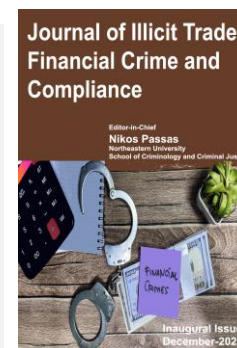


Journal of Illicit Trade, Financial Crime, and Compliance

ISSN (online): 3070-6122



Editorial: Inaugural Issue of the Journal of Illicit Trade, Financial Crime, and Compliance (JITFCC)

Nikos Passas *
Editor-in-Chief

Northeastern University, Boston, MA 02115, USA

Editor's Introduction

It is a privilege to introduce the inaugural issue of the Journal of Illicit Trade, Financial Crime, and Compliance (JITFCC). The creation of this journal reflects an urgent global need: to better understand, map, and respond to the accelerating complexity of illicit markets, the proliferation of financial crime, and the widening compliance challenges that confront governments, international organizations, regulatory bodies, private-sector actors, and civil society.

Illicit trade today presents itself as a multidimensional phenomenon that transcends borders, jurisdictions, regulatory frameworks, and technological divides. Whether we are examining the illicit flow of goods, the circumvention of sanctions regimes, the exploitation of financial infrastructures, or the governance failures that motivate or enable criminal activity, it is clear that these issues cannot be studied in isolation. They unfold across interconnected networks of commerce, politics, finance, and technology. For this reason, JITFCC is conceived as a deliberately interdisciplinary platform — one that welcomes expertise from criminology, law, economics, political science, international relations, finance, public administration, data science, and operational practice.

Our mission is defined by three core pillars: illicit trade, financial crime, and compliance and enforcement. These domains encompass a broad range of persistent and emerging issues: money laundering and terrorism financing, smuggling and counterfeiting, corruption and kleptocracy, tax evasion and trade-facilitated financial crime, export control violations, trafficking in persons and environmental commodities, crypto-asset abuse, corporate misconduct, and the design of effective oversight and control mechanisms. The challenge and opportunity is to understand how these issues intersect, reinforce one another, and evolve through the dynamics of [de-] globalization, digitalization, and geopolitical realignment.

The papers featured in this inaugural issue demonstrate the intellectual diversity and analytical rigor that the journal seeks to cultivate. The authors examine, among other matters, the diminishing leverage of financial sanctions amid the rise of alternative payment systems; the structural barriers confronting minority shareholders in Russia; doctrinal uncertainties concerning anti-money laundering enforcement in India; comparative approaches to crypto-asset regulation in Latin America, cross-border financial crime, corruption and state-corporate

misconduct; and the evolving role of international cooperation in crime control. Collectively, these contributions illustrate the wide spectrum of matters that fall within the journal's remit and the necessity of developing integrated, evidence-based, and context-sensitive solutions.

JITFCC also distinguishes itself through its commitment to bridging the gap between scholarship and practice. In many parts of the world, policy decisions concerning illicit trade and financial regulation continue to be taken with incomplete, outdated, or distorted information. Enforcement agencies confront increasingly sophisticated criminal ecosystems; technology is ahead of the law; regulators grapple with the pace of technological innovation; and corporate compliance units fight to keep up with shifting obligations and transnational risks. Too often, academic research remains siloed from these practical realities. Our objective is to close this distance.

To this end, JITFCC is designed to serve as a meeting point for scholars, policymakers, investigators, prosecutors, compliance officers, public- and private-sector analysts, and civil society organizations. The journal's open-access model reinforces this commitment by ensuring that insights and findings are available to the widest possible audience, including readers and practitioners in jurisdictions with limited access to subscription-based research. The partnership with the Anti-Corruption Academy of India (ACA) further strengthens our international orientation and highlights the importance of rigorous, globally informed capacity-building efforts in anti-corruption, compliance, and financial integrity.

Launching a new journal is both a responsibility and an opportunity. It requires clarity of purpose, intellectual ambition, and a willingness to challenge entrenched assumptions about crime, governance, and markets. The editorial board and our international reviewers bring a wealth of experience and disciplinary diversity, enabling JITFCC to uphold a high standard of peer review and scholarly integrity. We welcome contributions that employ traditional methodologies as well as innovative approaches: from doctrinal legal analysis and policy evaluation to network analysis, forensic accounting, case studies, algorithmic auditing, and the use of digital trace data. The journal encourages comparative perspectives, empirical research, theoretical development, and practitioner-oriented insights.

Looking ahead, we intend for JITFCC to respond dynamically to new trends and threats. The rapid expansion of crypto-financial ecosystems, the reconfiguration of supply chains, the rise of illicit digital marketplaces, environmental challenges, debt accumulation, geopolitical fragmentation, and the emergence of AI-driven criminal innovation are all areas where robust research and cross-sector dialogue are urgently needed. We will continue to solicit and publish work that not only diagnoses problems but also offers pathways toward more effective policy, regulation, and enforcement.

At its core, this journal is founded on a simple premise: that the fight against illicit trade and financial crime must be informed by high-quality knowledge, interdisciplinary engagement, and meaningful collaboration between research and practice. Without evidence-based policymaking, strong institutions, and concerted international action, the economic, social, and security harms associated with illicit markets will continue to grow.

On behalf of the entire editorial team, I extend my sincere gratitude to the authors who entrust us with their work, the reviewers who ensure the quality of the contents, and the colleagues and partners who help bring JITFCC to life. I also extend an open invitation to contributors from around the world - especially those bringing new regional perspectives, new datasets, new methodologies, and new insights into the social organization of illicit markets and compliance frameworks.

It is with anticipation and resolve that we publish this first issue. We look forward to building JITFCC into a global, authoritative resource for all who seek to understand and address the challenges posed by illicit trade, financial crime, and compliance in the twenty-first century.

The first set of articles featured in this issue reflects the breadth, complexity, and strategic importance of the journal's three core pillars: illicit trade, financial crime, and compliance.

The Evolving Landscape of Financial Sanctions [1]

Enrico Carisch interrogates one of the most pressing questions in global security and financial regulation: Have financial sanctions lost their deterrent power? Drawing on decades of investigative experience, the article demonstrates how the rise of bilateral currency swaps, de-dollarization, barter schemes, opaque commodity-backed accounts, and cryptocurrency-enabled laundering have eroded the U.S. dollar's historic role as a global chokepoint. This analysis is vital for policymakers seeking to recalibrate sanctions strategies in a world of competing financial architectures.

Reimagining International Cooperation Against Illicit Trade [2]

Yvon Dandurand offers a timely reflection on the erosion of multilateralism in criminal justice cooperation. As states become more transactional and selective in their engagements, the article calls for a renewed vision of cooperation anchored in shared interests, adaptability, and accountability. This work is especially relevant in an era marked by geopolitical fragmentation and the resurgence of unilateralism.

Governance Vulnerabilities and Investor Protection in Russia [3]

Sergei Jargin and Sirion Robertson shed light on the systemic barriers faced by small shareholders in Russia—from contradictory administrative decisions to procedural opacity and bureaucratic obstacles. Their commentary highlights how governance failures and limited access to reliable information can undermine investor rights, market integrity, and public confidence.

Statutory Gaps in India's Anti-Money Laundering Framework [4]

G.S. Bajpai and Garima Pal examine India's Prevention of Money Laundering Act (PMLA), focusing on the absence of statutory limitation periods for key enforcement actions. Through doctrinal analysis and review of two decades of enforcement data, the authors consider the implications for legal certainty, constitutional rights, and procedural fairness. Their findings have broader relevance for jurisdictions struggling with balancing enforcement power and rights protections.

Cryptoasset Regulation and AML/CFT Coordination in Latin America [5]

Juan Andrés Medel and Daniela Salgado explore how Chile, Argentina, and Peru have advanced toward FATF-aligned regulatory frameworks for cryptoassets, while still grappling with definitional inconsistencies, partial adoption of the Travel Rule, and interoperability challenges. Their comparative study underscores the risks of regulatory arbitrage and the urgent need for coordinated supervisory capacities and shared digital evidence standards across the region.

Eurojust's Mandate-Resource Misalignment in the Digital Era [6]

Nikos Passas analyzes Eurojust's 2026–2028 programming document and identifies a widening gap between its expanding mandate and constrained resources. The article highlights how funding ceilings, digital integration challenges, and heightened operational demands create a "resource paradox" that limits the agency's effectiveness. It proposes concrete reforms to strengthen budgetary planning, cybersecurity readiness, and fundamental rights protections in cross-border judicial cooperation.

Leveraging the Lanham Act to Combat Pharmaceutical Counterfeiting [7]

Eva Crider Reffell and Shabbir Imber Safdar examine how Gilead Sciences pioneered a civil-to-criminal enforcement pipeline by strategically deploying the Lanham Act to disrupt counterfeit HIV medicines entering the U.S. supply chain. Their case study shows how civil trademark litigation generated high-quality evidence that was later referred to federal investigators, enabling rapid dismantling of a sophisticated counterfeit distribution network. The authors document how this integrated approach resulted in civil penalties, criminal prosecutions, and

stronger protections for patient safety. They argue that the successful use of Lanham Act actions as a precursor to criminal enforcement represents a replicable model for pharmaceutical companies and other health-sector actors operating in jurisdictions with compatible legal frameworks.

Advisory Misconduct in Mutual Funds: Investor Reactions, Capital Flows, and Governance Responses [8]

Kai Wu inquires into the reduced investor flows and company responses following mutual fund advisory misconduct from 2000 to 2015. His analysis shows that sentiment-driven flows and disclosure-related misconduct mainly drove the negative effect. In response, mutual funds reduced contractual incentives, imposed investment restrictions, increased liquid assets, and replaced malfeasant advisors. These measures alleviated the adverse effects of misconduct.

State-Corporate Crimes and Risks in Mass Transportation: The Case of the Tempi Train Tragedy [9]

Nikos Passas, Stratos Georgoulas, Christos Kouroutzas and Dimitris Paraskevopoulos examine the 2023 railway tragedy in Greece and argue that it was not an "accident" but a crime caused by state-corporate activity. They highlight the structural and systemic factors that led to the crash and dozens of deaths and injuries. They point to the of normalization of practices serving mutually reinforcing interests between the state and businesses, ambiguities shaped by policies of neoliberal capitalist "development" and the implementation of austerity measures, which made for a context of dysnomie and unattended serious safety risks.

References

- [1] Carisch E. Have financial sanctions lost their bite due to emerging alternative financial practices in global trade? *J Illicit Trade Financ Crime Compli.* 2025; 1: 1-16.
- [2] Dandurand Y. Rebooting international criminal justice cooperation against illicit trade and financial crime. *J Illicit Trade Financ Crime Compli.* 2025; 1: 17-22.
- [3] Jargin S, Robertson S. Difficulties encountered by small stockholders in Russia: Lack of adequate information. *J Illicit Trade Financ Crime Compli.* 2025; 1: 23-26.
- [4] Bajpai GS, Pal G. Absence of period of limitation in India's prevention of money laundering act, 2002: Analysing its impact on legal certainty and fundamental rights. *J Illicit Trade Financ Crime Compli.* 2025; 1: 27-36.
- [5] Medel JA, Salgado D. Strengthening AML/CFT cooperation for cryptoassets in Latin America: Comparative analysis of Chile, Argentina, and Peru (2020–2025). *J Illicit Trade Financ Crime Compli.* 2025; 1: 37-49.
- [6] Passas N. Eurojust's resource paradox: Mandate-resource misalignment in digital judicial cooperation. *J Illicit Trade Financ Crime Compli.* 2025; 1: 50-57.
- [7] Reffell EC, Safdar SI. Leveraging the lanham act for anti-counterfeiting: A case study of gilead sciences' successful civil-to-criminal enforcement strategy in the U.S. pharmaceutical market. *J Illicit Trade Financ Crime Compli.* 2025; 1: 58-68.
- [8] Wu K. Advisory misconduct in mutual funds: Investor reactions, capital flows, and governance responses. *J Illicit Trade Financ Crime Compli.* 2025; 1: 69-88.
- [9] Passas N, Georgoulas S, Kouroutzas C, Paraskevopoulos D. State-corporate crime, systemic risk, and governance failures in mass transportation: Insights from the Tempi train tragedy. *J Illicit Trade Financ Crime Compli.* 2025; 1: 89-105.