



**The Unnecessary
Public Enemy**

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Ponzi, Capone, Belfort, Madoff, Kerviel... Public opinion needs public enemies. It is a straightforward approach to personify and substantialise crime. Honest individuals and prosecutors can point the finger at one person and issue a verdict. From petty thefts to complex scams, crime becomes explainable through the public enemy's figure. Is the public enemy really necessary?

The Federal Bureau of Investigation and the U.S. Department of Justice started to extensively use the term "Public Enemy" during the Prohibition era, to designate dangerous anti-social individuals. George "Babyface" Nelson, a criminal with erratic and violent behaviour was one of the first gangsters labelled as "public enemy" in the early 1930s.

The media and the film industry immediately embraced the concept. Newspapers were dedicating long articles to high profile criminals, portrayed as the root of all evil. Fast forward a hundred years, the narrative is unchanged. The media presents all prominent crime cases especially in the financial sector by leveraging the "Public Enemy" concept. Hollywood followed the same pattern delivering several productions around infamous characters involved in financial scams.

What is wrong with the "Public Enemy"?

The "Public Enemy" is a hindrance to having a fully-fledged investigation. Crime and especially financial crime is overly complex. Behind a financial crime there is never only one person or one firm, but networks of companies and individuals. When decrypting a financial crime the focus should be upon the network and not upon a given individual.

Public opinion needs public enemies

Media and prosecutors have one thing in common. They are in a perpetual quest for sensationalism. Glamourising the “Public Enemy” does sell but does not solve the crime. On the contrary, it makes things more opaque. The threat of modern financial crime does not stem from big shots or bigger than life, stylish scammers. The real dangers of economic crime come from “plain” individuals who can rapidly and efficiently organise in a global network for achieving their unscrupulous goals. Money laundering, tax evasion or market abuse involve networks of criminals.

Looking for the “Public Enemy” is a risky avenue, because it moves the attention from the real dangers. Journalists and investigators should stop looking for characters and focus on cases.

“George Nelson! Not “Babyface”! You remember, and you tell your friends! I’m George Nelson! Born to raise hell![...] Thank you folks! And remember, Jesus saves, but George Nelson withdraws!”

George Nelson, famous American bank robber.

Sanctions: Can Russia face a SWIFT ban?

The proxy war between Russia and the Western Allies has started immediately after the victory against Nazi Germany. The current situation on the eastern Ukrainian border escalated the tensions between the West and Russia. Washington and other Western capitals warned the Kremlin of strong economic sanctions if Russia invades Ukraine. The ultimate measure is cutting Russia off from the Society for Worldwide Interbank Financial Telecommunication, the world’s leading electronic-payment-messaging system, known as SWIFT. If Russia becomes isolated from the rest of the world, its economy would crumble in a matter of weeks.

What would happen if Russia is cut from SWIFT?

Sanctions will be more complex to handle

The same scenario took place with Iran when the US inflicted a strong set of sanctions. In a nutshell, all financial institutions offering or having current accounts denominated in US dollars will not be able to operate transfers via Swift to financial services providers based in Russia.

Basically, no payment will be possible between Western countries and Russia for both companies and individuals.

Obviously, there will be many avenues to avoid the SWIFT disconnect. Fintech, crypto-currencies exchanges, and small banks will make profits from offering intermediate services between the West and Russia. Banks located in the Baltic countries, Moldova, Kyrgyzstan or Georgia will serve those western entities or persons that will need to make transactions with Russia at any price.

If such sanctions are in place, they will deploy de facto a new Iron Curtain, segregating the world into two financial systems.

To avoid dramatic repercussions of a foreseeable SWIFT disconnect, Russia decided to develop along with China a parallel payment platform as an alternative to SWIFT.

The word on the Street: Women in Mafia



Camorra had a female boss

Italian organised crime syndicates recruit exclusively male members. But, there are obviously exceptions to the rule. Assunta Maresca, better known as 'Pupetta', the first female boss of a Camorra mafia clan passed away earlier this month at the venerable age of 86. Camorra is one of the most volatile and violent criminal syndicates amongst the four prominent mafias originating from Italy. The long wars between clans and factions and police crackdowns have shaken the Neapolitan underworld. With many individuals executing long jail sentences, the street representation of many gangs has weakened, especially since the 1970s. In such

situations, gangsters found support from the only family members who were not indicted. Therefore, many women related to individuals from organised crime ended up taking over the turf of their husbands, brothers, sons or fathers.

Maresca's case follows this narrative. After winning a local beauty contest, she married her husband while pregnant with their first child. Her husband was killed shortly after the wedding in one of the numerous Camorra wars. After the incident, she decided to avenge her deceased partner and execute the killer. She was sentenced to almost 15 years in jail. During that time she became a prominent figure of the Camorra.

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