

Situational Prevention Strategies of Economic Crimes

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ABSTRACT:

In economic crimes, the criminal result, namely, the disruption of the country's economic system, and the motive of obtaining profit on a large scale, are two indicators that raise the difficulties and challenges of preventing such crimes. Preventive measures, in light of these two indicators, must be both extensive and deterrent to motivations. Accordingly, the present research aims to examine situational prevention strategies for economic crimes. The research method is descriptive-analytical and is based on library sources. The findings indicate that among the factors that significantly contribute to situational prevention of economic crimes are transparency, supervision and control, and reform. In other words, a necessary condition for the soundness of an economic system is financial transparency across various dimensions, especially in governmental operations. On the other hand, the necessity of supervision and control arises from the fact that, in the absence or weakness of internal control by individuals, the need for external control or supervision becomes more evident. Finally, reform, modernization, and the use of the most modern methods to prevent economic crimes constitute an undeniable approach to preventive confrontation with economic crimes.

Keywords: Economic crimes, Situational prevention, Enforcement of punishment

INTRODUCTION:

"The doctrine that began in the early 1980s to reduce the role of the government and entrust complete economic regulation to the market mechanism in England and the United States of America came to an end in less than three decades with accusations of irresponsibility." Without a doubt, one of the results of the global financial crisis that began in the United States and first affected Western European countries and then Asian countries active in the global economy and gradually spread throughout the world is the end of market fundamentalism and the need to implement controls to regulate the functioning of markets to regulate the behavior of institutions and individuals to improve efficiency and social welfare" (Raghar, 2007, p. 32). In Iran, cumbersome and opaque laws, along with overlapping and conflicting laws, directives, and regulations, lead to reduced investment, fewer business formations, fewer job opportunities, and push entrepreneurs towards the informal economy.

In the informal economy, firms are free from government control and supervision and, as a result, avoid various costs and even taxes; in return, they are deprived of many benefits. In this way, part of the government's revenue is not realized, and the government increases the tax burden on formal-sector firms. "Due to the lack of official supervision over economic activities, in recent years, especially in the last few years, the products produced in this sector have lacked quality standards. Since firms in the informal sector are unable to receive bank loans and are therefore forced to use informal and illegal methods to meet the

needs of starting a business and going through a long cycle of obtaining licenses and activities, they cannot use the courts to resolve disputes" (Jafari, 2014).

The use of shortcuts and under-the-table payments is another negative factor in the country's economy. Women are more severely affected in this sector, as they constitute 75% of the informal sector workforce. Corruption is also highly prevalent in the informal sector because there are many opportunities for bribery. Situational prevention of economic crime involves disrupting the opportunities and conditions that enable it. The idea of situational prevention is to treat the event before it occurs, and it can include any treatment that comes to mind. Because situational prevention addresses the possibility of future criminal behavior, it is based on ideas that shape criminal behavior that has not yet occurred. Its criteria, extent, and framework are in the hands of those who use and apply it. Resorting to situational prevention of economic crimes involves examining the scene before the crime is committed, from individual, social, environmental, and political perspectives. Accordingly, the purpose of the present study is to examine the strategies for situational prevention of economic crimes.

METHODS:

Considering the use of existing books and the description and analysis of data, the research method is a descriptive-analytical approach using library data. In this method, the existing sources are initially identified, the desired materials are carefully examined and

studied, and the desired materials are extracted from them.

Theoretical Foundations of the Research:

Economic Crime:

Economic crime refers to a wide and diverse range of behaviors that are committed against the economy. The breadth and diversity of these crimes have made their concept and application always ambiguous. Situational prevention of economic crime involves disrupting the opportunities and conditions that enable it. The idea of situational prevention is to treat the event before it occurs, and it can include any treatment that comes to mind. Because situational prevention, on the one hand, deals with the possibilities of criminal behavior in the future and, on the other hand, is based on some ideas that shape criminal behavior that have not yet occurred, its criteria, extent, and framework are in the hands of those who use and employ it. Resorting to situational prevention of economic crimes involves examining the scene before the crime is committed, from individual, social, environmental, and political perspectives. One type of non-coercive crime prevention, especially economic crime, is situational preventive measures. Situational prevention, by influencing crime-causing situations, convinces potential criminals through appropriate measures that the cost of committing a crime is beyond their means. Therefore, the difficulty of detecting economic crimes, on the one hand, the lack of sufficient resources for their detection and prosecution, and the fact that committing these crimes entails huge costs for society, on the other, are important reasons for increasing preventive efforts. On the other hand, among the factors that significantly contribute to situational prevention of economic crimes are transparency, supervision, control, and reform. In other words, a necessary condition for the health of an economic system is financial transparency across various dimensions, especially in government operations. On the other hand, the need for supervision and control arises when internal controls are absent or weak; in such cases, external controls or supervision become more apparent. And finally, reform, modernization, and the use of the most modern methods to prevent economic crimes are undeniable ways to combat them proactively.

Situational Prevention:

Situational prevention of economic crime involves disrupting the opportunities and conditions that enable crime. Creating order in society depends on appropriate measures across various areas of life, including the economic, social, cultural, political, and judicial. In this context, the role of the economic sphere is fundamental due to its direct impact on people's livelihoods, and disorganization in the economic sphere not only disrupts other areas of life but also affects people's future. Therefore, it is thought that, in the field of economic crime prevention, developing Iranian economic and Islamic frameworks, along with the efforts of lawyers and economists to develop a

preventive policy (not just criminal policy), can be useful for regulating this issue. Of course, many factors have led to the importance of economic crimes. The country's economic growth conditions, sectoral development programs, public opinion sensitivity, the development of information and communication technology, the impact of economic crimes on the competitiveness of the economy, and the demands of the Supreme Leader, the requirements of the vision document, and program laws are among the factors that have increased the importance and necessity of dealing with economic crimes. Of course, any hasty approach to economic crimes may have adverse effects. Therefore, the new economic situation requires preventive measures rather than criminal policies for this type of crime.

Examples of Economic Crimes and Factors of Their Emergence:

Economic crimes are among the most significant threats to countries' economic security. This issue is particularly more evident in countries with rent-based economies, where it has clearer dimensions and manifestations. Economic crimes are interconnected with a chain of other crimes, such as bribery (rishwah and irtishā'), laundering of illicit proceeds or money laundering, falsification of customs or tax declarations, and, in organized form, disruption of the economic system—each of which, in turn, possesses significant destructive power against national interests and social capital. Windfall profits, disruption of economic equilibrium, capital flight, and interference with managers' and authorities' plans to control economic health and security are common features of all types of economic crimes. For this reason, governments around the world seek to identify the real causes of economic crime to enact regulations that support economic order and security.

Examples of Economic Crimes

The instances and titles of economic crimes in legal texts are very rare and limited, because in this sense, economic crime only includes those acts for which the legislator has prescribed punishment. However, in social usage, the titles and instances of economic corruption and crimes include numerous cases, some of which are mentioned below.

Some believe that whenever an agent violates the law in favor of personal interest and at the cost of sacrificing the benefits arising from a legal principle, corruption has occurred. The most serious economic crimes and corruption include:

1. Obtaining unauthorized banking facilities
2. Failure to fulfill obligations after receiving banking facilities
3. Collusion and negligence in supervising the granting of banking facilities and controlling their deviation
4. Money laundering
5. Bribery (rishwah and irtishā')

6. Embezzlement (especially among senior managers of the bureaucratic system and administrators)
7. Interference in governmental transactions, tenders, and auctions
8. Collusion and fraud in the payment of customs duties and tariffs
9. Receiving commissions in governmental transactions
10. Tax evasion
11. Failure to collect taxes and other government revenues from taxpayers
12. Illegal exploitation of information in governmental systems for personal economic activities by government employees
13. Illegal appropriation of state property
14. Fraud and collusion in opening foreign currency credits

In the literature of social sciences, the above set of crimes is referred to as “white-collar crimes” (Hajiani, 2005, p. 494), because most of these crimes and corrupt acts are committed by holders of power and wealth through information rent and close relations with those responsible for the economic system and state revenues. The experience of judges and police officers in combating economic crimes, as reflected in cases of economic corruption, indicates that economic crimes and corruption do not occur in isolation; rather, their commission requires the commission of a set of interrelated crimes by economic offenders. For example, obtaining unauthorized banking facilities, failure to fulfill banking obligations, illegal appropriation of public property, or fraud in governmental tenders and auctions when committed by natural persons may give rise to other offenses, such as bribery, breach of trust, collusion, negligence, and others, by government employees.

The phenomenon of rent and rent-seeking, which refers to discrimination in the distribution of resources, facilities, and special opportunities that others do not enjoy under equal conditions, is also among the phenomena that play a prominent role in the formation of economic crimes and corruption.

Money laundering is one of the relatively new manifestations of economic crimes that has gained significant international importance in recent years. In the money laundering process, illicit proceeds are stealthily and complexly introduced into legitimate financial and commercial relations. Gradually, the real face of the economy—based on legality and rule of law—is diminished, and not only are the effects and consequences of crime absorbed in this process, but also part of the economy is practically placed at the service of money launderers and criminal organizations, generating substantial profits for them (Alipour, 2006, p. 356). Organized criminal groups usually commit this crime, and success in it requires passing through complex processes. In general, the development of such crimes is due to the inefficiency of a country’s systems in confronting them.

Factors in the Formation of Economic Crimes:

Certainly, numerous economic, cultural, social, political, and other factors contribute to the emergence and occurrence of corruption and economic crimes, and it is not possible to list them all in this brief space. Researchers and experts in this field have identified several effective factors. The Supreme Leader of the Revolution says in this regard: “If the hands of corrupt people and those who abuse government facilities are not cut off, and if the pretentious and monopolistic privilege seekers and exorbitant people are not expelled, investors, producers, and job seekers will all feel insecure and hopeless, and some will be encouraged to use illegitimate and illegal ways (Khamenei, 2001, p. 154). In these statements, privilege-seeking and exorbitance are considered important components that lead some individuals and groups to illegitimate and illegal means, which we have identified as corruption and economic crimes. Some social facts indicate that people, in their daily personal and social lives, often seek to achieve their own goals and interests before considering others’. In particular, people who lack high human and moral qualities and who are less likely to benefit from this valuable trait will be more likely to suffer from this selfish behavior than others. Some researchers believe that this statement does not mean that they ignore collective interests, but rather that they always prioritize their personal interests (Khezri, 2002, p. 12). This applies to managers and government employees who have direct access to the government's and the treasury's monetary and financial resources and are entrusted with the responsibility of managing and supervising the production, maintenance, distribution, and consumption of resources and capital.

Some political and social activists believe that the causes and factors of economic corruption in the country are due to various and varied issues, some of the most important of which include the extravagance and extravagance of officials, inequality, injustice, class gap, failure to reconcile incomes, limiting the ways of earning lawful income, lack of cooperation and coordination between powers, institutions and organs, the weakness of the administrative, social, and economic system and professional incompetence, the normalization of minor violations, providing a platform for unqualified individuals to operate, the inefficiency and weakness of the management of the responsible institutions in dealing with irregularities and lawbreakers, the low level of responsibility and accountability, the lack of transparent laws, the lack of institutionalization of supervision and control at all levels, the lack of dismissal in the collection of outstanding government claims from organizations, problems with the country's tax and customs system, abandonment of major bottlenecks, exploitation of unfamiliar and untrained officials, problems with the country's banking and monetary system, complex bureaucracies, fanatical and absolute defense. Officials consider their subordinates to be closed to information and lack of access to real information, lack of job security and illusion of insecurity, party, gang and group

support for violators, lack of serious treatment of violators and weakness of the criminal and judicial systems, low standard of living and lack of a proper and efficient social security system (Khamenei, 2001, pp. 155-156).

One factor and platform for the emergence of economic crimes and corruption is the financing of political and cultural activities by individuals and groups seeking to enter this field. In other words, some individuals and groups use political and cultural activities as a cover for their criminal actions. This issue is clearly worth considering and analyzing in our society. An example in this regard can help us understand this bitter reality. When a person prepares to present himself in an area such as parliamentary representation, he naturally needs an individual or a group of individuals to help him achieve this important goal and, in the popular expression in electoral customs, to become the stage manager of his election campaign and help him win in the field of electoral competitions. Naturally, these individuals do not enter these activities aimlessly or without expectations. Therefore, they seek to achieve goals that a parliament representative can fulfill after coming to power. The experience gained from examining this process indicates that these individuals can facilitate the acquisition of various privileges by leveraging the rents generated by their connections to the country's executive bodies. An example that illustrates this claim can clarify it.

Given the recent and current state of the country's economy, a person seeking bank facilities funded by oil revenues, etc., cannot easily achieve their goal. He is first forced to carry out a production or commercial plan through production and trade activities. Therefore, due to the rent resulting from the connection with the MP, he goes to bodies such as the Industry and Commerce Organization and applies for a license to operate in this field. After going through the process within the bureaucracy of the civil society structure, it obtains the necessary licenses and, again with various lobbies under the aforementioned cover, gains access to large banking resources. Instead of being active in the field of production and employment, which, unfortunately, carries a high level of risk in the current situation, it directs and uses the facilities for matters where only personal interest is significant (Nasiri Aghdam and Naderan 2006).

One of those areas in recent years has been the urban land and housing sector, which has brought huge benefits to economic corruptors. What plays a fundamental and key role in the formation of corruption and macro-economic crimes in this field is the ineffectiveness of the control and supervisory role of relevant individuals and institutions. Corruptors often prevent the achievement of supervisory and control goals and create diversions from the correct spending of facilities by infecting individuals and groups of interest in this field. Some scholars have also divided the factors that cause economic corruption into two categories: institutional and non-institutional. They have analyzed in detail factors such as the employer-employee

problem, inefficiency and administrative corruption, rent-seeking and administrative corruption, political corruption and administrative corruption, and ineffective supervision under the heading of institutional factors, and factors such as a distorted incentive system, a decrease in social capital, inadequate salaries and benefits, the relative myopia of bureaucrats, the alienation of bureaucrats from the organization, and inadequacy in the promotion and appointment process under the heading of non-institutional factors. For the sake of brevity, further explanation is omitted (Khamenei, 2001, p. 157).

Establishment of Punishment:

1. Retribution:

The most traditional basis for punishment is retribution. The origin of this principle, often cited in the Bible, is similar to that incorporated into Hammurabi's law some 600 years earlier. The phrase that underlies retribution—"an eye for an eye, a tooth for a tooth"—is familiar to millions. It was also part of Roman law, known as the law of retaliation; the emphasis on retribution is passed on, meaning that the punishment is imposed for a criminal act that has already occurred and caused harm. According to the philosophy of retribution, a criminal act harms society and threatens its fragile balance, so this balance can only be restored by punishing the offender. One of the foundations of retribution is that lawbreakers exploit those who obey the law. This philosophical view is explicitly stated by Richard and Asström (1997) as follows: "Justice requires that the criminal be punished, in terms of two closely related facts: the unjust responsibility placed on the criminal by law-abiding citizens and the benefits that the criminal unjustly benefits from" (Shichor, 2010, vol. 1, p. 36).

The German philosopher Immanuel Kant put the same issue somewhat differently (Kant, 2001, p. 140). He argues that a person who has committed a crime should be punished because he is morally deserving of punishment. In one of his most explicit statements on punishment, Kant declared that punishment should exclude all other grounds for the legitimacy of punishment against lawbreakers. He argues that "punishment should never be carried out merely as a means of advancing and promoting some other good, whether in relation to the criminal himself (rehabilitation) or in relation to the whole (deterrence or empowerment), but should in all cases be carried out simply because the person who endures it has committed a crime." Kant and his followers see the punishment of criminals as a moral duty. Lawbreakers exploit law-abiding citizens, and punishing them erases their mistakes. Naturally, Kant and other philosophers have emphasized the moral aspect of punishment.

Punishment, as one of the foundations of punishment, is based on rationality. Humans are rational and make wise decisions. Therefore, they are fully aware of what they do and should be held accountable for it. The principle of pure justice is a fundamental concept in retribution and punishment, according to which

individuals should be punished in proportion to the severity of the harm they have caused. Retribution in its original and pure form negates the use of punishment for any reason other than to repair the wrong that has been done. The principle of proportionality in punishment emphasizes the importance of balancing the severity of the crime with its punishment. Many philosophers have emphasized the ethical issues surrounding punishment because, as previously stated, it is inflicted by society on its members and causes intentional pain, suffering, and hardship.

One important consequence of the emphasis on rationalism is that some philosophers claim that punishment should be recognized as a right of the criminal. According to this conceptualization, punishment confirms and validates criminals' humanity because only humans are capable of rational thought. Therefore, only humans can be held responsible for their wrongdoings and consequently punished. The German philosopher Georg Hegel has emphasized that criminals, by their rational and volitional actions in committing crimes, have the right to suffer punishment as an acknowledgment of their humanity.

The harm inflicted on the offender is not only absolutely just, but it is in itself a manifestation of his will, a manifestation of his freedom and his right; on the contrary, it is also a right rooted and established within the offender himself, that is, in his objectively embodied will, in his action and conduct. The reason for this is that the act of the offender is the act of a rational man, based on reason, and that by committing it, the offender establishes a law which he has expressly recognized by his act and which he must therefore, as if by his own right, obey and submit to.

Currently, advocates of the retributive principle refer to this approach as the justice model, or the meritorious justice model. One of the issues they emphasize is the principle of proportionality. [The principle of proportionality] is mentioned in the biblical proverb: "An eye for an eye, a tooth for a tooth." The basic concept of this principle is meritorious justice, with the emphasis that retaliation should not result in excessive punishment, even if such punishment has a deterrent effect. Another very important basis of the retributive vision is the need to treat all citizens equally. This principle means that people who commit similar crimes should be treated similarly. There should be equality in the application of punishment, regardless of social status or personal considerations, and issues of criminals and their victims. These principles form the basis of justice in an open and democratic society.

2. Deterrence:

Another important basis of punishment is deterrence. The basic assumption of the deterrence principle is that: "Punishment, in the sense of inflicting pain, is unjustifiable unless it can be shown that good behavior is more likely to result from the imposition of punishment than from its avoidance." Good behavior results from punishment, which emphasizes the main deterrent: preventing future crimes. Therefore,

prevention is a fundamental concept in the deterrence approach to punishment. The temporal orientation of this model of punishment is future-oriented, aiming to prevent destructive behavior. Deterrence is a utilitarian principle; in this approach, punishment is used to prevent future crimes (Shichor, David, Vol. 1, 2010, p. 43). According to the deterrence principle, the actual or potential danger of punishment must outweigh the possible benefits the individual can gain from committing the crime to prevent the criminal from committing it again. "Any action on the consequences of a crime is the result of the agent's perceptions of the possible consequences of his actions, which in any way lead the agent to commit that act." This approach to crime and punishment, in its most original form, seems to ignore moral and spiritual considerations, the factors that cause a person to refrain from committing a crime or to commit it. Moreover, the proportionality between crime and punishment is not the main concern of deterrence theory. Indeed, based on the logic of hedonic calculation, it can be argued (and many people can argue) that ineffective punishments can increase the risks involved in committing a crime. In return, they can reduce the potential benefits of crime.

Because the principle of deterrence is based on human rationality, Bentham believes that punishment should not be carried out in cases where rationality cannot be imagined. For example, he includes in this category cases where "punishment is futile, because the power to influence the will is absent, such as in childhood, insanity, or in circumstances where the act appears to be absolutely involuntary." Interestingly, in 2002, the United States Supreme Court ruled in *Atkins v. Virginia* that the execution of mentally disabled criminals violates the Eighth Amendment's prohibition on cruel and unusual punishment.

Bentham stated that three main factors seem important in deterring crime: 1) the severity of punishment - the actual or potential amount of pain inflicted on the offender to deter and convict him; 2) the certainty of punishment - the likelihood of the offender being caught or, more accurately, the perception of the likelihood of the offender being caught and punished; 3) the speed of punishment - the urgency of the execution of the punishment following the commission of the criminal act.

In discussing the various aspects of deterrence theory, the emphasis is on the severity factor, as it is most readily achieved through legislative policies. The public more easily understands the severity of punishment, which is often discussed in the press. The certainty and speed of punishment depend on the efficiency of government officials in apprehending criminals and successfully convicting them, whether through plea bargains in the courts. Therefore, the effectiveness of law enforcement agencies in prosecuting and apprehending criminals is crucial. Similarly, it is important to understand the judicial system's efficiency and effectiveness in deterring crime. Regarding the certainty of punishment, criminal records show a relatively low crime clearance rate (the percentage of

known crimes that result in arrest), which varies widely by crime type. The rate of punishment (for example, in the year of conviction for the crime after arrest) is even lower (Sangelaji 1968).

Punishment severity is more tangible to the public, easier to control and manipulate, and is used more in political discourse than certainty and speed. It is quite obvious that in modern democratic societies, a high degree of certainty cannot be guaranteed, meaning that the arrest rate of criminals will remain relatively low and the number of pending cases will be very high. Nor is the likelihood that the speed of punishment will improve substantially, despite technical advances such as computer databases, DNA testing, and sophisticated surveillance cameras that can increase the transfer of information and communication between criminal justice agencies. Procedural formalities remain a concern, slowing the criminal justice system, especially if the caseload remains stable or increases. This aspect of the criminal process often leads to a general crisis of the judiciary, which is blamed for high crime rates due to lenient sentences. Similarly, relatively low law enforcement arrest rates are less of a problem because they are less publicly visible (Aghaei Jannat Makan, 2002, p. 51). In practical terms, punishment has two types of deterrent effects. First, punishment should deter those who have already committed and been punished from violating the law in the future; this aspect of deterrence is called “specific deterrence” because it is directed directly at the offender. The deterrent effect of punishment is directed at the general public and potential offenders who have not yet committed a crime. By showing the negative consequences of violating the law, it is hoped that general deterrence will prevent future crimes. While for theoretical and analytical purposes the dual effects of punishment can be separated, it is assumed that different levels of punishment have both general and specific effects. The doctrine of deterrence has had important implications for crime control and punishment policies in Western societies. Legislation based on the assumption of general rationality: enacts laws so that penalties are severe and well known.

There are significant issues regarding the assessment of the extent of crime prevention, which can be related to general and specific deterrence policies (Aghaei Jannat Makan, 2002, p. 54). The assessment of these policies is complex from an epistemological perspective. If data on the formal arrest of repeat offenders are taken as an indicator of deterrence, the logical conclusion is that, in general, specific deterrence is not as effective as it should be. Statistics show that two-thirds of current prisoners have previously been sentenced to imprisonment, and in most cases, they were. And before they served their first prison sentence, they were punished in other ways. A report published by the Ministry of Justice shows that 67% of prisoners who have been released from prison have committed at least one serious crime during their three years of release.

The most obvious and widespread problem in assessing the effects of specific deterrence is that official statistics

focus only on crimes reported to the authorities and on criminals who have been arrested, convicted, and punished. Therefore, a large number of criminals who manage to escape the criminal justice system are not counted in these statistics. It is therefore difficult to determine how many criminals who have already been punished have refrained from reoffending because they have learned a lesson, or how many have reoffended without being caught.

An important factor complicating the deterrence effect is the legal mindset, that is, perceptions of the risk of criminal justice intervention and of what punishment is likely to be imposed. Different individuals may perceive the same situations differently. Issues such as how perceptions of potential risks can arise from the existence and actual enforcement of criminal guarantees, how these perceptions can be formulated differently by individuals, and how these perceptions can be changed or strengthened to achieve deterrence effects have been well researched. In a review of psychological studies that emphasize different aspects of deterrence, Mark Kleiman (1999) sees deterrence as dependent on the ability to change potential offenders' perceptions of the possible consequences of breaking the law. One of the problems he observed was that criminal laws and policies are based on human rationality. At the same time, some psychological studies show that many criminals are more careless, reckless, and have shorter attention spans than ordinary citizens. Laws assume that calculating individuals avoid danger; however, perfect calculation cannot be expected of everyone, especially those prone to breaking the law. Similarly, the principle of hedonic calculation can work in ways different from what Bentham and other utilitarian thinkers believe. Some may find such pleasure in the “deception of crime” that the pleasure of it outweighs the fear and danger of possible arrest and possible punishment (Aghaei Jannat Makan, 2002, pp. 55-56-57).

3. Incapacitation:

Of all the principles of punishment, rehabilitation is the simplest to understand and implement. This principle focuses on the future (as in the doctrine of deterrence); this method aims to prevent future crimes, and like specific deterrence, rehabilitation is directed at specific offenders. The main social function of rehabilitation is to protect society against specific offenders. It aims to deprive them of the opportunity to continue engaging in harmful behavior towards others, or at least to prevent it, thereby reducing their ability to do so. Throughout history, rehabilitation has been carried out mainly through physical and material means. This includes execution as the worst form of rehabilitation, as well as castration and burning of criminals. The aim of amputation is not only deterrence, but also rehabilitation of criminals. In accordance with the religious laws of Islam (Sharia), amputation in the form of cutting off hands and feet is still practiced in Muslim religious societies (for example, Saudi Arabia) (Saki, 2009).

Rehabilitation, like deterrence, can be considered an effective form of punishment. Rehabilitation helps society by preventing criminal activity in the community while the offender is incarcerated. In addition, rehabilitation emphasizes punishment without much regard for deterrence, justice, or rehabilitation. In practical terms, punishment, which is primarily aimed at achieving rehabilitation, should not emphasize the proportionality between the harm caused by the crime and the punishment. In fact, it can be said that, for the time the offender is deprived of his or her ability, society will be protected from that offender for a long time. Therefore, according to advocates of rehabilitation, there is an inherent social benefit in long prison sentences for convicts. Crime statistics and the criminological literature show that criminal activity decreases with age.

Thus, if offenders are kept away from society in their youth, they are less likely to reoffend upon release at an older age.

Regarding the effects of incapacitation, Blumstein, Cohen, and Nagin (1978) found that incapacitation effects are easier to establish than deterrence effects. For a long time, it has been assumed that offenders who are incarcerated would continue offending if not imprisoned, thus incarceration produces a direct incapacitative effect.

The simplicity of rehabilitation has led to its widespread acceptance as a major penal policy since the 1970s. Rehabilitation is popular among legislators, government officials, and the public. Franklin Zimering and Gordon Hawkins (1995) argue that, unlike the philosophy of deterrence and rehabilitation, rehabilitation as a punishment is not meant to influence or pressure offenders. Instead, rehabilitation is intended to control them. The possibility of control rather than influence is a more important reason for the high and enduring desirability of rehabilitation as a penal method (Aghaei Jannat Makan, 2002, p. 54).

Excessive reliance on incapacitation in the late twentieth century led to rapid growth in prison populations, high costs of correctional institutions, and deterioration of prison conditions in the United States.

4. Rehabilitation:

The main emphasis of rehabilitation is “to change the intention, motivation, or even the character of the offender towards law-abiding behavior”. In general, rehabilitation theory assumes that success in bringing about a change in attitude will also lead to positive behavioral changes. Under the influence of Enlightenment ideas, the penal ideology of rehabilitation gradually became an important principle in dealing with criminals and offenders from the second half of the nineteenth century. The theory of rehabilitation and correction of criminals emphasizes the values of international humanitarian law and human rights and advocates abandoning severe forms of corporal punishment. These ideas caused a “fundamental change in beliefs” in Western civilization regarding torture and corporal punishment. As

mentioned, for thousands of years, the punishment of criminals has been mainly corporal punishment carried out in public, a general theory aimed mainly at public deterrence. As the theory of reform and rehabilitation became more popular, the emphasis shifted toward psychological and spiritual beliefs. Punishment and the more subtle forms of “torture” gradually became the most secretive part of the penal process, eventually carried out behind the walls and closed doors of prisons. Developments in medical science and the influence of psychology and psychoanalysis strengthened the theory of rehabilitation as a humanitarian issue and as a sign of modernity, progress, and credibility.

Reforming criminals “by purifying souls and avoiding sin through repentance: “So whoever repents after an injustice he has committed and amends his deed, then Allah will forgive him, for Allah is Forgiving, Merciful” (Shambyati, 1994, p. 302).

The basic premise of rehabilitation theory, as a perspective on punishment, differs from that of other major penal principles. Correction, deterrence, and rehabilitation focus on the crimes committed by offenders and the appropriate response to them. Deterrence and rehabilitation are concerned with both the crime itself and the protection of society by preventing future crimes. Criminal practice based on correction seeks to balance crime and punishment. The theoretical background of rehabilitation and deterrence is rooted in the ideas of the classical school of criminology, which, in turn, is based on the philosophy of rationalism. In contrast, rehabilitation theory is rooted in the positivist scientific approach. In the social sciences, positivism means the application of practical methods to the study and analysis of social phenomena. To bring about change in individuals, the main emphasis should be on each person's personality traits and circumstances, rather than on the harm they inflict. Each individual should be treated differently based on their specific situation. Inspired by medical approaches and culture, criminal behavior is seen as a symptom of personal problems that must be analyzed and treated individually. This view of criminal behavior leads to the emergence of the medical model of criminology. Offenders are recognized as “sick” and must be treated and cured, usually by using appropriate therapeutic methods, to restore their health and prepare themselves to live in society without causing harm. Since the same illness can affect each person differently, and people with the same illness may respond differently to the same treatments, treatment measures must be tailored to each person's problems and personality.

This view of criminal behavior has led to the design of indefinite sentences, with the argument that different individuals require different periods of time to rehabilitate and reform. To determine the best strategy for treating offenders, experts with experience in human behavior are brought into the criminal process. These experts must identify the nature and extent of the offender's problems, the circumstances in which the crime occurred, and plan for their treatment and recovery (Bazgir, 2010, p. 248).

Finally, some policies and programs have incorporated elements of rehabilitation principles. Although they were not designed for this purpose, they are often used as important management tools in prisons. As social scientists have argued, participation in these programs should be voluntary, not forced. By motivating offenders to prepare for a life free from crime, some of them try to comply with prison regulations. This is, of course, a matter of dispute. Some critics claim that many prisoners use rehabilitation programs to trick the prison system without really trying to change their behavior.

Others fear that using rehabilitation programs to control prisons defeats their original goal of changing the behavior and attitudes of offenders. However, the controlling aspect of rehabilitation programs has become entrenched in the criminal justice system. Rehabilitation thinking has gained support from politicians, professionals, staff, and other criminal justice officials for policies and programs.

The widely used term “reform” is directly related to the ideology of rehabilitation. Rehabilitation is based on the assumption that criminals can be reformed to become law-abiding members of society.

CONCLUSION:

What is now known as economic crime involves severe harm to the economic systems of any country and the international economic system, namely the cycle of production, distribution, transportation, consumption, and monetary flows. Therefore, international organizations such as the United Nations and the European Union have, in recent decades, adopted differentiated criminal policies with a stricter orientation in this regard.

Today, due to the connection between economic crimes and other forms of crime, especially organized crime, the stability and security of societies, democratic values, moral values, and justice are at risk, and, in the long term, sustainable development and the rule of law are also endangered. Accordingly, this crime is no longer a purely domestic issue but a transnational phenomenon affecting all societies and economies. The alarming quantitative and qualitative dimensions of these crimes have led policymakers and criminal justice authorities to become more sensitive than before regarding their control and to pay greater attention to their risks and side effects on political order.

Prevention methods logically vary according to the definition of economic crime. The causes of these crimes at the macro level are related to interconnected factors in production, distribution, and consumption, the type of economic system, and the prevailing culture of society. Accordingly, for example, in the United States, corporate crimes (private sector) are more emphasized; in socialist countries, employee crimes (public sector) are highlighted; in countries where income is based on taxation, such as Sweden, tax crimes are emphasized; and in Italy, organized economic crime is more prominent. The common feature of all these categories is the economic nature of the crime. At the

micro level, situational opportunity factors are more important. Therefore, a prevention strategy at the micro and short-term levels is situational, technical, and technological, and is usually implemented through techniques that make crime more difficult or risky for offenders, thereby reducing opportunities.

Prevention of money laundering involves legal action against those who acquire illicit funds through unlawful means, such as smuggling goods, selling alcoholic beverages, and drug trafficking. Establishing monitoring systems, such as banks, to identify the original source of assets and financial resources can help prevent money laundering. Factors such as government control over economic policies, adoption of sound and efficient economic policies, and economic reforms through privatization and transfer of economic power from the state to citizens to pursue their own interests, as well as the promotion of legal financial transactions for capital inflows and outflows, can also contribute to preventing money laundering.

Situational prevention measures for bribery include installing surveillance cameras in employees' offices, conducting body searches of clients, increasing salaries in sensitive positions, monitoring and controlling employees' income, rewarding and incentivizing public employees who prevent bribery and report it to relevant authorities, increasing the perceived risk of the crime relative to its benefits, eliminating conditions that facilitate collusion between bribe-giver and bribe-taker, and imposing strict punishment and serious enforcement against perpetrators of bribery.

Situational prevention of fraud may include providing sufficient information and awareness to the public regarding high-risk financial gains. For example, many fraudsters use social status and trust built up beforehand to commit fraud. Victims should at least be aware that the risks they take may result in the loss of all their assets. By evaluating benefits and risks, individuals can make more rational decisions. Increasing penalties for fraudsters, strict legal enforcement, limiting the deceptive tools they use, and eliminating conditions that facilitate fraudulent conduct are also preventive factors.

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