

CURRENCY COUNTERFEITING AS A TRANSNATIONAL CRIMINAL PHENOMENON AND ITS EFFECTS ON INDIVIDUAL SECURITY

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Abstract

Currency counterfeiting is a dynamic criminal phenomenon that is constantly manifested in Romanian society, but also at international level, usually having a transnational and organized character. Organized crime groups operate on the territory of different countries in order to counterfeit national currency, euro currency or other foreign currency and put counterfeit currency into circulation.

Currency counterfeiting is one of the main sources of income for organized crime groups. Usually, counterfeit currency are promoted and sold on the „darknet”. Through hidden online trading platforms, counterfeit currency are sold anywhere in the world, with transactions being very difficult to detect. Counterfeit currency are transported, delivered or distributed internationally using courier or postal companies, through parcel services, with counterfeits easily reaching any country in the world.

Counterfeit currency are capitalized, transformed into good money, through the purchase of goods, currency exchange or sale, and the profit obtained is reinvested in other illicit businesses (drug businesses, businesses in the sexual services sector) or in apparently legal businesses (establishing commercial companies in tourism or public catering), locally or internationally. From this perspective, currency counterfeiting can have indirect negative consequences on the security of the person, respectively on his life, health, physical, psychological and sexual integrity and freedom, being a means of financing human trafficking and illicit drug trafficking.

Keywords: currency counterfeiting, organized crime, organized crime group, cross-border crime, human personality

I. CURRENCY COUNTERFEITING – SPECIFIC AREA OF CROSS-BORDER ORGANIZED CRIME

Organized crime consists of all criminal activities committed by hierarchically organized persons, with well-established attributions, who are part of criminal groups composed of three or more members, specializing in serious crimes, such as currency counterfeiting crimes (*Tănasescu C.*, 2012, p. 150; *Cioclie V.*, 2022, p. 19).

Organized criminal groups aim to obtain significant profits through illicit or seemingly legal businesses, dominate the areas in which they operate, and consolidate their influence in society, by infiltrating the real economy and at the level of institutions, but also by promoting members online, on social networks.

Organized crime groups are complex criminal networks that develop by attracting new members, especially young people or people with special skills, as well as by creating parallel financial systems and financing illicit or seemingly legal businesses through other businesses of this type, also managed by the group members. These groups may collaborate with each other, domestically or abroad, and may form cross-border organized crime networks (*Olaru C.*, 2015, p. 35).

New technologies and artificial intelligence tools facilitate and streamline the activity of organized criminal groups, including cross-border ones (*Europol*, 2025, p. 21). They use the online space and virtual tools to perfect criminal methods and techniques, to purchase materials, devices, devices or equipment to manufacture prohibited products, to produce counterfeits, to promote deceptive or prohibited products or services and to carry out illicit transactions, to communicate with potential victims and recruit them, but also to identify people at risk of victimization or willing to purchase prohibited products and services.

Currency counterfeiting is a specific form of organized crime, which is included in the action priorities of the police cooperation platform between the Member States of the European Union – EMPACT.

From the SOCTA 2025 Report¹ it turns out that currency counterfeiting is one of the main sources of income for organized crime groups. Counterfeit currency are promoted and sold on parallel internet networks („darknet”). Through hidden online trading platforms, counterfeit currency are sold anywhere in the world, with transactions being very difficult to detect.

The raw materials, tools and equipment used to counterfeit coins come from Asian countries, which also supply counterfeit security features.

Counterfeit currency circulate from one country to another, being produced, sold or bought by members of organized criminal groups. Counterfeit currency are capitalized, transformed into good money, through the purchase of goods, currency

¹ SOCTA – Serious and Organised Crime Thread Assessmet.

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exchange or sale, and the profit obtained is reinvested in other illicit businesses (drug businesses, businesses in the sexual services sector) or in apparently legal businesses (establishing commercial companies in tourism or public catering), locally or internationally.

Counterfeit currency are transported, delivered or distributed internationally with the help of courier or postal companies, through parcel services, with the counterfeits easily reaching any country in the world.

At European level, measures to prevent and combat cross-border organised crime and counterfeiting are included in the EU Security Union Strategy and the EU Anti-Organised Crime Strategy 2021-2025. The principles of action enshrined in these European strategies have also been taken over in the national strategy on the matter.

The directions of action provided by the European strategies for preventing and combating cross-border organised crime and counterfeiting mainly aim at strengthening information systems, increasing information exchanges between specialised authorities in the Member States of the European Union, but also between them and their counterparts in third countries. It is also recommended to dismantle organised crime groups, starting from the highest hierarchical level, taking personalised actions depending on the specific nature of the crime, controlling financial resources and freezing assets of suspicious origin, eliminating sources of illicit financing, combating acts of corruption, collecting information on the scale and mechanism of criminal investments and blocking their penetration into the real economy by creating administrative filters by local authorities.

Cooperation with Europol² and Eurojust³ is essential for combating cross-border organised crime and currency counterfeiting, as a specific form of cross-border crime.

II. THE EFFECTS OF CURRENCY COUNTERFEITING ON THE SECURITY OF VULNERABLE PERSONS

As we have shown, currency counterfeiting can be a source of financing for the illicit businesses of organized criminal groups, such as drug dealing and businesses with sexual services, pornographic materials and activities, taking advantage of the vulnerability of some people.

² Europol – The European Union Agency for Law Enforcement Cooperation, which assists Member States in their fight against serious and organized international crime, as well as terrorism, being a center for support and coordination of specific operations, comprehensive analysis of criminal activities, but also an information hub.

³ Eurojust – The European Union Agency for Judicial Cooperation in Criminal Matters, which assists the judicial authorities of the Member States and third countries in effectively combating serious and organised cross-border crime.

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The circulation of counterfeit currency, through the sale of currency, purchases of goods or currency exchange, provides organized criminal groups with large profits that can be used for the cultivation, preparation, production, transport or delivery of drugs, for the purpose of selling drugs to dealers, intermediaries or directly to vulnerable consumers, respectively for the recruitment, transport and shelter of vulnerable persons for the purpose of sexual exploitation, by forcing them to practice prostitution, to pornographic events for the purpose of producing and distributing pornographic materials or for the purpose of live exposure, including through information and communications technology.

Currently, drugs are available on the market in a wide range, with high purity and strong effects. The superior quality of drugs and their combination (drug cocktail) seriously affects the human body, endangering the life and health of consumers (*Europol, 2025, p. 55*).

The most vulnerable drug users are minors who do not fully understand the risks of drug use and decide to use these substances at a very young age (9-10 years old), out of curiosity or for validation within the group. Other categories of vulnerable users are depressed people and those from disadvantaged family backgrounds, as well as chronic, addicted users.

Financing illicit drug trafficking from the profits obtained from counterfeiting and the circulation of counterfeit currency has the consequence of increasing the risk to the life and health of minors or other vulnerable persons. Financing illicit drug trafficking allows producers to cultivate or produce various types of drugs or dealers to buy for resale to intermediaries or directly to consumers. The financing also aims at promoting drugs on online communication channels, facilitating the sale of prohibited products on parallel trading platforms („darknet”).

The lives of vulnerable users can be endangered by consuming a drug overdose or a dangerous combination of drugs. Drug use can have negative effects on the physical and mental health of vulnerable persons through the appearance of specific signs or bodily injuries, deficiencies in locomotor coordination, hallucinations, lack of concentration, delayed reactions, but also by amplifying euphoria, aggravating depression, inducing and setting in of mental illnesses (for example, schizophrenia).

Sexual exploitation of vulnerable persons is a global phenomenon that is constantly expanding, facilitated by new information technologies and artificial intelligence. Social networks, encrypted messaging applications, digital platforms and groups, forums or chat rooms operating on the „darknet”, as well as the online environment as a whole, facilitate the development of the phenomenon of sexual exploitation, by hiding criminal activities and perfecting operating methods and tactics.

Victims are recruited by traffickers through classified ads („matrimonials”), through mutual acquaintances or through the use of social networks. Most children

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become victims of sexual abuse and human trafficking online, with abusers or traffickers taking advantage of their innocence, desire for self-knowledge or experimentation.

Unlike abusers, who have a sexual interest, traffickers have only a financial interest, their objective being to obtain substantial profits from sexual services, financed most often also from other illicit businesses, such as currency counterfeiting. By currency counterfeiting and putting into circulation of counterfeit currency, it is possible to finance the recruitment of victims (purchase of SIM cards, mobile phones, laptops, internet subscriptions, clothing or beauty items, cosmetic surgery services), transportation (purchase of luxury cars, fuel, travel tickets; rental of luxury cars, airplanes, helicopters), shelter (purchase or rental of apartments, houses, villas; construction of houses, villas; accommodation in hotel rooms), with the effect of increasing the state of danger for the integrity and freedom of the traffickers' victims.

Exploitation by forcing prostitution or pornographic manifestations in order to produce and disseminate pornographic materials or to expose them live, through individual interactions (video chat), is carried out through psychological violence (intimidation, threats, blackmail, humiliation, isolation), but also through physical violence (hitting, cruelty, endangering life, immobilization, sexual abuse), affecting their physical, psychological and sexual integrity and freedom. Victims are manipulated by traffickers who take advantage of the victims' precarious social and economic situation, the disorganized family environment from which they come, the low level of education, but also certain addictions - for example, drug addiction (*Manea T., Șologon G., 2022, pp. 19-20*). Usually, the mirage of a well-paid job and a higher standard of living leads victims to believe the promises of traffickers, becoming dependent on them, without realizing that they are in reality victims of traffickers eager to obtain the highest possible profits from their sexual exploitation.

Conclusions

Currency counterfeiting is part of the sphere of organized crime and has a predominantly cross-border character, national or foreign currency can be counterfeited, on the territory of the issuing state or on the territory of other states, by citizens of the issuing state or by foreign citizens. The activity of currency counterfeiting can be committed entirely on the territory of a particular state or only in part, being continued on the territory of another state.

Organized crime groups put counterfeit currency into circulation through the sale, purchase of goods, or exchange of currency. Typically, counterfeit currency are promoted and sold on the darknet, using hidden communication channels and digital platforms.

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Currency counterfeiting is an important source of funding for organized crime groups, which reinvest the profits obtained from this criminal activity in other illicit businesses, such as drug or sex trafficking.

Currency counterfeiting is closely linked to drug trafficking and human trafficking, each activity being a source of financing for the other. In these circumstances, currency counterfeiting has indirect effects on the security of the individual, including on vulnerable persons, who are drug users or victims of traffickers, through sexual exploitation. Financing drug trafficking or human trafficking from the profits obtained from the production and circulation of counterfeit currency has the consequence of increasing the risk to the life and health of vulnerable drug users, respectively to the integrity and freedom of sexually exploited vulnerable persons.

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