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DETERMINANTS OF CORRUPTION IN THE GLOBAL FINANCIAL ORDER

Abstract

In this article, we look into segments of the contemporary global financial order as a framework inherently supportive for corruptive behavior. By analysing secondary sources and normative instruments, we mark the financial operations and mechanisms that can support the realisation of the lucrative aspect of corruption, induce the risks for the development of corruption generated by various financial operations, and indicate the problem of the normative articulation of these risks in anti-corruption acts are. The goal of the work is to contribute to the effective normative suppression of this phenomenon, as a threat to national security. The presented findings provide a basis for the conclusion that the normative confrontation with corruption requires a critical approach to the legality

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of money circulating through operations in the financial order, and special control of the origin of capital at the level of the central bank.

Keywords: capital, money laundering, systemic corruption, national security

INTRODUCTION

MacMullen (1990, 17) finds that corruption in ancient Rome had developed into the destruction of the system, that is, an alternative system in itself, the traditional network of duties becomes the market of power, ruled only by personal interests. Corruption weakens and undermines the trust in institutional organization, inhibits economic development, promotes social inequalities and divisions. In this sense, the Organization for Economic Co-operation and Development (OECD) views it as a multidimensional phenomenon caused or fueled by deficiencies in certain policy areas, related to a wider context such as the rule of law and social norms (Jin 2021, 7). Corruption creates alternative, informal system of non-state norms which co-exist parallel to the norms protected by the apparatus of state coercion (Stanković and Diligenski 2023, 229). Effective detection and suppression of corruption and corrupt practices requires understanding, of institutional complexities and many aspects related to social conditions, frameworks and dimensions of corruption, such as the culture of ethical conduct, responsibility and respect for social values (Bhandari 2023, 6). In addition, it is necessary for the public to become familiar with corruption as a form of social pathology and with its causes, manifestations and devastating consequences (Perić Diligenski 2021, 29).

Corruption is internationally recognised as a security risk, but there is no universally accepted definition. In the Merriam-Webster dictionary, we find the determinations: "dishonest or illegal behavior, especially of those in authority" or "inducement to wrong by improper or unlawful means (MW n.d.)". Singapore's Corrupt Practices Investigation Office describes corruption as "receiving, asking for or giving any gratification to induce a person to do a favour with corrupt intent", with various kinds of gratification, including financial, sexual, properties, promises, services, etc., and different forms of favors such as obtaining confidential information, leniency, special privileges, contracts, etc. (CPIB n.d.). Within the auspices of the Council of Europe, it is viewed as an insidious social phenomenon

which "erodes trust in public institutions, hinders economic development and has an impact on the enjoyment of human rights" (Mijatović 2021). The World Bank specifies corruption as "the use of public office for private gain" (World Bank 1997, 8). The aforementioned definitions are focused generally on its occurrences in the public sector or involving public officials or politicians (Wei 1999). Simultaneously, more operative definitions attempt to broaden its content based on the criterion of public service as an object of protection. International non-governmental organisation Transparency International defines it as "abuse of entrusted power for private benefit", substantially comprising behaviors like: public servants demanding or taking money or favors in exchange for services, politicians misusing public money or granting public jobs or contracts, or bribing officials to get lucrative deals (Transparency International n.d.). Some conventions against corruption implicitly accept the abuse of public office for personal gain, like for example by stipulating for parties to introduce anti-corruption provisions in accounting and against money laundering governing bilateral aid-funded procurement, or in arrangements through international development (OECD Anti-Bribery Convention 1997, Arts. 7–8), while the United Nations Convention against Corruption only affirms specific acts of corruption, by calling on states to criminalise: bribery in the public and private sector, embezzlement in the public and private sector, trading in influence, abuse of office, illicit enrichment, money laundering, concealment and obstruction of justice (UN Anti-Corruption Convention 2003, Arts. 15–25).

Scholars who have researched corruption in the Central and Eastern European states point that political elites can capture the state for their private benefit (Mungiu and Mungiu-Pippidi 2006; Innes 2014). In this sense, they find that state capture represents "a special network structure in which corrupt actors are grouped around parts of the state, enabling them to act collectively in achieving their private goals at the expense of the public good" (Fazekas and Tóth 2016). However, state capture can also be the case in developed democracies, especially in circumstances of legalising lobbyists working on behalf of business interests. As Fazekas and Tóth (2016, 89) note, when these lobbyists "ask for laws to be written that favor their activities or put the competition at a disadvantage, the question arises as to whether this is part of the democratic process of representing interests, or decisions and regulations they buy". This leads to conclusion that "corruption generally occurs where private wealth and public power overlap" (Rose-Ackerman and

Palifka 2016, 285). Some authors believe that lobbying is significantly more effective tool for realizing direct interests compared to instruments of corruption (Perić Diligenski 2021, 48).

Normative texts in the Republic of Serbia follow the aforementioned trends and attempt to balance the criteria of public service and power, as an object and a tool of threats. Thus, the Law on the Prevention of Corruption defines this phenomenon as "a relationship arising from the use of an official or social position or influence in order to obtain an illegal benefit for oneself or another" (Law on the Prevention of Corruption 2019 and 2021, Art. 2). It is similarly defined by the Law on the Agency for Combating Corruption, "as a relationship based on abuse of an official, i.e. social position or influence, in the public or private sector", but omitting the illegality and instead using the phrase "in order to gain personal benefit or benefit for another" (LACC 2011, Art. 2). Expedient seems to be the approach adopted by the National Security Strategy of the Republic of Serbia, in which corruption is proclaimed as one of the "forms of organized crime" (SNSRS 2019, para. 2).

Reducing corruption to formal elements of abuse of authority and personal gain, while ignoring the essential threat to the constitutional order, leads to limiting of the scope of the legal system's response, in terms of sanctioning for the act of execution but also in suppressing this socially dangerous phenomenon. Thus, the institutions of the state are confined in responding to the demands for which they were founded and therefore indirectly contribute to the risk of disintegration of society (Jerinić i Odalović 2017, 473).

The expansion of the normative and legal anti-corruption opus and administrative procedures did not achieve a decrease in the existence of corruption at the national and international level, but on the contrary (Ridgwell 2013).

This work is based on a content analysis of, according to the authors' opinion, recent and earlier referential theoretical sources that reflect on corruption, as well as on the teleological interpretation of certain internal and international legal acts which treat corruption, from a multidisciplinary, security, political and legal theoretical perspective. Corruption is therefore investigated as a problem of the legal order and of organised political society, but primarily as a global problem – in which sense the conclusions were drawn. In this context, we start from the premise that rules and procedures aim to make corruption unprofitable, whereby we problematise the factors enabling the profitability of corrupt

behavior in the supranational financial order, which represents the broadest front in the fight against corruption.

FINANCIAL OPERATIONS POTENTIALLY IN CORRUPTION CHAIN

The first financial operations that can provide support for corrupt behavior are linked to Mayer Lansky, the financial adviser to the leaders of organized crime in the USA from the 1920s to the 1970s. In the mid-1930s, he orchestrated systemic laundering of illicit proceeds from organized crime at a supranational level by establishing a channel of cash placement in businesses ranging from hotels, restaurants, shopping centers to real estate in Canada, from where the profit was repatriated to the US financial system as legal income (Beare and Schneider 2007, 6). Lansky also initiated money laundering through international banking transactions, that is, he deposited the illegal proceeds of organized crime from the USA in the form of cash, as traveler's checks or bearer bonds, in a deposit account first with the Business and Investment Bank of Geneva, and later with the International Credit bank of Switzerland, which was then returned to the USA in the form of a "loan" (Naylor 2004, 21). In this way, the person who paid off the loan, deducted the interest from the taxable income as a business expense and a variant of this scheme to reduce tax liabilities is still used by multinational companies today. Lansky later began to develop investments in casinos in Cuba with support of local authorities (EB 2024).

The application of computer algorithms in practice introduced the possibility of quantitative analysis of market movements, trading and extracting profits in milliseconds (high-frequency trading). In this regard, today, communication companies are placing network equipment close to government institutions, and some traders are receiving reports directly from administrations, instead of being made public first (Austin 2017). These details escape scrutiny as an indicator of a deeper change, which generates a challenge to national security because it develops an increasingly speculative model in financial operations. For example, the recommended price of an option is calculated by the Black-Scholes equation, based on four quantities, only three of which can be quantified: time, the value of the underlying asset and the risk-free interest rate, while the fourth, asset stability, is speculative whereas its immutability is a necessary condition for the validity of the equation (Jorion 2010, 137).

It is, therefore, a model based on simplification and arbitrariness, which does not reflect the real market. In addition, it abstracts transaction costs and assumes the unlimited availability of money and the possibility of selling without owning the goods (short selling: a way of investing so that a 'borrowed' share or security is first sold, and bought when (if) its price falls). This formula has been modified several times, but subsequent algorithms still develop new speculative formulas for the computer transfer of financial derivatives (Cartea, Jaimungal and Penalva 2015, 131–133). The result is that the financial derivatives market necessarily depends on the constant growth price of the underlying asset, or on the protection provided by the state. The consequences of manipulative financial operations are borne by citizens and states, which are increasingly indebted on financial market.

In 2017, researchers from the University of Amsterdam showed that, according to data for 2015, three brokerage houses, BlackRock, State Street and Vanguard – the so-called "Big Three", together own the largest share in 40% of publicly registered companies in the USA and are the largest shareholder in almost 90% of the biggest American corporations, S&R 500. As the "Big Three" have the right to vote related to those shares, they are perceived as de facto owners, the authors concluded that "these three companies practically own corporate America" (Hirst and Bebchuk 2022, 1547–1550). The accumulated shareholder power of the Big Three continues to grow. Today, these three and two more, Capital Group and Fidelity Investments, manage $27.7 trillion in client assets and administer $38.9 trillion, which in US stocks alone accounts for 61.89% of equity fund assets (Posner and Eric 2018, 183; Maher and Aquanno 2024, 162–164).

POROSITY OF FINANCIAL ORDER

According to United Nations data, the amount of illegal money laundered annually is up to 5 per cent of world trade or up to 2 trillion dollars. Illegal money generated by organised crime in drug trafficking, smuggling of counterfeit goods, human trafficking, excise duty goods, smuggling of wildlife and cultural goods was estimated in 2013 at about 1.5 trillion dollars per year – which does not include the evaluation of illegal money laundering from electronic trade, whose turnover is estimated at around 26 billion dollars (WCO 2023, 30). The international financial system, faced with endemic illiquidity, cannot afford not to

put this money to work (Tucker 2023, 13). The accounting rules of the EU Statistical Office – Eurostat (2013) are also structured in this direction, which stipulate that the national "social product" also includes income from illegal activities, prostitution, production and trafficking of narcotic drugs and smuggling of tobacco and alcohol, provided that it is about activities in which the parties are willing participants (Regulation 549/21, Arts. 1.79, 3.08, 11.26). According to the Manual for "compilation of statistics on illegal economic activities in national accounts and balances of payments, prostitution, production and trade of illegal drugs and smuggling of alcohol and tobacco products are key" (Eurostat 2018, 3).

The methodology for calculating illegal income stems from the International Monetary Fund's [IMF] System of National Accounts 1993, which was later adopted by the UN Statistical Commission in 2008. Namely: "Transactions in informal markets... must also be included in the (national final) accounts, regardless of whether such markets are legal or illegal." Activities that may be illegal but economically productive "include the production and distribution of narcotics, illegal transportation in the form of smuggling of goods and people, and services such as prostitution. Transactions in which illegal goods or services are bought and sold must be recorded not only to obtain comprehensive measures of production and consumption but also to prevent errors appearing elsewhere in the accounts" (Statistical Commission UN 2009, paras. 6.42, 6.44, 6.45). The IMF's International Transactions Guidelines, Balance of Payments and International Investment Position Manual, also recommend that "illegal transactions be treated as legal" in reporting the Gross Domestic Product and the balance of payments (IMF 2009, para. 3.5).

The world is exposed to the influence of globalization and universalization of values, and there are grounds for questioning whether and to what extent systemic corruption, as an expression of value disorders, has a foothold in global systems. This possibility arises from three regularities:

– First, the standards of the global financial and business environment impose a value framework. In this context, indicative are the ideas introduced by the IMF's International Working Group for National Accounts, in 1993, and the Eurostat Guidelines, from 2013, which define as an accounting standard for EU member states the disclosure of income from illegal activities in the calculation of public finances.

– Second, capital generally does not move spontaneously, but through some institutions, and the governments of developed countries, which can politically influence placements, as well as the institutions of the world financial order, are informed about its movement.
– Third, for participants in corruption, the ability to transfer and conceal funds is essential. Besides public service employees, employees in key financial sectors are subject to bribery, intimidation or other incentives to conceal illegal financial transactions.

Loans, as the most widespread form of placement, are often a source of repayment problems and/or a means of undermining economic sovereignty (Weller and Singleton 2006, 79; see Suarez-Villa 2015). In this context, there are numerous examples the money from the loan going to the companies that engage in the loaned projects, thus creating a closed system in which developed countries through their banks practically place money to their companies, while the loan is returned by the beneficiary state with interest (Rivas 2020, 264). In addition, companies from those countries indirectly dictate the prices of materials and labor, outside the market. International institutions cite the method of approving incentives to foreign investors as one of the possible generators of corruption, since the impossibility of quantifying possible negative effects leaves a wide discretionary space (UNCTAD 2000, 17–24), so it may happen that the state finances almost the entire project of some foreign "investor".

The second generator is domestic capital "laundered" through tax havens, which is presented as "investment" and statistically included in the gross domestic product, creating an image of low indebtedness (OECD 2014, 15–16).

In the global banking system has been established the dominant position of a group of banks with head offices in the richest countries. After the economic crisis of 2007, operations of large banks turned out to be burdened with illegal and suspicious operations, as well as the establishment of a network of "shell" and/or "front" mechanisms for carrying out such transactions. Also, the leading banks were exposed in a massive fraud by falsifying the interbank interest rates, through which they made illegal profits in the hundreds of trillions of dollars, but they got away with out-of-court settlements, in which no evidence was made public (Đurđević and Stevanović 2017, 35–36).

Electronic commerce and electronic payment enable the handling of a large number of complex transactions, which are increasingly

complex to monitor, and even more complex to recognize the nature of such a transaction, even within legal mechanisms (FATF 2021, 41). It is indicative that cases that can be linked to corruption are rarely first exposed by competent state authorities or supranational mechanisms, but usually in the media (Rizzica and Tonello 2020, 685).

The fight against corruption, which is recognised as global risk, is framed at the international level. That framework is primarily focused on suppressing money laundering, but mostly income from criminal activities (Diepenmaat 2021, 126). Thus, the money acquired through corruption seems to be targeted only indirectly. Such impression is supported by the context established by the international treaties: the UN Convention against Transnational Organized Crime calls for the incrimination of money laundering and corruption (UNCTOC, art. 7, 8), the mentioned UN Anti-Corruption Convention calls for the regulation of the system in the public sectors of the states and establishes the obligation of the states to introduce the regulatory and supervisory regime of banks and non-banking financial institutions in order to suppress this phenomenon, to form bodies for financial intelligence affairs, as well as broad international cooperation (Arts. 7, 14). As an argument in support of the impression that there is no consensus that corruption represents a threat to international security, it can be pointed out that the UN Security Council, acting on the basis of Chapter 7 of the Charter, adopted and confirmed the decision which establishes mandatory measures to prevent, suppress and deny sanctuary to financial transactions only for operations that are in the function of financing terrorism (UNSC, S/RES/1373; UNSC, S/RES/2462); and in 2006, the UN General Assembly proclaimed a call for the implementation of the FATF anti-money laundering principles in financial operations, in relation to the framework of the United Nations Global Counter-Terrorism Strategy (UNGA 2006, para. 10).

In the functioning of the contemporary financial order, there are several sources of problems related to the perception of the possibility of facilitating corruption. The first of them is related to defining the parameters whose monitoring provides for timely and reliable initial recognition of illegal money in circulation. The doctrine notes that today money and financial operations are treated as commodities, which has changed the principles of exchange on the market. Namely, liquidity no longer tends to the real sector, but is directed from it to the securities market, in order to create credit potential, which is pumped into the speculative circulation of securities, which generates credit arrangements,

without coverage in goods and services (Lewis 2019, 363; Simmons *et al*. 2021), simultaneously pushing goods producers and service providers into ever deeper debt. Another source of the problem of perception of the risk of corruption is a consequence of the development of financial management techniques that have the sole aim to protect income, among which are: business opportunities provided by offshore territories and offshore banking, i.e. the use of accounts outside of control and jurisdiction of beneficiary's country; investing through a method that protects the investor from market uncertainty (hedge funds); investment in financial operations unavailable to institutional investors (risk private capital), various consulting services (human resources, IT, strategy, operations, management and consulting), as well as investment in instruments based on speculative formulas: financial derivatives, such as cash purchase insurance, future contracts, repurchases and options (Stevanović and Đurđević 2019, 97–98). The third source of the problem of the perception of corrupt machinations in the financial system is the need for banks to act beyond business ethics to make profits in the existing market conditions (Mentan 2016, 447). The mentioned example of unsanctioned manipulations with interbank interest provides grounds for the estimation that in the world financial order "the values of trust, responsibility and cooperation have been undermined so much that systemic fraud has become normal" (Roosevelt Malloch and Mamorsky 2013, 16). Also, in the conditions after the financial crisis of 2007, countries often overlook the methods through which illegal income is being integrated into their national financial system. It is estimated that the flow of illegal money includes a number of origins, from money laundering, tax evasion and corruption (Unger, Ferwerda and Rossel 2021, 80), and some even consider insider trading as an independent source (see Zekos 2020). Despite this, the aforementioned OSCE Anti-Bribery Convention is focused only on the suppression of giving, but not on accepting bribes.

A source of the problem related to the perception of concealment of corruption in the financial system is a consequence of the efforts of owners of' capital to avoid tax burdens and simultaneously to have access to investment banking (Royal 2024; Gandel 2020). This banking is concentrated in several financial centers, as a result of the coinciding interests of the richest persons and leading financial institutions, as well as the countries of their residence and headquarters. In such conditions, agreement at the international level is currently focused only on the inadmissibility of laundering the proceeds of crime, but not on the financial

techniques of denationalization of money. Since the global financial order is structured to favor the Global West countries and privileged investment banks, it can be expected that it includes mechanisms for unselectively attracting capital, while limiting other participants.

PROBLEM IN NORMATIVE COMBATING CORRUPTION IN LIGHT OF POROUS FINANCIAL ORDER

Regular assessments and follow-up financial business control mechanisms defined by the FATF global network are currently accepted by 200 countries (FATF n.d.). In the fight against tax evasion, the Global Forum for Transparency and Exchange of Information for Tax Purposes, under the auspices of the OECD, monitors standards (OECD n.d.), while the Working Group for Bribery monitors compliance with the obligations stipulated in the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (OECD n.d.). These mechanisms do not ensure the sanctioning of financial organisations and banks that make dubious transfers, nor the seizure and restitution of property, which undermines the expediency of international standards (Arnone and Borlini 2014, 280, 399). The approach to the problem flows of illegal money in the international financial order, as recent theoretical works show, is generally complicated, highly bureaucratic and with a significant respect for the interests of capital (Isolauri and Ameer 2023, 441).

From the aspect of the need to establish normative standards or constraints of behavior, corruption can be viewed a phenomenon comprising three elements: private personal benefit as a motive, abuse of power and holders of public authority (Obura 2014, 159). The manifestation of corruption, as a social relation, is not immediately observable, which is why perception of it comes down to the institutional perception and experiences of those who are engaged in its regulation, recognition and suppression. From the aspect of the values of society and the state, corrupt practices generate risks for stability, development, freedom and equality (see Labelle and Müller 2014, 5), therefore for the institutional and material substance of society and the state.

From the point of view of the financial order as a source of profit and a tool for achieving the goal of corruption, it is necessary to bear in mind its ultimately political and economic dimension, in the sense

that the lucrative abuse of authority depends on systemic opportunities and profit interests of individuals involved in public decision-making (Amundsen 1999, 15–18). Therefore, the condition for effectiveness of anti-corruption norms would the suppression of these factors in relevant areas, including in finance, to increase the risks of undertaking corrupt actions and reducing the benefits of corruption and systematically suppressing the possibility of abuse. Against the effective normative overcoming of the effect of these factors are two broader processes within the global financial order. The first is that some supranational financial mechanisms indirectly provide for the concealment of income and the use of illegal money and thus enable corruption, which would include, among others: exclusive access to capital, hedging operations, operations tax evasion, overflow of national assets (Blum *et al*. 1998, 21–22, 35–37). The second is that in facing the problem of financing public needs and the influence of personal interests, in the circumstances of global financial order dictating the availability of capital (Schinasi 2006, 43–66), states accept that private owners of capital set the conditions for financing, which along with the existence of mechanisms for money laundering and avoiding taxes, creates the conditions for private arrangements and blackmail, and as a result – corruption as a challenge generated by the financial order itself.

An effective national and international anti-corruption normative framework is also undermined by some factors of social stratification, among which the most often mentioned is the lending mechanism. Namely, meeting the conditions of structural adjustment exposes the borrowing country to exploitation. In the context of potential preconditions for corruption, the content of structural adjustments is privatization, which requires capital to which the state does not have access (Biglaiser and McGauvran 2022, 809–811). According to the internal dynamics of that approach, property owners and foreign participants who have the means to buy and bribe local structures become local nomenclature. Another factor is digitalization, i.e., its effect on establishing new elite in the financial order (Trittin-Ulbrich *et al*. 2021, 12–16). The center of global finance become computer transactions. Many of these operations are based on mathematical formulas without a foothold in the real economy (Pearson 2020, 8), sometimes similar to gambling or fraud and, due to their complexity not completely within the framework legislators could envision, but also special knowledge to observe the risks. The third factor is the development of speculative mechanisms and transaction

operations within the financial order and asset management, which enable the independence of the financial market, resulting in a market of instruments based on speculative formulas (Cerniglia, Saraceno and Watt 2023, 3–5). These mechanisms and operations, given that the leading subjects of the global financial order, with exclusive access to information technologies, have strengthened their dominance over states, can facilitate personal interests and denationalization of wealth.

Challenges for national anti-corruption systems are generated by centralism, hegemony, bureaucracy and the inherent character of the global financial order (Popple 2012, 283). The risks of corruption arise from a number of phenomena within that order, such as lack of transparency; the unpredictable development of information technologies that becomes a means of domination by the executive power; the impact of the world economic crisis that puts survival above general interests; relocation of decision-making in many areas outside the state and, consequently, a decrease in trust in the functioning of the system and consequently strengthening of confidence in corruptive practices.

Mentioned articles 15 and 16 of the UN Anti-Corruption Convention stipulate the obligation to sanction: offering, promising or giving money or benefits to a public official, domestic or foreign, to do something illegal or refrain from performing duties; as well as extorting or accepting money or benefits from a public official to do or refrain from doing something. Therefore, international legal suppression of corruption is framed primarily on the incrimination of illegal profits. The cited OECD Anti-Bribary Convention defines bribery as directly or indirectly offering or providing any benefit to a foreign official with the aim of obtaining or retaining a job (Art. 1). Thus, the international obligation to suppress corruption is reduced to the prevent money laundering. However, the expectation that proving money originating from corruption as illegal will be effective is questionable if the benefits from a public job outside the pay are not incriminated.

The flow of illegal money through the financial system, especially when its owners are in a position to privately misuse public affairs, can cause a series of disturbances in the economic system, which create conditions for systemic corruption and thus infiltration into the political system of the state. For example, investing in businesses with a lower risk of detection instead of more marketable ones; price growth, especially of real estate; growth in consumption, especially the import of consumer goods; disloyal competition; undermining the real sector and inflating

some sectors, negative impact on direct investments; strengthening of doubtful incomes and redistribution of wealth. For this reason, an important normative task is to prevent successful money laundering, as a catalyst for corruptive behavior.

In connection with the mentioned problem, the regulatory challenge stems from the hegemonic dimension of the international financial system, which was explained by Joseph Stiglitz on the example of the World Bank's country assistance strategy (Palast 2001). Analyzing the "failures of globalization", Stiglitz also notes that in international economic institutions prevailed a special view of the role of government and the market, which was imposed on developing countries and transition economies. He estimates that the reason for this is that finance ministers and central bank governors sit at the table in the IMF, and trade ministers in the WTO, who see the world from a special, inevitably more parochial perspective (Stiglitz 2002, 225).

In this context, it is useful to have in mind the remarks from Michael Hudson: "...European Union leaders do not represent the European business interests or the economy or the European people... I've been told by U.S. Treasury officials that the U.S. can always get what it wants from Europe, because the fact is the Europeans are probably the most corrupt politicians in the world... So, the European policy... followed the neoliberal finance capitalist model that ... locks Europe into a satellite status with the United States" (Hudson 2023). Analyzing the neoliberal market concept of financial capitalism, Hudson observes that the role of the public in lowering business and labor costs is suppressed, and exclusion of public infrastructure and state ownership of natural monopolies in industrial production is imposed. Under the influence of banking lobbyists, production prices are formed according to socially necessary costs. These inversions of the market logic are argued by methods of calculating national income and products, in which GDP measures show finance, insurance and real estate as leading in creating wealth, and not only creators of debt and rentierism (Hudson 2019, 175).

Financial capitalism has resulted in subordinating the decision-making process to its own interests. The same meaning carries the evaluation that undue influence on the politicians of member states and the EU is a danger to vital public services, public security and democracy (Mungiu-Pippidi 2022). In this context, the analysis of the fact of political finance indicates that, from the aspect of combating corruption, it is of vital importance to ensure integrity in politics (Transparency International

2023). By analyzing a large number of cases of possible corrupt actions or intentions in projects worth billions of euros, and starting from the premise that there is a conspicuous huge gap between the average citizens of and the bureaucracy the EU, the researchers came to the findings that the data about this had to be available to the EU monitoring and control institutions, but that they turned out to be powerless to be an effective counterweight to the hermetic power of Brussels (Witteman 2024).

CONCLUSION

From a multidisciplinary theoretical perspective (legal, political and security), close to the neo-positivist paradigm, this work is based on a content analysis, according to the author's opinion, of recent and earlier reference theoretical sources that reflect on corruption – as well as on the teleological interpretation of certain internal and international legal acts which treat corruption. Corruption is therefore investigated as a problem of the legal order and politically organized society, but also as a global problem – in which sense the conclusions were drawn.

The analysis of the catalytic effect of the global financial order on corrupt behavior indicates that systemic corruption cannot be reduced only to the effect of non-transparent government structures. The conditions of this order, which supports the concentration of capital-generating capacity, provides corrupt structures the opportunity to place the money they acquire by degrading the normative and social environment out of self-interest. Apparently, it is the weakness of the legal system, but essentially it is about the illegal acquisition through inverting the purpose of public affairs. Hence, it generates risks for the vital values of the state.

Contemporary corruption is characterized, apart from the diversity of its manifestations, by covertness, perfidy and undermining the functioning of state and economic institutions and systems, the expansion of the field of contamination and internationalization, as well as high expertise. In this context, the environment dictated by the global neoliberal financial order and the information age, in terms of the development of techniques that enable the realization or formal concealment of benefits from corruption, imposes the need to functionally link anti-corruption norms with the protection of national security.

Normative suppression of the transfer of illegal money, which represents a significant catalyst of corruption, faces a number of practical problems, among other things, due to the consequences of the perception

of the global financial order as a controlled system of movement of legal money. The success of national anti-corruption strategies depends both on the areas and goals of policies and on regulations as their implementation. Bearing in mind the uncertainties shown, their application, if it is subordinated to inclusion in the global financial order, within the integrated global economy, cannot be a guarantee of success and may even undermine the effectiveness of the national fight against corruption. In this sense, the application of anti-corruption norms that only establish the informational and bureaucratic forms of supervision, without the international institutionalisation of personal responsibility for the acquisition of profits through corruption, without the obligation of national central banks to control the outflow of foreign currency, as well as the international mechanism for the return of denationalized illegal money, cannot contribute to the suppression of corruption.

For researchers of the complex problem of corruption, there is a wide open field to deepen the understanding of the connection of global mechanisms and manipulation facilitating lucrative interests of corruption, it seems most importantly related to achieving the goals of sustainable development, the green agenda, biological and ecological security, and especially the influence of corrupt mechanisms in crisis events and elimination of the consequences of conflicts.

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ДЕТЕРМИНАНТЕ КОРУПЦИЈЕ У ГЛОБАЛНОМ ФИНАНСИЈСКОМ ПОРЕТКУ

Резиме

Антикорупцијски нормативно-правни опус и процедуре нису довели до сузбијања ове појаве на националним и на међународном нивоу, већ је она у порасту. Полазећи од аксиома да уколико нормативно-правни поредак не даје очекиване резултате неопходно је преиспитати схватање, те у овом раду проблематизујемо подстицаје ка коруптивном понашању у наднационалном финансијском поретку. Још крајем 1930-их година почиње прикривање и пласирање незаконитих прихода од организованог криминала кроз финансијске операције пласирањем готовине у услужне послове и некретнине у Канади, као и коришћењем међународних кредитних банака у Швајцарској (за његово репатрирање у виду кредита). Од 1950-их година ти приходи се пласирају у Куби, где је држава изменила законе о коцкању, тако да су привилеговани улагачи постали заштићени од провера и обезбеђени су им јавни подстицаји, попут ослобађања од пореза и бесцаринског увоза опреме и намештаја, од чега су тако додатно зарађивали па су периодичне исплате тражили и локални политичари. Од 1940-их развија се низ финансијских техника које су усмерене на заштиту клијената од тржишних кретања, затим базираних на експлоатацији инсајдерских информација, а данас комуникационе компаније постављају мрежну опрему близу владиних установа, а неки трејдери добијају извештаје непосредно од администрација пре јавног објављивања. Према проценама Уједињених нација,

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годишње се пере износ до пет одсто светске трговине, а стандарди обрачуна ЕУ и ММФ прокламују да се у националним обрачунима исказују и приходи од незаконитих активности. Отуда се поставља питање да ли и у којој мери системска корупција има упориште и у глобалним системима попут финансијског. Најраширенији облик пласмана, кредити, често су извор проблема са отплатом или подривања економског суверенитета и функционисања правне државе. Приступ проблему токова илегалног новца у светском финансијском поретку је генерално компликован и наглашено бирократски. Наднационални финансијски механизми који посредно омогућавају прикривање и стављање у функцију новца од корупције су проблематични за регулисање на националном нивоу у околностима када државе настоје да се прилагоде условима тог поретка. Чини се да делотворност нормативно-правног антикорупцијског поретка зависи од превазилажења бирократских облика надзора и од међународног инкриминисања стицања добити корупцијом.

Кључне речи: капитал, прање новца, системска корупција, национална безбедност

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