

EU INTERNAL MARKET AND CRIMINAL LAW ISSUES

Vyacheslav Tulyakov



THE GLOBAL RISKS OF THE WORLD ECONOMIC FORUM AND THE OBJECTIVES OF CRIMINAL POLICY

On 22 January 2014 the World Economic Forum was opened in Davos. Traditionally, several days before its opening a group of experts (over 700 people) publishes a special report on the prognostic characteristics of the **main risks** which may essentially influence the world economic, political and social development.





The most significant ones are:

- The financial crisis in the economics of the world's leading countries
- The high level of unemployment
- The lack of water resources
- The disproportion in income distribution among population
- The failure of the policy of adaptation to the climate change
- A high probability of negative weather cataclysms.
- The failure of the policy of global governance
- The food crisis
- The failure of the system of main financial mechanisms and institutes
- The high level of political and social instability.

Some of the highlighted factors may be divided into systemic groups; a number of them is and will be making substantial impact on the criminal policy.



The first group includes factors connected with

- the instability in the rapidly growing worldwide multipolarity.
- This concerns not only the global economic imbalances, the criminality of which hasn't been studied enough.
- It is known that the changes in social, political and cultural ties and processes lead not only to positive results but also to the rise of poverty and social oppression, marginalization, i.e. processes of a high criminal menace.
- Along with that, the diversification of ties and economic possibilities opens a way for the growth of criminal practices, the formation of new potentials for the development of organized criminal activity.

Concerning EU market protection issues

we used to pay attention to the problems of illicit traffic in narcotic drugs, weapons, trade in human beings,
nowadays attention is attracted to the world market of adulterate medicines,
pirate trade of manufactured goods and foods, abuse in stocks issue and circulation and in the process of brokerage, dealer and management activity.

The criminal practices that have been shaped in the mentioned spheres have obvious signs of the organized ones

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- regionalization of crime is an important tendency, as the changing social and demographic conditions in the world and the growth of national middle class, regional authorities and interests lead to minimization of the system of multinational global government and its influence on the regional economies.
- It may lead to the weakening of legal regulators on international, supranational and supernational levels, and, as a result, to replacement of these positions by criminally oriented structures in
- the spheres of public health (trade in adulterate medicines),
- financial services (fake financial brokerage, fraudulent financial practices),
- energy sector (cartel deals).

Such a changeable business landscape will naturally cause successive growth of corruption in state structures.

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CRIMINALIZING

- Insider dealing occurs when a person who has price-sensitive inside information trades in related financial instruments.
- Market manipulation takes place when a person artificially manipulates the prices of financial instruments through practices such as the spreading of false or misleading information and conducting trades in related instruments to profit from this.
- Together these practices are known as market abuse.

CONTROL

- Market Abuse Regulation
- adoption of common minimum rules on criminal law when this proves essential to ensure the effective implementation of a harmonised EU policy.
- Current sanction regimes applied in the Member States for market abuse offences have proven not to be sufficiently effective. They do not always use the same definitions of these crimes and are too divergent, allowing perpetrators to benefit from loopholes



THE LOST GENERATION

- A huge number of people, having graduated prestigious and high-paid institutes of higher education, are obliged to change their profession due to the absence of vacancies of labor market.
- Such a social dissatisfaction in the whole world serves as a nutrient medium for the forming of groupings of extremist orientation, terrorists and ordinary offenders.
- In this relation, along with the acts of misuse of law becoming more frequent, the law nihilism, the breach of traditional ties and relations, a high level of frustration of this social group,

NEW WAY OF CRIMINAL TRADE

- a concept of gradual rise of the cases of kidnapping attracts more attention
- Kidnapping may have several aims, from simple lucre to revenge to the powerful ones, urge for self-expression, or financing organized crime (right up to the terrorist groupings).

ID THEFT ISSUES

- *The third group of risks* lies in digital disintegration. Nowadays in the world of cyber communications, attacking is easier than guarding oneself.
- The systems of defense against invasion of secrecy of private life and correspondence do not exist. States and individuals, corporations and social groups enter the Internet with the purpose of capturing and collection of personal data and communications as well as organizing illicit business.
- Thereupon, the system of protection of the unified cyberspace needs to have a global nature. Resolving the issues on supranational level is no longer enough here.

Common EU minimum Criminal Law standards

*Adoption of common minimum rules on
criminal law due to harmonised EU policy*

principles

necessity

proportionality

subsidiarity.

THANK YOU

- Vyacheslav Tulyakov, LL.D., professor
- Vice-rector, Head of Criminal Law Department
National University "Odessa Law Academy" ,
23, Fontanskaya doroga, Odessa, 65009,
Ukraine