of Lithuania – Vilnius. More and more often, the members of criminal world are looking for the possibilities on the implementation of criminal activity in European Union countries. A lot of members of criminal groups are leaving the country to continue criminal activities abroad.

In Lithuania, as in most countries, during the economic crisis the number of organized crimes to state economy and finance system has been increased. The financing of organized groups shall be strictly prevented as one of the most important measures on combating the organized criminal acts. Lithuania has already implemented the legal acts on asset confiscation. It is highly important that every member state would take all necessary actions in order to prevent the financing of organized crime.

Prevention and control of organized crimes: to destroy the economic potential of organized crime groups, as well as the criminal business and internal executive infrastructure and the relations, also other preconditions of organized crime, paying special attention to the leading and organizing chains of the groups. To create an efficient control mechanism, impeding the legalization of funds acquired in criminal ways. To promote the fight against organized crime groups of law enforcement, finance and control institutions as well as other institutions concerned and ensure their cooperation.

The analysis for organized criminal activities of recent years suggests that they are much more professional now than before. Nowadays unlawful activities are based on good mutual relations on both levels domestic and international and rely on highly organized financial, technical, and informational supplies.

It is very difficult to prognoses' trends in developments of organized crime. Up to year 1993 threat of organized crime was very real in Lithuania. We even raised the question who will take up the control over the situation in the country- criminal justice or organized crime.

However, later due to new laws directed to fight organized crime, due to strengthening criminal justice system positions, few successful trials and convictions in court took place and weakened position and influence of organized crime in Lithuania. However, position of organized crime in some fields of their activity remains strong enough. It could be mentioned such fields as smuggling, narcobusinesses, thefts of the cars and from households, corruption, trade in human beings. The future depends on development of political and economical situation, reform of legal system and criminal justice system. There are enough grounds to take organized crime under control.

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EKONOMINĖ KRIZĖ IR ORGANIZUOTAS NUSIKALSTAMUMAS LIETUVOJE

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Santrauka. Straipsnyje analizuojamos su ekonomine krize susijusio organizuoto nusikalstamumo šiuolaikinės tendencijos. Autorius pateikia savo nuomonę, kokios įtakos pasaulinė ekonominė krizė turėjo organizuoto nusikalstamumo veiklos pobūdžiui Lietuvoje. Straipsnyje pateikiama ekonominės krizės Lietuvoje priežasčių analizė, organizuotų nusikalstamų grupuočių, veikiančių Lietuvoje, charakteristika ir vykdomos nusikalstamos veikos

pobūdis. Autorius bando atrasti specifinių ypatybių, kurios leidžia įvertinti realių organizuotų nusikalstamų grupuočių įtaką šalies ekonomikai. Ryskiausia Lietuvos organizuoto nusikalstamumo reiškinio tendencija – senosios kartos organizuotų nusikalstamų grupuočių, kurios suskilo arba buvo išskaidytos, pasitraukimas iš įtakingiausių pozicijų ir naujosios kartos organizuotų nusikalstamų grupuočių iškilimas bei greitas jų sustiprėjimas. Lietuvos regionuose, kuriuose veikia organizuotos nusikalstamos grupuotės, sudarytos daugiausiai iš lietuvių tautybės asmenų, šios grupuotės centralizuoja vadovavimą. Tokios organizuotos nusikalstamos grupuotės siekia dominuoti savo regionuose ir įgyti tarpregioninę įtaką. Dominuojančios organizuotos nusikalstamos grupuotės plečia savo įtakai skirtinguose regionuose pajungtų kriminalinių autoritetų ir organizuotų nusikalstamų grupuočių tinklą. Dalis organizuotų nusikalstamų grupuočių pradėjo siekti dominuojančių pozicijų, kai iš pataisos namų sugrįžo aukštesnio rango jų nariai.

Organizuotų nusikalstamų grupuočių pajėgumus labiausiai didinančios nusikalstamos veiklos sritys tapo narkotikų ir akcizinių prekių kontrabanda bei jų platinimas. Beveik visuose Lietuvos regionuose organizuotos nusikalstamos grupuotės suformavo prekybos narkotikais infrastruktūrą, išplėtojo tiekimo kanalus ir platintojų tinklus. Prekybos narkotikais sistemoje išlieka ir ją kontroliuoja netgi į laisvės atėmimo vietas patekę organizuotų nusikalstamų grupuočių nariai. Veikla, susijusi su narkotikais ir akcizinių prekių kontrabanda, yra stiprus veiksnys, kuris skatina naujų ir tik tokiai funkcijai specializuotų organizuotų nusikalstamų grupuočių susidarymą. Tam tikruose Lietuvos regionuose dominuoja vien tik kontrabanda užsiimančios organizuotos nusikalstamos grupuotės. Tarptautinius ryšius valdančios organizuotos nusikalstamos grupuotės užtikrina neteisėtų prekių tiekimą. Žemesnio lygio organizuotos nusikalstamos grupuotės organizuoja platinimą arba atlieka kontrabandos gabenimo funkciją. Konkuruojimas dėl įtakos daugiau būdingas mažmeninės prekybos narkotikais sričiai.

Dar viena nusikalstamumo sritis, kurioje organizuotos nusikalstamos grupuotės turi stiprius pogrupius arba kurioje susidaro naujos specializuotos minėtos grupuotės, yra nuosavybės grobimas. Tarptautiniu lygiu veikiančios organizuotos nusikalstamos grupuotės vagia prabangias sausumos ir vandens transporto priemones, krovinių gabenimo, žemės ūkio, statybos techniką. Turtas įvairiais būdais grobiamas iš prekybos įstaigų ir gyvenamųjų patalpų. 2009 m. Lietuvoje išryškėjo tendencija įsilaužti į įstaigas, kuriose laikomos didelės pinigų sumos, arba organizuoti ginkluotus įstaigų užpuolimus. Ekonominės krizės laikotarpiu padaugėjo organizuotų nusikalstamų grupuočių daromų nusikaltimų ekonomikai, finansų sistemai ir kitokio sukčiavimo. Turto prievartavimą ir savavaldžiavimą paskatino verslo įmonių ekonominės veiklos sutrikimas ir tarpusavio skolų susidarymas. Į tokią situaciją pateko ir organizuotų nusikalstamų grupuočių kontroliuojami, ir nuo nusikaltėlių nepriklausomi verslininkai. Dėl išiskolinimų jie tapo turto prievartautojų objektais. Organizuoti nusikaltėliai taip pat pradėjo pelnytis prievartaudami tur tą jų asmenų, kurie neteisėtai platino prekes arba užsiėmė kontrabanda. Valdydamos finansinius išteklius, Lietuvos ir užsienio organizuotos nusikalstamos grupuotės taip pat turėjo galimybę naudotis investicijų verslo sektoriuje paklausa. Tačiau kai kurios organizuotos nusikalstamos grupuotės ekonominės krizės metu prarado savo įtaką, nes smuko finansškai ir neteko pajėgumo, kurį anksčiau buvo įgijusios naudodamosi legalaus verslo įmonių paslaugomis.

Reikšminiai žodžiai: *organizuotas nusikalstamumas, ekonominė krizė, organizuoto nusikalstamumo veiklos baudžiamasis teisinis vertinimas, nusikalstama veikla.*

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