

From risk to resilience: The role of financial literacy in youth crime prevention

An OSCE study



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Contents

List of tables, figures, maps and boxes	6		
Foreword	8		
Preface	10		
Executive summary and recommendations	11		
Acronyms	14		
1. Introduction	15		
Methodology	16		
Definitions	17		
2. The policy and research landscape	18		
Legal and policy context	19		
International and national research	20		
Financial literacy in the OSCE area	20		
Financial literacy and youth crime prevention	21		
3. Financial illiteracy as a driver of youth involvement in crime	23		
Heightened financial pressures within the family	26		
Impact of financial illiteracy among parents	28		
Impact of internal and external shocks	29		
Debt as a recruitment tool	30		
Use of debt bondage	30		
Gender aspects and vulnerabilities	32		
Instant money and financial dependency	33		
The appeal of the “fast buck”	33		
Financial illiteracy and social media	36		
4. Financial literacy as a tool to build resilience against youth involvement in crime	38		
Understanding financial literacy as a preventive factor	39		
Financial literacy education	41		
Good practices in financial literacy education	41		
Challenges in developing financial literacy education	42		
Individualized financial advice	44		
Good practices in individualized financial advice	44		
Challenges in developing individualized financial advice	45		
Leveraging lived experience	46		
Good practices in leveraging lived experience	46		
Challenges in leveraging lived experience	46		
5. Conclusion	47		
Annex 1: Data sources	49		
Primary data	49		
Questionnaires	50		
Follow-up interviews	51		
Secondary sources	52		
Judicial material	54		
Annex 2: Glossary of terms	55		

List of tables, figures, maps and boxes

Maps

Map 1	OSCE participating States contributing to this study
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Figures

Figure 1	Impact of juvenile delinquency risk factors and lack of financial literacy on youth susceptibility towards crime
Figure 2	Respondents' perception of the role of financial illiteracy in youth involvement in organized crime
Figure 3	Financial illiteracy used by organized crime groups as a recruitment tool
Figure 4	Gender, financial illiteracy and organized crime recruitment
Figure 5	Financial pressures within the family: contributing factors and consequences
Figure 6	Respondents' perception of the role of financial literacy in building resilience in young people to recruitment into organized crime
Figure 7	Percentage of practitioners who include financial literacy as part of their youth crime prevention efforts

Boxes

Box 1	Parental financial illiteracy: driving domestic stress, violence and youth crime
Box 2	Financial stress exacerbating substance abuse and neglect
Box 3	Parental debt leading to theft and peer violence
Box 4	Parental ill-health as a driver of youth involvement in crime
Box 5	Use of debt for exploitation in distribution of drugs
Box 6	Trapped by debt: how financial exploitation led a vulnerable child into crime
Box 7	Financial dependence and the illusion of luxury in OCG a recruitment

Box 8	False get-rich-quick promises as a recruitment tactic for youth to become money mules
Box 9	Draw of being a “cool” gangster with a lot of money
Box 10	Organized crime groups recruiting youth as contract killers via social media for quick cash
Box 11	Good practices for effective financial literacy education
Box 12	Mainstreaming financial literacy in education and targeting vulnerable youth
Box 13	Financial literacy education and awareness raising for girls at risk
Box 14	Good practices for individualized financial assistance
Box 15	Tailored financial advisory for juveniles and their families
Box 16	Good practices for leveraging lived experiences

Tables

Table 1	Overview of agencies contributing to this study
Table 2	Overview of civil society organizations contributing to this study
Table 3	Overview of responses received
Table 4	Overview of follow-up interviews conducted

Foreword

To evade prosecution, organized crime groups are increasingly targeting recruitment efforts towards young people under the age of criminal liability. The COVID-19 pandemic and security developments across the OSCE area exacerbated socio-economic vulnerabilities and risk factors, making young people more susceptible to being recruited into criminal networks and activities. This can put them on a path to long-term criminality, with significant consequences for themselves, victims, criminal justice systems and society as a whole. Research shows that by the age of 25, a single “multiple offender” has had – on average – 100 victims and generated EUR 1.7 million in social follow-up costs.¹ Investing in effective youth crime prevention and strengthening youth resilience from an early age therefore have major economic and societal benefits, and contribute to good governance and the rule of law.

This report builds on the OSCE’s longstanding focus on youth development and crime prevention, emphasizing the need for targeted strategies to mitigate vulnerabilities. The OSCE’s commitment to promoting the role and inclusion of youth in its security agenda dates back to its founding document, the Helsinki Final Act, and has been strengthened through many subsequent OSCE decisions.² The OSCE’s mandate in combating organized crime underscores prevention as a key approach, as reaffirmed in the 2020 Tirana Declaration,³ which calls for a multi-stakeholder and gender-sensitive response. Recogniz-

ing the role of financial education in resilience-building, OSCE participating States (pS) committed to promoting youth economic inclusion in Ministerial Council Decision 8/17.⁴

Empirical evidence indicates that youth crime results from a combination of risk factors, including socio-economic disadvantage, family instability, lack of education, and peer influence, among others.⁵ Understanding these factors is crucial for developing effective prevention strategies. Some studies have indicated that financial literacy – or the lack thereof – may also play a role in shaping youth susceptibility to crime.⁶ However, to date, there is limited empirical data on the dynamics of this relationship.

This report marks the OSCE’s effort to address this gap as part of its broader commitment to promoting youth economic empowerment as a resilience-building measure. Based on data provided by law enforcement practitioners, social workers and civil society across the OSCE area, it explores how financial literacy can play a significant role in shaping youth susceptibility to involvement in crime. The findings indicate that limited financial literacy – among both juveniles and their families – significantly contributes to and amplifies risk factors for youth participation in crime through heightened family stress, greater vulnerability to debt-based recruitment and the allure of quick money.

1 Kurve Kriegen, Management summary, Cost-benefit analysis of the Kurve Kriegen crime prevention initiative of the Ministry of Interior of North-Rhine Westphalia (Dusseldorf/Berlin, 2016). Available at: https://www.kurvekriegen.nrw.de/sites/default/files/2021-11/2016_03_Prognos_KNA_Managementsummary.pdf [accessed 4 November 2024].

2 Conference on Security and Co-operation in Europe, Final Act (Helsinki, 1975). Available at: <https://www.osce.org/files/f/documents/5/c/39501.pdf> [accessed 7 August 2024]. OSCE, Ministerial Council Decision No. 5/18: Human Capital Development in The Digital Era (Milan, 2018). Available at: <https://www.osce.org/files/f/documents/b/0/405899.pdf> [accessed 7 August 2024].

3 OSCE. Ministerial Council Declaration on Strengthening Co-operation in Countering Transnational Organized Crime (Tirana, 2020). Available at: <https://www.osce.org/files/f/documents/e/5/479768.pdf> [accessed 7 August 2024].

4 OSCE. Ministerial Council Decision No. 8/17: Promoting Economic Participation in the OSCE Area (Vienna, 2017). Available at: <https://www.osce.org/files/f/documents/b/4/361566.pdf> [accessed 7 August 2024].

5 Nisar, M., Ullah, S., Ali, M., & Alam, S. Juvenile delinquency: The Influence of family, peer and economic factors on juvenile delinquents. *Scientia Agriculturae* 9/1 (2015) 37–48. Available at: <https://www.researchgate.net/publication/375837982> [accessed 13 September 2024].

6 Jin, J., Liu, S., & Nainar, K. Financial literacy and crime incidence. *Corporate Ownership and Control* 19/4 (2022) 72–79. Available at: <https://doi.org/10.22495/cocv19i4art7> [accessed 13 September 2024]; Samuelsson, E., Levinsson, H., & Ahlström, R. Financial literacy, personal financial situation, and mental health among young adults in Sweden. *Journal of Financial Literacy and Wellbeing* 1/3 (2023) 541–564. Available at: <https://doi.org/10.1017/flw.2024.3> [accessed 13 September 2024]; Drotárová, J., Misiuk, A., & Gedeonová, Z. Improving financial literacy of a selected group in favour of eliminating crime. *VUZF Review* 6/3 (2021) 20–29. Available at: <https://doi.org/10.38188/2534-9228.21.3.03>

The evidence shows, in contrast, that strong financial literacy skills act as a preventive factor for youth crime, especially that driven by economic stress. At the family level, financial management skills help families achieve stability, prepare for financial shocks and reduce vulnerabilities related to family stress. For young people, these skills provide tools to identify and avoid debt traps and predatory scams, increasing resilience against debt-bondage schemes of organized crime groups. Financial literacy also enables youth to critically assess the allure of quick money often glamorized on social media, helping them recognize the risks associated with a criminal lifestyle.

With this report, the OSCE seeks to increase awareness of the role that financial illiteracy plays in youth crime and the potential of financial literacy as a tool for prevention and economic resilience. In line with the OSCE's commitment to shining a light on emerging issues in the fight against organized crime, we hope that the empirical data and recommendations in this report can support pS to develop and implement evidence-based actions to prevent youth crime, enhance the financial resilience and economic empowerment of young people, and promote inclusive growth.



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Preface

(by a woman with lived experience)

“Organized crime prevention cannot succeed without financial literacy. Young boys and girls are lured into crime by promises of quick money and often stay trapped, reliant on fast cash. Financial literacy is essential to teach them how to be financially independent and successful, empowering them to pursue real alternatives to a life of crime.”

Kimberly Merke

Experiential speaker and coach, Her Time, Canada

Executive summary and recommendations

Youth involvement in organized crime has emerged as a significant concern across the OSCE area. Organized crime groups (OCGs) deliberately recruit young people under the age of criminal liability (typically 14 years old) to evade prosecution.⁷ OSCE participating States (pS) have recognized the importance of prevention as a central tool to address the targeted recruitment of young people, emphasizing the need to focus on root causes, such as socio-economic vulnerabilities, through a multi-stakeholder approach.

Despite these efforts, gaps remain in understanding and addressing specific risk factors, including the role of financial illiteracy in youth susceptibility to criminal behaviour. Based on data from law enforcement practitioners, social workers and civil society representatives working on youth crime cases in 21 OSCE pS, this report examines how financial illiteracy exacerbates risk factors for youth criminalization, including its gendered dimensions. It also explores the potential of financial literacy as a tool for prevention and resilience.

The evidence presented in this report demonstrates that financial illiteracy significantly increases the vulnerability of young people to recruitment into OCGs. Factors such as lack of budgeting and saving skills, exposure to debt traps, household financial stress and the allure of “quick money” contribute to this susceptibility. Youth with limited financial literacy are less equipped to manage economic pressures, recognize predatory recruitment practices, or resist the social and financial incentives of criminal activity.

The analysis also indicates significant gender disparities. Young women face unique vulnerabilities due to lower levels of financial literacy and societal expectations that reinforce their financial dependence. These factors often expose them

to exploitation, particularly through debt bondage and manipulative tactics by OCGs. Women and girls are also often overlooked by prevention initiatives, which focus more on boys and men as potential criminal actors. However, young men also face distinct pressures, such as the expectation to provide for their families, which can push them toward criminal pathways during financial crises.

While financial literacy has the potential to be a powerful tool for youth crime prevention, its implementation remains limited across most OSCE pS. Targeted interventions addressing the specific needs of at-risk youth, particularly those outside formal education systems, remain absent in many OSCE pS. This report highlights the need for a comprehensive approach to integrating financial education into crime prevention strategies, particularly through partnerships with educational institutions, civil society and the private sector.

Data collection and analysis also present significant challenges. The absence of systematic sex-disaggregated data prevents a nuanced understanding of how financial illiteracy and organized crime interact across genders and contexts. This limits the ability of pS to design evidence-based policies and initiatives that effectively address the issue.

By recognizing the role of financial illiteracy in youth crime and investing in targeted financial education initiatives, pS have an opportunity to address a critical driver of youth vulnerability to crime. Integrating financial literacy into holistic crime prevention strategies can not only reduce youth involvement in organized crime, but can also empower young people to build sustainable and lawful pathways to financial stability and independence. This will ultimately contribute to greater economic inclusion of youth, more resilient communities and enhanced security across the OSCE area.

⁷ European Union Agency for Law Enforcement Cooperation. *Europol warns of organised crime networks recruiting minors for criminal acts*. Europol (2024). Available at: <https://www.europol.europa.eu/media-press/newsroom/news/europol-warns-of-organised-crime-networks-recruiting-minors-for-criminal-acts> [accessed 15 November 2024].



Drawing on the evidence and analysis presented in this report, the following recommendations aim to inform and guide comprehensive, gender-sensitive and evidence-based actions to leverage financial literacy as a tool for youth crime prevention.



Recommendation 1

Raise awareness and knowledge among policymakers and practitioners of the link between financial illiteracy, economic resilience and youth involvement in crime.

Actions in line with this recommendation could include:

- Developing evidence-based materials and campaigns that highlight how financial literacy can support financial stability, reducing risk factors for youth criminalization.
- Delivering training for practitioners working on youth crime cases to improve understanding of financial illiteracy as one of the root causes of youth recruitment into organized crime.
- Facilitating multi-stakeholder discussions to share good practices and innovations in financial literacy as a prevention and resilience-building tool.



Recommendation 2

Integrate financial literacy education in youth crime prevention initiatives.

Actions in line with this recommendation could include:

- Integrating basic financial literacy concepts into youth crime prevention efforts, including through the development of financial literacy toolkits, ensuring age-appropriate and engaging formats that teach essential skills such as saving, budgeting, debt management and recognizing scams.
- Incorporating real-life scenarios and practical exercises to ensure content is relatable and engaging for young learners.
- Partnering with civil society organizations and financial institutions to provide expertise, resources and outreach support to educational programmes for young people.



Recommendation 3

Address gender disparities in financial literacy to empower young women and reduce their susceptibility to criminalization and exploitation.

Actions in line with this recommendation could include:

- Implementing targeted financial literacy programmes for girls and young women, highlighting their specific needs and challenges.
- Partnering with civil society organizations to create mentorship opportunities where women with lived experience in organized crime provide practical financial advice and guidance.
- Raising awareness about the impact of financial dependence and promoting gender-inclusive prevention efforts to minimize the risk of being lured into criminality.



Recommendation 4

Leverage experiential learning, role models and social media platforms to scale financial literacy outreach and counter glamorization of the criminal lifestyle.

Actions in line with this recommendation could include:

- Collaborating with influencers and content creators to promote alternative narratives showcasing positive examples of financial independence and success through legitimate means.
- Engaging individuals with lived experience of crime, including women, to share their stories and deconstruct the myths about wealth and status promoted by OCGs.
- Developing and conducting awareness-raising campaigns that critically analyse the allure of “quick money” and luxury lifestyles glamorized on social media.



Recommendation 5

Strengthen family-based interventions to mitigate financial stress as a driver of youth crime.

Actions in line with this recommendation could include:

- Strengthening the capacities of social workers to offer guidance and mentoring to at-risk families to reduce household stress caused by financial mismanagement.
- Providing parents with tools and training to improve household financial management and reduce family tensions linked to financial instability.
- Designing programmes that address the impact of financial illiteracy on domestic violence, neglect and other factors contributing to youth vulnerability to crime.



Recommendation 6

Enhance public-private partnerships to support financial literacy as a crime prevention tool.

Actions in line with this recommendation could include:

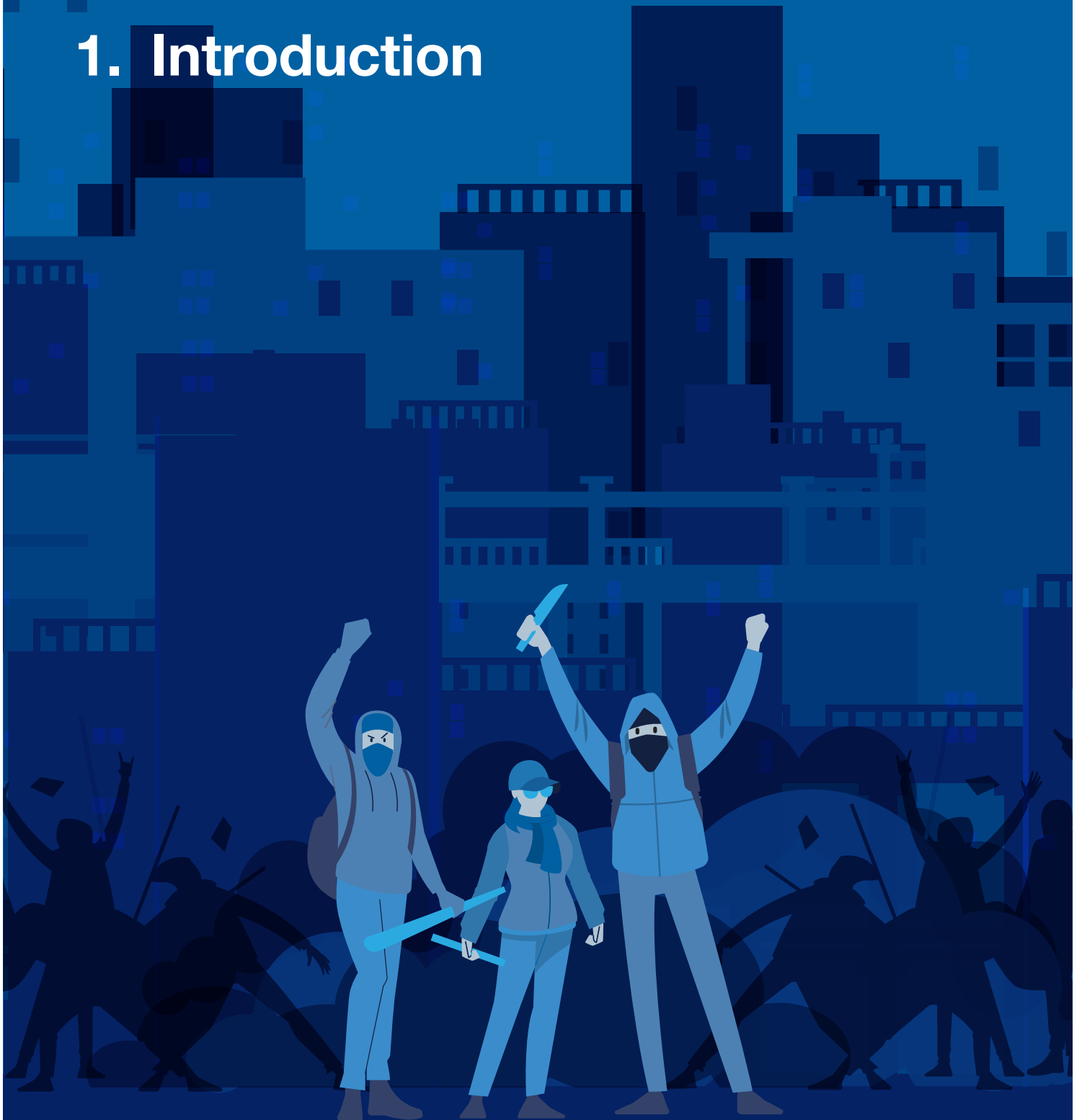
- Collaborating with financial institutions to develop and disseminate accessible, age-appropriate financial education materials.
- Establishing joint youth crime prevention initiatives between governments, schools and private sector entities to provide resources for financial literacy training programmes.
- Leveraging technology, such as online platforms and mobile applications, to broaden access to financial education across diverse demographics.

The OSCE Secretariat’s Transnational Threats Department (TNTD) and the Office of the Co-ordinator of OSCE Economic and Environmental Activities (OCEEA) stand ready to assist pS – upon request – with targeted capacity-building to enhance the role of financial literacy in youth crime prevention efforts.

Acronyms

EC	European Commission
EGU	(OSCE Secretariat's Office of the Co-ordinator of OSCE Economic and Environmental Activities) Economic Governance Unit
OCGs	organized crime groups
OECD	Organisation for Economic Co-operation and Development
OSCE	Organization for Security and Co-operation in Europe
OCEEA	(OSCE Secretariat's) Office of the Co-ordinator of OSCE Economic and Environmental Activities
pS	(OSCE) participating States
SPMU	(OSCE Secretariat's Transnational Threats Department) Strategic Police Matters Unit
TNTD	(OSCE Secretariat's) Transnational Threats Department
TOC	transnational organized crime
UNODC	United Nations Office on Drugs and Crime
UNTOC	United Nations Convention against Transnational Organized Crime

1. Introduction



Youth crime has been on the rise in many pS across the OSCE area. Evidence collected by the OSCE indicates that young people are becoming involved in crime at a younger age, which can set them on a path towards long-term criminality. Their criminal activities – including theft, vandalism, assault, robbery and arson – are often fueled by a combination of risk factors that heighten young people’s vulnerability and the deliberate recruitment by OCGs of youth under the age of criminal liability. OCGs are highly adaptable, continuously evolving their tactics to exploit new opportunities and avoid criminal accountability. This flexibility, combined with promises of income, status or a sense of belonging, makes OCGs particularly appealing to vulnerable young people.

Youth crime has significant economic and social costs for criminal justice systems, affected communities, and young people themselves. For example, by the age of 25, a young multiple offender has on average 100 victims and causes EUR 1.7 million in social follow-up costs.⁸ These numbers highlight the scope of the challenge and underscore the urgent need for effective prevention strategies.

While there is some evidence of financial illiteracy as a potential driver of vulnerability, research on such a link remains limited. To address this gap, the OSCE Secretariat’s TNTD and OCEEA have undertaken exploratory research, based on data from 21 OSCE pS, including multiple case studies, to explore the relationship between financial literacy and youth crime prevention.

This report aims to deepen the understanding of financial literacy-related risk factors and examine the role of financial literacy as a tool for youth crime prevention and economic resilience. Empirical data plays an important part in supporting the development and implementation of evidence-based efforts to prevent youth involvement in OCGs and enhance the financial resilience and independence of young people.

This report has been produced as part of the joint TNTD and OCEEA project⁹ “Enhancing youth crime and drug use prevention through education on legality and awareness campaigns addressing threats of organized crime and corruption”, which aims to support OSCE pS to strengthen youth resilience towards organized crime, corruption and drug use through youth dialogue, education and awareness-raising on these phenomena. The publication of this report was made possible thanks to financial contributions from Germany, Italy and Norway.

Methodology

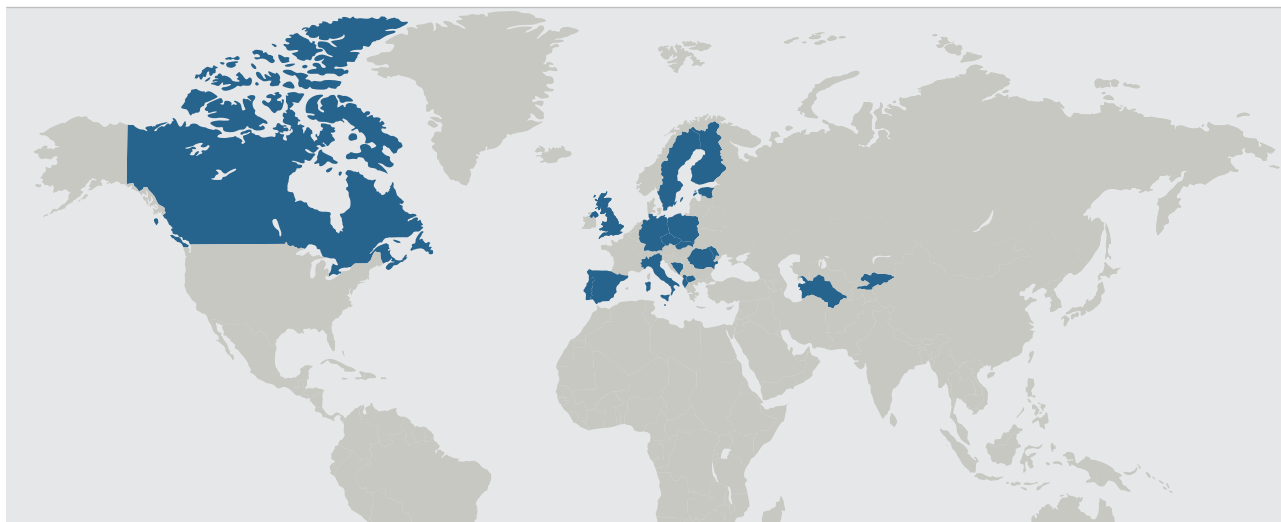
This report is based on data provided by relevant individuals and institutions in 21 OSCE pS, namely: Albania, Andorra, Bosnia and Herzegovina, Canada, Czech Republic, Estonia, Finland, Germany, Italy, Kyrgyzstan, Malta, Moldova, North Macedonia, Poland, Portugal, Romania, Slovakia, Spain, Sweden, Turkmenistan and the United Kingdom. The selection of pS ensured geographic diversification.

The research employed a mixed-methods approach. As a first step, a comprehensive questionnaire was distributed to government agencies, law enforcement, social services and civil society representatives in the contributing pS. The questionnaire responses provided statistical data and case studies pertaining to the involvement of young people in OCGs across the OSCE area and the role of financial (il)literacy. Once the responses were received, a limited number of semi-structured follow-up online interviews were conducted to clarify data and gather additional insights. Written consent was obtained from all respondents. Secondary data from official statistics, criminal cases and open-source information related to youth involvement in OCGs was also incorporated into the analysis where relevant and contributes to the findings of the report.

While the study drew on data and experiences shared by relevant actors throughout the OSCE area, the statistical data and criminal cases featured in the report are not representative of all OSCE pS and should not be interpreted as capturing the situation across the entire OSCE area. Furthermore, both the primary and secondary data reflect the lack of systematic sex-disaggregated data collection and analysis regarding financial (il)literacy and youth involvement in OCGs across the OSCE area. As such, this report provides an initial overview of the understanding of practitioners working on youth crime cases, statistical data and case studies regarding the role of financial literacy in youth susceptibility to involvement in OCGs across the OSCE area.

⁸ Kurve Kriegen, Managementsummary. *Kosten-Nutzen-Analyse der kriminalpräventiven Kosten-Nutzen-Analyse der kriminalpräventiven NRW-Initiative „Kurve kriegen“* (Dusseldorf/Berlin, 2016). Available at: https://www.kurvekriegen.nrw.de/sites/default/files/2021-11/2016_03_Prognos_KNA_Managementsummary.pdf [accessed 4 November 2024].

⁹ OSCE Project: Enhancing youth crime and drug use prevention through education on legality and awareness campaigns addressing threats of organized crime and corruption (Vienna, 2025). Project description available at: <https://www.osce.org/node/518334> [accessed 10 January 2025].

Map 1: OSCE participating States contributing to this study

Source: OSCE (2024)

Definitions

This report draws on internationally accepted definitions of financial literacy and organized crime.

Financial literacy is defined by the Organisation for Economic Co-operation and Development (OECD) as “a combination of financial awareness, knowledge, skills, attitudes and behaviours necessary to make sound financial decisions and ultimately achieve individual financial well-being”.¹⁰ The European Commission (EC) further defines financial literacy as abilities that can help individuals to understand the risks involved when borrowing or investing money, to plan for the future and to make better decisions about what to do with their money.¹¹ According to the EC, financial literacy can act as a resilience tool protecting individuals from over-indebtedness, excessive risk-taking, fraud or cyber risks.¹²

This report focuses in particular on the aspects of financial literacy related to the ability to effectively manage debt, create and maintain a budget, save strategically, and recognize exploitation and scams.

The term “organized criminal group” (OCG) is used based on the definition set out in the United Nations Convention against Transnational Organized Crime (UNTOC), which de-

finies it as “a structured group of three or more persons, existing for a period of time and acting in concert with the aim of committing one or more serious crimes or offences [...], in order to obtain, directly or indirectly, a financial or other material benefit”.¹³ This definition outlines the following distinct characteristics of an organized crime group:

- **Structure:** the group is not randomly formed for the immediate commission of an offence, but rather has a clear hierarchy or division of roles;
- **Profit-driven:** the primary motivation of the group is financial gain or power accumulation;
- **Continuity:** the group aims to operate over a long period of time, often replacing members as needed;
- **Violence or intimidation:** the group uses force, threats, or corruption to achieve its goals;
- **Transnational operations:** activities of the group may span across borders, complicating law enforcement efforts.

For the purposes of this report, the term “young people” primarily refers to individuals under the age of 18, which is the threshold at which people are generally considered adults in the OSCE area and can be held criminally responsible as adults. However, the report specifically focuses on those below the age of criminal liability – typically 14 years old in most OSCE pS. This age group is of particular concern due to the increasing trend for OCGs to target and recruit children, since they are less likely to face legal consequences or prosecution due to their age.

¹⁰ OECD. *Recommendation of the Council on Financial Literacy*, OECD/LEGAL/0461 (Paris, 2024). Available at: <https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0461> [accessed 24 February 2025].

¹¹ European Commission. *Financial literacy*. Eurobarometer (2024). Available at: https://finance.ec.europa.eu/consumer-finance-and-payments/financial-literacy_en#what [accessed 9 September 2024].

¹² European Commission. *Financial literacy*. Eurobarometer (2024). Available at: https://finance.ec.europa.eu/consumer-finance-and-payments/financial-literacy_en#what [accessed 9 September 2024].

¹³ UN. United Nations Convention against Transnational Organized Crime and the Protocols Thereto (New York, 2004). Available at: https://www.unodc.org/documents/treaties/UNTOC/Publications/TOC_Convention/TOCbook-e.pdf [accessed 9 September 2024].

2. The policy and research landscape



Financial literacy has often been overlooked in discussions on youth involvement in organized crime at the legal, policy and research levels. Evidence and understanding are still lacking on how financial illiteracy affects and interacts with key juvenile delinquency risk factors, including family stressors such as domestic violence, neglect and substance abuse. Additionally, there is limited research on how financial illiteracy might make youth more vulnerable to predatory recruitment practices of organized criminal groups, such as debt traps and exploitation schemes.

When financial literacy is addressed, it is usually in broader educational contexts, rather than as a targeted youth crime prevention tool. This lack of focus limits the development of effective, comprehensive actions to reduce youth susceptibility to organized crime by equipping them with critical financial skills. A shift in focus is emerging, however, as policymakers and researchers increasingly recognize the need to explore how financial literacy can enhance youth resilience against organized crime.

Legal and policy context

The importance of organized crime prevention and the meaningful engagement of young people away from organized crime has long been recognized by OSCE pS. In the Tirana 2020 Ministerial Council Declaration¹⁴ on Strengthening Co-operation in Countering Transnational Organized Crime, OSCE pS recognized that transnational organized crime (TOC) can have “a differential impact on diverse groups within society.” They further emphasized the need to invest in preventive measures.

OSCE pS have acknowledged the critical need to invest in the economic inclusion and financial education of youth and women to enhance their prosperity, resilience, and protection against vulnerabilities. In Vienna Ministerial Council Decision 8/17¹⁵ on Promoting Economic Participation in the OSCE Area, OSCE pS committed themselves to “promote economic participation of and employment opportunities for young people by, *inter alia*, ensuring the necessary conditions for the education and vocational training of youth”.

Through the 2004 OSCE Action Plan for the Promotion of Gender Equality,¹⁶ pS tasked the OSCE to promote equal opportunity for women in the economic sphere, including to ensure their “access to and control over such economic and financial resources as loans”.

At the international level, while highlighting the importance of prevention, the UNTOC does not directly refer to youth in the context of TOC. However, the Kyoto Declaration on Advancing Crime Prevention, Criminal Justice and the Rule of Law stresses the importance “to empower youth to become active agents of positive change in their communities to support crime prevention efforts, including by organizing social, educational, cultural, recreational, sports-related youth programmes and youth forums, as well as by using social media platforms and applications and other digital tools to amplify their voice”.¹⁷ It also acknowledges the specific vulnerabilities of children to recruitment by criminal groups, including gangs, and stresses the importance of addressing these along with the root causes of youth involvement in crime.

In United Nations General Assembly resolution 76/183 on integrating sport into youth crime prevention and criminal justice strategies, Member States recognize how financial stress and economic vulnerabilities represent risk factors for crime, violence and illicit drug-related activities, which “are likely to expose youth to increased victimization and involvement with crime”.¹⁸

Financial literacy has been acknowledged as a crucial tool for societal and especially youth resilience in international and regional instruments. OECD Member countries adopted the Recommendation on Financial Literacy¹⁹ during the 2020 OECD Ministerial Council Meeting. The Recommendation stresses the importance of enhancing financial literacy skills for “current and future generations of youth to help them face

14 OSCE. Ministerial Council Declaration on Strengthening Co-operation in Countering Transnational Organized Crime (Tirana, 2020). Available at: <https://www.osce.org/files/f/documents/e/5/479768.pdf> [accessed 9 September 2024].

15 OSCE. Ministerial Council Declaration No. 8/17 Promoting Economic Participation in the OSCE Area (Vienna, 2017). Available at: <https://www.osce.org/files/f/documents/b/4/361566.pdf> [accessed 9 September 2024].

16 OSCE. Ministerial Council Decision No. 14/04 2004 OSCE Action Plan for the Promotion of Gender Equality (Sofia, 2004). Available at: <https://www.osce.org/files/f/documents/7/d/23295.pdf> [accessed 9 September 2024].

17 UNODC. Kyoto Declaration on Advancing Crime Prevention, Criminal Justice and the Rule of Law: Towards the Achievement of the 2030 Agenda for Sustainable Development (Kyoto, 2021). Available at: https://www.unodc.org/documents/commissions/Congress/21-02815_Kyoto_Declaration_ebook_rev_cover.pdf [accessed 9 September 2024].

18 UN. General Assembly Resolution 76/183: Integrating sport into youth crime prevention and criminal justice strategies (New York, 2002). Available at: <https://documents.un.org/doc/undoc/gen/n21/405/32/pdf/n2140532.pdf> [accessed 8 September 2024].

19 OECD. *Recommendation of the Council on Financial Literacy*, OECD/LEGAL/0461 (Paris, 2020). Available at: <https://legalinstruments.oecd.org/en/instruments/OECD-LEGAL-0461> [accessed 9 September 2024].

contemporary financial challenges” from the earliest possible age to ensure financial resilience and well-being. In the Recommendation, Member countries further highlighted the need for a gender-sensitive approach to “ensure that women have access to appropriate, independent and adequate financial advice [...], to help address their difficulties in choosing financial products and their low confidence in dealing with financial issues”.

However, international and regional instruments do not include specific references to the use of financial literacy in (youth) crime prevention, or in reintegration and rehabilitation initiatives, including in cases of trafficking in human beings. More needs to be done to include financial literacy and empowerment in youth crime prevention policies. Additionally, greater attention is required to address gender-related issues, such as the roles, expectations and societal norms associated with gender, which can influence youth involvement in crime and vulnerability to exploitation.

International and national research

Financial literacy in the OSCE area

Evidence suggests that financial literacy among young people in the OSCE area remains worryingly low, with significant disparities across gender. According to recent OECD reports covering selected OSCE pS, “young people appear to have consistently and significantly lower financial literacy and worse financial attitude scores” compared to other demographic groups.²⁰ On average, across the 14 OECD countries, 11 per cent of 15-year-olds were top performers in financial literacy, compared to 18 per cent who were low performers. The EC has identified similar trends,²¹ with younger people, women, and people with lower incomes and with lower levels of general education being, on average, less financially literate than other groups.²²

20 OECD. *Financial Literacy Levels in the Commonwealth of Independent States* (Paris, 2013). Available at: https://www.oecd.org/en/publications/financial-literacy-levels-in-the-commonwealth-of-independent-states_394dbe88-en.html [accessed 10 October 2024]; OECD, PISA 2022 Results (Volume IV). In *Factsheets: Vol. IV* (Paris, 2024). Available at: <https://doi.org/10.1787/5a849c2a-en> [accessed 10 October 2024].

21 European Commission. *Monitoring the level of financial literacy in the EU* (2023b). Eurobarometer. Available at: <https://europa.eu/eurobarometer/surveys/detail/2953> [accessed 13 September 2024].

22 European Commission. *Eurobarometer survey reveals low levels of financial literacy across the EU* (2023a). Eurobarometer. Available at: https://finance.ec.europa.eu/news/eurobarometer-survey-reveals-low-levels-financial-literacy-across-eu-2023-07-18_en [accessed 13 September 2024].

The gender gap in financial literacy is also notable. Across the OSCE area, women score lower on financial literacy tests than men. Out of the 16 countries within the 2020 OECD study, there was not a single country where women performed higher than men.²³ Young women in particular are “a statistically significant underperforming group when measuring financial knowledge, literacy and well-being.”²⁴

Evidence indicates that this gender gap is largely rooted in a lack of education and targeted financial literacy initiatives for women. According to the European Consumer Payments Report more than one in four (26 per cent) European women feel they do not have enough financial education to manage their personal finances, compared to fewer than one in five (19 per cent) European men.²⁵ These gender differences in financial literacy can significantly impact girls’ resilience towards organized crime.

At the national level, recent studies underscore the difficulties young people face in grasping basic financial concepts. For instance, a new study from Lund University in Sweden shows that only one in five young adults could correctly answer three basic questions about inflation, interest rates and risk diversification.²⁶ The study indicates that, as a consequence of this financial knowledge gap, young people are taking on more debt and suffering reductions in good mental health and resilience.²⁷

Another national study conducted by MyBnk in the United Kingdom in 2020 and involving 3,700 young people (11–25 years old) identified a “gender-based financial capacity gap”. Findings highlighted that nearly half of girls (43 per cent) were

23 OECD/INFE. *OECD/INFE 2020 International Survey of Adult Financial Literacy*. In *OECD/INFE 2020 International Survey of Adult Financial Literacy* (Paris, 2020). Available at: www.oecd.org/financial/education/launchoftheoecdinfeglobalfinancialliteracysurveyreport.htm [accessed 10 October 2024].

24 OECD, *Financial Literacy Levels in the Commonwealth of Independent States* (Paris, 2013). Available at https://www.oecd.org/en/publications/financial-literacy-levels-in-the-commonwealth-of-independent-states_394dbe88-en.html [accessed 10 October 2024].

25 Intrum. *Gender gap in financial literacy*. Newsroom (2021). Available at: <https://www.intrum.gr/el/business-to-business/about-intrum/newsroom/all-news-en/gender-gap-in-financial-literacy/> [accessed 10 October 2024].

26 Lund University. *Alarmingly low financial awareness among today’s youth* (2024). Available at: <https://www.lunduniversity.lu.se/article/alarmingly-low-financial-awareness-among-todays-youth> [accessed 13 September 2024].

27 Samuelsson, E., Levinsson, H., & Ahlström, R. Financial literacy, personal financial situation, and mental health among young adults in Sweden. *Journal of Financial Literacy and Wellbeing* 1/3 (2023) 541–564. Available at: <https://doi.org/10.1017/flw.2024.3> [accessed 13 September 2024].

not financially confident, 18 per cent less than their male peers.²⁸ Research has highlighted that the gender gap in financial literacy is driven by a range of complex factors, including challenges in reaching women, lower self-confidence in their financial skills compared to men, persistent gender stereotypes and social norms, and the limited time availability women often face due to family responsibilities.²⁹

Financial literacy and youth crime prevention

Despite clear research and literature evidence on the importance of financial literacy, there is a lack of understanding of and data on how it impacts the criminalization of young people, as well as potential gender-specific vulnerabilities in this regard.

The limited existing applicable research suggests that financial illiteracy increases vulnerability to criminal involvement.³⁰ It also indicates that financial literacy can serve as a powerful resilience tool, equipping individuals, including youth, with the knowledge and skills to make informed decisions, identify predatory schemes, and reduce susceptibility to criminal exploitation.³¹

For example, research conducted in the United States assessing financial illiteracy as a risk factor finds a positive correlation between financial illiteracy and crime incidence.³² A study conducted in the United Kingdom emphasizes how financial stress and challenges not only heighten young people's risk of financial exploitation but also increase their susceptibility to recruitment by OCGs.³³

Research from Belgium highlights how young people's financial illiteracy and inability to recognize scams make them vulnerable to becoming money mules for criminal groups.³⁴ Belgium's financial federation, Febelfin, found that one in ten young Belgians has been approached to act as a financial mule.³⁵ Febelfin reports that children are increasingly recruited by organized crime, both in person and online, often through get-rich-quick schemes on social media promising large sums of money for assisting in money laundering. Alarming, 80 per cent of young people are unaware of what a money mule is or the legal risks involved, leaving them highly susceptible to exploitation.³⁶

Conversely, existing data shows that financial literacy can act as an important resilience and prevention tool.³⁷ Research from Indonesia, Iran, Sweden, the United Kingdom and the United States indicates that greater financial literacy can promote positive outcomes across a range of areas, for example in improving mental health,³⁸ preventing recidivism,³⁹ reducing criminalization,⁴⁰ crime prevention,⁴¹ preventing corruption,⁴² or reducing violence.⁴³

28 MyBnk. Closing the UK's youth gender financial capability gap, November 2020. Available at: <https://www.mybnk.org/latest-news/closing-the-uk-youth-gender-financial-capability-gap/> [accessed 1 October 2024].

29 OECD. *Joining Forces for Gender Equality: What is Holding us Back?*, OECD Publishing (Paris, 2023). Available at: <https://doi.org/10.1787/67d48024-en> [accessed 10 October 2024].

30 Jin, J., Liu, S., & Nainar, K. Financial literacy and crime incidence, *Corporate Ownership and Control* 19/4 (2022) 72–79. Available at: <https://doi.org/10.22495/cocv19i4art7> [accessed 13 September 2024].

31 Drotárová, J., Misiuk, A., & Gedeonová, Z. Improving financial literacy of a selected group in favour of eliminating crime. *VUZF Review* 6/3 (2021) 20–29. Available at: <https://doi.org/10.38188/2534-9228.21.3.03>

32 Jin, J., Liu, S., & Nainar, K. Financial literacy and crime incidence, *Corporate Ownership and Control* 19/4 (2022) 72–79. Available at: <https://doi.org/10.22495/cocv19i4art7> [accessed 13 September 2024].

33 City Intelligence. *Understanding serious violence among young people in London* (December Issue) (London, 2021). Available at: <https://data.london.gov.uk/dataset/serious-youth-violence> [accessed 9 September 2024].

34 Febelfin (2022), *Money mules: young Belgians particularly targeted by recruiters*. Available at: [Money mules: young Belgians particularly targeted by recruiters | Febelfin](https://www.febelfin.be/en/press-room/fraudeveiligheid/money-mules-young-belgians-particularly-targeted-by-recruiters) [accessed 13 February 2024]; *The Brussels Times*, One in ten young Belgians approached to act as “money mules” (November 2022). Available at: <https://www.brusselstimes.com/329339/one-in-ten-young-belgians-approached-to-act-as-money-mules> [accessed 13 February 2024].

35 Febelfin (2022), *Money mules: young Belgians particularly targeted by recruiters*. Available at: <https://febelfin.be/en/press-room/fraudeveiligheid/money-mules-young-belgians-particularly-targeted-by-recruiters> [accessed 13 February 2024].

36 *The Brussels Times*, One in ten young Belgians approach to act as “money mules” (November 2022). Available at: <https://www.brusselstimes.com/329339/one-in-ten-young-belgians-approached-to-act-as-money-mules> [accessed 13 February 2024].

37 Jin, J., Liu, S., & Nainar, K. Financial literacy and crime incidence, *Corporate Ownership and Control* 19/4 (2022) 72–79. Available at: <https://doi.org/10.22495/cocv19i4art7> [accessed 13 September 2024].

38 Samuelsson, E., Levinsson, H., & Ahlström, R. Financial literacy, personal financial situation, and mental health among young adults in Sweden. *Journal of Financial Literacy and Wellbeing* 1/3 (2023) 541–564. Available at: <https://doi.org/10.1017/flw.2024.3> [accessed 13 September 2024].

39 Saberi, R., Saffari, A., & Rezaei, A. Assessing the Financial Literacy Level of Prisoners and its Impact on Crime Recidivism Rates and Return to Prison. *Encyclopedia of Economic Law Journal* 30/24 (2024) 39–62. Available at: <https://doi.org/10.22067/economlaw.2024.85825.1337> [accessed 13 September 2024].

40 Glidden, M. D., & Brown, T. C. Separated by Bars or Dollar Signs? A Comparative Examination of the Financial Literacy of Those Incarcerated and the General Population. *American Journal of Criminal Justice* 42/3 (2017) 533–553. Available at: <https://doi.org/10.1007/s12103-016-9377-z> [accessed 13 September 2024].

41 Drotárová, J., Misiuk, A., & Gedeonová, Z. Improving financial literacy of a selected group in favour of eliminating crime. *VUZF Review* 6/3 (2021) 20–29. Available at: <https://doi.org/10.38188/2534-9228.21.3.03>

42 Kuswaty, M. Development of Financial Literacy and Anti-Corruption Education in Primary Schools Through Storytelling Activities. *International Journal of Science and Applied Science: Conference Series* 3/1 (2019) 75. Available at: <https://doi.org/10.20961/ijscacs.v3i1.32468> [accessed 13 September 2024].

43 City Intelligence. *Understanding serious violence among young people in London* (December Issue) (London, 2021). Available at: <https://data.london.gov.uk/dataset/serious-youth-violence> [accessed 9 September 2024].

Existing evidence highlights that early and targeted financial education initiatives play an important role in mitigating economic vulnerabilities. For instance, research from Indonesia shows that mainstreaming financial literacy into school curricula from an early age promotes responsible financial behaviour and builds resilience against criminal temptations.⁴⁴ Research from Germany and the Netherlands suggests that developing financial literacy programmes specifically for at-risk youth helps to address vulnerabilities and build resilience, especially for girls and women.⁴⁵ Additionally, studies in the United States indicate that providing financial education to incarcerated individuals can facilitate their successful reintegration and reduce recidivism rates.⁴⁶

Family stressors – such as domestic violence, abuse, neglect and substance abuse – are well-known drivers pushing youth into crime. However, data is still lacking on how financial (il)literacy influences these factors, as well as on how OCGs exploit financial illiteracy as a predatory recruitment tool. There is also a lack of evidence on how financial literacy can be effectively integrated into youth crime prevention initiatives, particularly concerning programme design, key features that enhance impact, and critical factors that need to be considered to ensure such initiatives are impactful and sustainable.

44 Kuswaty, M. Development of Financial Literacy and Anti-Corruption Education in Primary Schools Through Storytelling Activities. *International Journal of Science and Applied Science: Conference Series* 3/1 (2019) 75. Available at: <https://doi.org/10.20961/ijscs.v3i1.32468> [accessed 13 September 2024].

45 Bucher-Koenen, T., Alessie, R., Lusardi, A., & van Rooij, M.. Women, Confidence, and Financial Literacy. *European Investment Bank* (February, 2016) 1–36; N26. *Women and financial literacy: Closing the gender gap*. Online Blog (2024). Available at: <https://n26.com/en-eu/blog/women-and-financial-literacy-closing-the-gender-gap> [accessed 13 September 2024].

46 Galchus, K. Why State and Federal Officials Should Consider Offering Financial Literacy Training to Those About to Be Released from Correctional Institutions. *International Journal of Financial Research* 6/4 (2015) 60–67. Available at: <https://doi.org/10.5430/ijfr.v6n4p60> [accessed 13 September 2024].

3. Financial illiteracy as a driver of youth involvement in crime



Key findings

Heightened financial pressures within the family

- Low financial literacy among juveniles and their families significantly increases the risk of youth criminalization;
- Financial illiteracy among parents exacerbates domestic violence, neglect, sexual abuse and substance abuse across the OSCE area, driving youth involvement in crime;
- Lack of financial management skills and resulting financial stress leads many parents to migrate for work, causing neglect and reduced support for children, thereby increasing their vulnerabilities;
- Traditional gender roles increase vulnerabilities. Girls are often expected to take on more household duties during periods of financial stress, exposing them to greater risk of domestic violence, a leading cause of youth crime. Meanwhile, societal pressure on boys to be providers can push them toward criminal activities in times of crisis.

Debt as a recruitment tool

- Financial illiteracy leaves young men and women vulnerable to debt by undermining their ability to identify financial risks and scams, such as seemingly attractive loans offered by OCGs, leading to unmanageable debt and increased susceptibility to criminal recruitment;
- OCGs exploit debt as youth recruitment tactic. “Debt bondage” is used to lure, entrap and retain vulnerable young boys and girls in criminal activities and networks;
- Debt-based recruitment has important gender dynamics: OCGs use debt to recruit young men for criminal exploitation and young women for sexual exploitation;
- Sexual exploitation of boys during drug transport is also reported but often overlooked due to gender stereotypes.

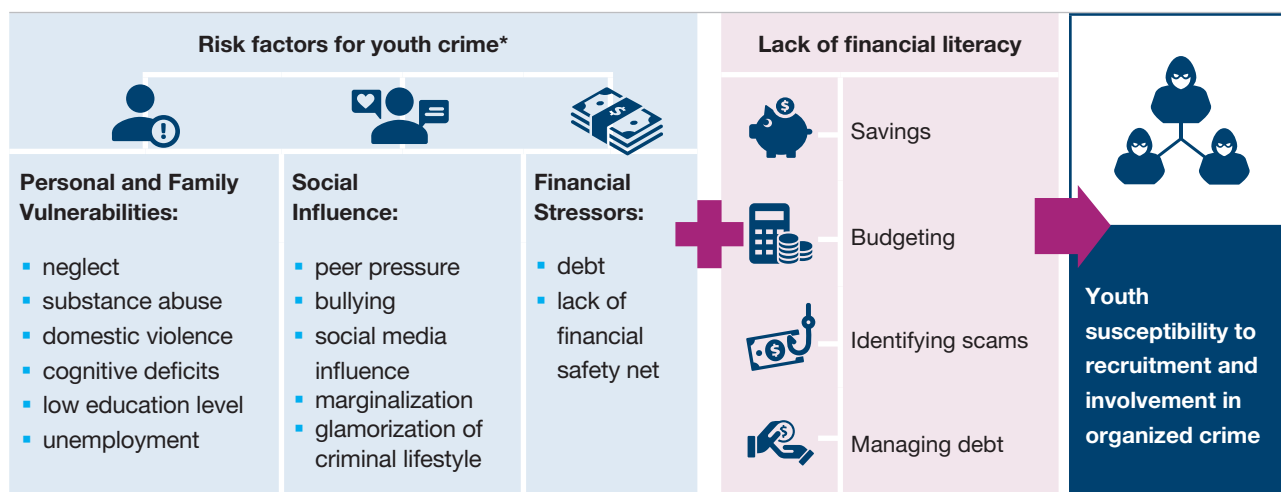
Instant money and financial dependency

- The allure of quick money and a luxury lifestyle are key factors in youth recruitment into organized crime, alongside existing risk factors. Young women and men are increasingly lured into organized crime through false promises of financial success, freedom, power and status;
- Criminal networks use social media as a recruitment tool, glamorizing the criminal lifestyle to attract youth;
- A lack of financial literacy, including the inability to recognize scams and the risks of quick money and the criminal lifestyle, leaves young people more vulnerable to these recruitment tactics;
- Girls are particularly vulnerable to the prospects of instant money due to lower average financial literacy and being overlooked by prevention initiatives, which often focus on boys as potential criminal actors;
- Once involved in organized crime, youth often become financially dependent on criminal money and the accompanying lifestyle, making it difficult for them to leave criminal groups.

Evidence collected for this study highlights a clear link between financial illiteracy and youth susceptibility to crime. It shows that, across the OSCE area, limited financial literacy among juveniles and their families significantly amplifies risk factors for youth involvement in crime, particularly through heightened family stress, vulnerability to debt-based recruitment and the allure of quick money.

Financial illiteracy thus increases the likelihood that young people, both boys and girls, will be targeted and recruited into criminal activities. However, this report also identifies gender-specific vulnerabilities, with young girls facing increased risks of sexual exploitation and young boys having higher exposure to criminal exploitation. Recognizing these connections is crucial for designing targeted interventions to reduce these risks and support at-risk youth.

Figure 1: Impact of juvenile delinquency risk factors and lack of financial literacy on youth susceptibility towards crime



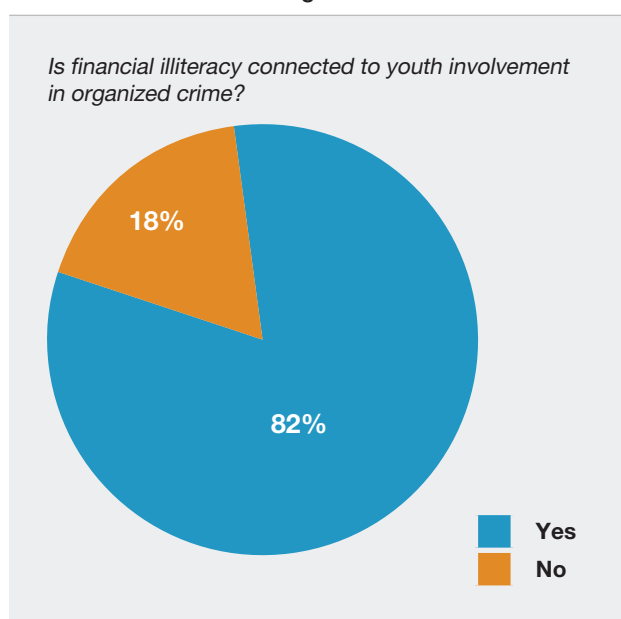
Source: OSCE (2024), authors' analysis of questionnaire and interview responses.

* Note: The risk factors outlined above are based on data provided to the OSCE by the pS contributing to this study. It is important to note that this list is not exhaustive and does not necessarily capture the full range of potential factors contributing to youth involvement in organized crime. Additional risk factors may depend on individual, social and contextual circumstances.

A closer look at the responses to the OSCE questionnaire shows that more than three-quarters (82 per cent) of practitioners contributing to this research believe that poor financial literacy is a factor in young people becoming involved in organized crime (see Figure 2). One practitioner explained: "In most cases, financial illiteracy influences (criminal) recruitment; this goes hand-in-hand with the urgent need to resolve personal financial issues."⁴⁷

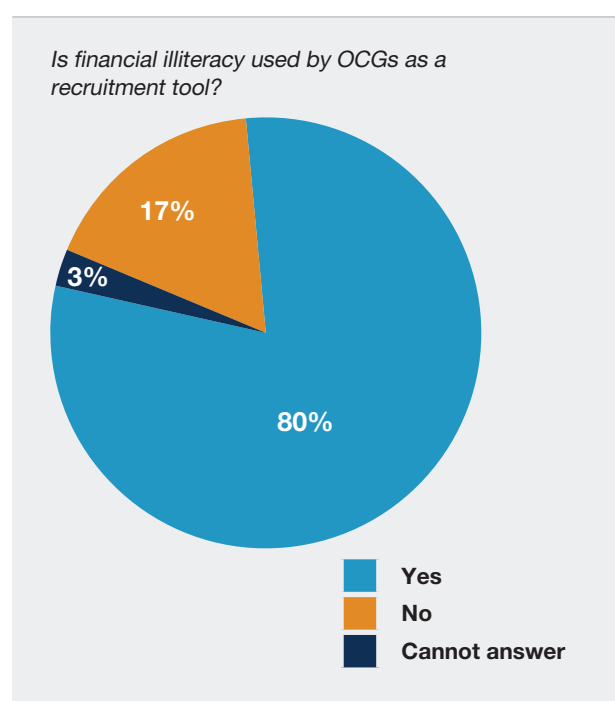
A large majority of respondents also indicated that OCGs actively use a lack of financial literacy skills in young people as a recruitment tool (see Figure 3). This could include, for example, pushing young people into debt and forcing them to "work it off".

Figure 2: Respondents' perception of the role of financial illiteracy in youth involvement in organized crime



Source: OSCE (2024), responses R1–R40.

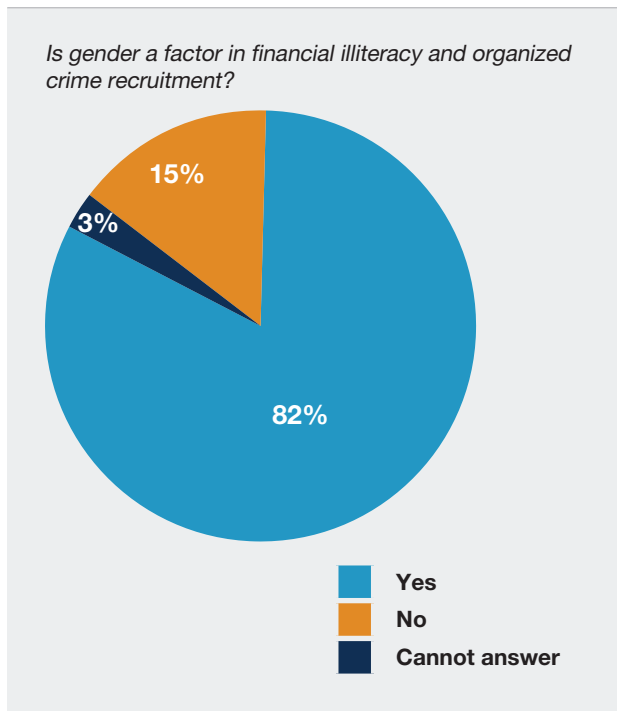
Figure 3: Financial illiteracy used by OCGs as a recruitment tool



Source: OSCE (2024), responses to R1–R40.

While these figures show that financial illiteracy makes both boys and girls vulnerable to involvement in criminal activities and networks, respondents were clear that gender-specific vulnerabilities remain. More than four in five practitioners felt that financial literacy affects young men and young women differently (see **Figure 4**).

Figure 4: Gender, financial illiteracy and organized crime recruitment



Source: OSCE (2024), responses to R1–R40.

The findings of the OSCE research are supported by the limited data available at the national level. Analysis of youth crime cases in Hagen, Germany, by the youth crime prevention initiative Kurve Kriegen revealed that nearly half of juvenile delinquency cases involved families with low financial literacy facing severe financial hardship, relying on social assistance and close to insolvency.⁴⁸

Heightened financial pressures within the family

Evidence collected for this study demonstrates that high levels of financial stress within the family can contribute to youth crime by creating an environment where children and adolescents experience neglect, lack of positive attention, or even negative attention from parents dealing with their own pressures.⁴⁹ Tensions among family members may increase the risk of domestic violence and substance abuse, exposing children to harmful behaviours and making them more likely to engage in criminal activities as a coping mechanism or survival strategy.⁵⁰

Factors contributing to family financial stress are complex and multifaceted, encompassing interrelated environmental and individual elements, as well as external shocks. Environmental factors may include marginalization and social exclusion, such as living in a socially deprived neighbourhood, or belonging to a minority group. Individual factors include educational attainment, employment status, health and cognitive abilities. External shocks can involve critical events such as severe illness or death of a family member, as well as broader disruptions like a pandemic or recession.⁵¹

Evidence collected for this study highlights that parents lacking the ability to budget, save, recognize scams or avoid/manage debt can create difficulties and distress for even economically well-off families. This distress can deteriorate economic conditions, undermining the family’s economic stability, security and cohesion.⁵²

48 I2.

49 R1–R40.

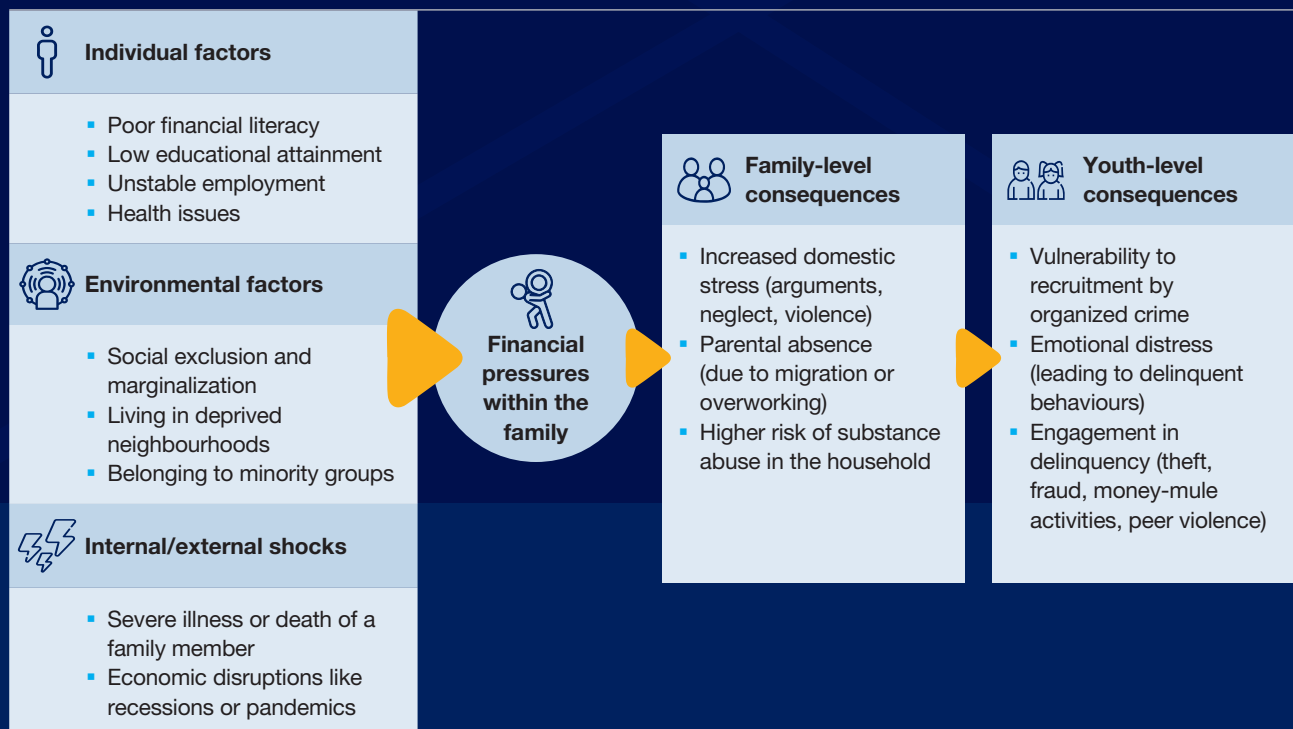
50 R1–R40.

51 R1–R40.

52 R1–R40.



Figure 5: Financial pressures within the family: contributing factors and consequences



Source: OSCE (2024), authors' analysis of questionnaire and interview responses.

* Note: The factors and consequences presented in this figure are based on data provided to the OSCE by the pS contributing to this study. This figure is not exhaustive and does not necessarily capture the full range of potential factors contributing to financial pressures within families or their consequences.

Impact of financial illiteracy among parents

Evidence provided for this report shows that across the OSCE area a lack of financial literacy among parents contributes or exacerbates major risk factors for youth crime, including domestic physical and emotional violence and neglect, sexual

abuse, and substance abuse (see case studies in **Boxes 1–4**). As one social worker explained: *“Debt and financial stress, rooted in a lack of financial management skills, exacerbate tensions within families, often resulting in verbal violence against young people, including insults. This situation creates a profoundly negative impact, significantly increasing their risk of involvement in crime.”*⁵⁵

Box 1

Parental financial illiteracy: driving domestic stress, violence and youth crime

F., a young woman from Germany, became involved in crime at the age of eleven. She committed different criminal offenses, including battery, theft and property damage. She was identified by the police and became part of the German youth crime prevention initiative Kurve Kriegen. A social worker of the initiative identified that the financial illiteracy of her mother constituted significant risk and stress factors pushing her daughter into criminality: F.’s mother faced various criminal charges of credit and social welfare fraud. She had accumulated a substantial amount of debt. Debt increased the stress level in the family and contributed to the mother’s domestic violence towards her child. The mother drew her daughter into criminality, setting up phone contracts and loan agreements in her daughter’s name.

Once part of Kurve Kriegen, the social worker helped the mother to become financially stable and independent: The initiative supported the mother to enrol in a vocational course, to improve her earnings and to better manage her finances. The initiative also supported F. in learning about financial independence and stability. Financial management skills helped mother and daughter reduce stress, tension and violence at home and, in turn, F.’s involvement in crime.⁵³

A lack of financial knowledge exacerbates stress and vulnerabilities for all family members. One practitioner stated: *“Financial illiteracy can lead to poor debt management, lack of budgeting and inability to save, resulting in financial stress and vulnerability. These factors can push young people towards criminal activities as a means of financial escape. Organized crime groups exploit these vulnerabilities to recruit individuals, especially those struggling with debt and poverty.”*⁵⁴

Case studies (see for example **Box 1**) gathered from across the OSCE area reveal that a lack of financial skills, particularly parents’ inability to manage debt, can increase incidents of domestic violence against both boys and girls. One police officer highlighted that *“financial stress can also create significant pressures within families, leading to domestic violence, for example.”*⁵⁶

Box 2

Financial stress exacerbating substance abuse and neglect

M., a boy from Kyrgyzstan, was involved in various criminal activities, including theft and robbery. His parents had divorced due to mounting family debt and financial pressure, compounded by the father’s heavy drinking. The parents’ inability to manage their financial situation created substantial stress, worsening the father’s substance abuse and prompting the mother to migrate for work in an effort to reduce the debt and provide for her child. The mother’s absence, coupled with the father’s intoxication and neglect, created vulnerabilities that ultimately led M. into criminality.

Kyrgyz law enforcement and social services identified M. and provided targeted interventions, including mentoring, pedagogical assistance, vocational training and financial education. M. has since discovered a passion for cooking and is now employed as a kitchen assistant, pursuing an alternative path outside of crime.⁵⁷

53 I2.

54 R12.

55 I2.

56 R19.

57 R40, I6.

Another notable finding is the link between a lack of financial management skills – and the resulting financial stress – and the migration of parents, particularly from Central Asia, for work to support their families. The absence of one or both parents can have a significant impact on children and adolescents, who may consequently receive less attention and support at home. Criminal justice practitioners from Central Asia contributing to this research noted that a substantial number of juvenile delinquency cases involved youth from single-parent or parent-absent households due to labour migration.

They emphasized that migration in these cases is often not solely a result of poverty, but rather stems from a lack of financial skills to manage debt and household finances effectively: *“The absence of parents due to migration often leaves young people without the guidance and support they need, making them more vulnerable to choosing criminal pathways. For many families, migration is not just about escaping poverty – it is about trying to manage debt and financial pressures they do not feel equipped to handle.”*⁵⁹

Box 3

Parental debt leading to theft and peer violence

Two brothers from Germany, aged nine and ten, turned to crime – stealing bicycles and extorting peers – after their mother’s unmanageable debt forced the family into homelessness. This financial hardship fuelled verbal violence at home and instilled in the boys a view that crime was a means of survival.

The boys were identified by the prevention initiative Kurve Kriegen, which applied a comprehensive intervention approach: The mother received vocational training and financial education, helping her to manage debt and model stability for her sons. The boys were offered guidance on financial responsibility, showing them paths to personal success outside of crime. This targeted support helped break the cycle of financial stress, violence and youth crime.⁶⁰

OSCE data suggests that there are important gender dynamics affecting how family financial pressures contribute to youth involvement in crime. For instance, traditional gender roles may mean girls are expected to take on additional household responsibilities when financial stress increases, particularly if their parents work more hours to manage debt. This added pressure can expose them to higher risks of domestic violence as the dynamics within the home shift amid the strain of financial hardship. Boys, on the other hand, may leave the house and seek to survive in often violent environments, where they are more likely to be targeted and threatened by the local crime groups.⁵⁸

Impact of internal and external shocks

Financial literacy is not only about managing current financial resources, but also about foresight and contingency planning for the future. Having the skills to manage finances today to ensure financial stability and security tomorrow is crucial for families to thrive and be resilient against financial pressures. This includes the ability to save and invest in order to mitigate the impact of internal or external shocks.

Sudden grave sickness of one or both parents often puts great strain on families if it results in the main economic provider(s) being partly or entirely out of work. OSCE evidence indicates that this can increase pressure on young boys and girls to step in to provide for their families, which may result in them becoming involved in criminality. As one practitioner explains: *“A young man, due to the family’s financial problems and the urgent need for a certain amount (of money) for health reasons, found as a solution to quickly secure income turning to the world of crime.”*⁶¹

Evidence provided to the OSCE for this report finds that OCGs, among other factors, target recruitment efforts towards young people facing shocks within the family. These groups exploit this vulnerability by appealing to juveniles’ sense of responsibility, encouraging them to join criminal activities to earn money to support their families: *“If a young person has family members in financial trouble, criminal groups may manipulatively emphasize the moral obligation to help their family, thereby involving them in criminal activities.”*⁶²

59 I4.

60 I2.

61 R13.

62 R27.

58 R25.

Box 4

Parental ill health as a driver of youth involvement in crime

E.M. from Albania was 17 years old when he was arrested for “collaborative theft” and “violent theft”. He lived with his parents, two brothers and a sister. He worked in the tourism sector, and his family’s income depended solely on his and his elder brother’s work. Financial stress for E.M. began when both of his parents became seriously ill, creating an urgent need for medical care that the family could not afford. Faced with these overwhelming circumstances, E.M. felt compelled to find a way to support his parents and siblings. This desperation led him to engage in theft, including violent acts in connection with organized crime, as a way to quickly secure the necessary income.

The parents’ lack of financial literacy, particularly in terms of planning for future stability through insurance, left the family without a safety net. This not only created significant financial stress for the children, but also placed a heavy burden on them to find alternative means of support.⁶³

Family shocks also have a distinct gender dimension. Especially in the event of a parent’s ill health, some respondents indicated that girls may be expected to assume greater caregiving responsibilities, which can limit their opportunities for education and personal development.⁶⁴ This added burden can lead to increased stress and vulnerability to exploitation. On the other hand, boys often face societal expectations to be the primary providers for their families, which can push them toward criminal activities as a means of fulfilling this role.

The pressure to financially support their families, particularly in times of crisis, can drive young men to make desperate choices that ultimately lead to involvement in crime.⁶⁵

Debt as a recruitment tool

Debt as a recruitment tool for OCGs emerged as a recurring theme among the practitioners working on youth crime cases who contributed to this study. OSCE data indicates that OCGs strategically leverage debt to lure, entrap and retain vulnerable young boys and girls within criminal activities and networks. By exploiting financial hardship, OCGs are able to create a cycle of dependency and obligation, making it difficult for youth to break free from criminal involvement.

Use of debt bondage

OCGs have identified “enforced debt”, also called “debt bondage”, as an easy tool in their recruitment strategies. It has become a common tactic used by many criminal networks across the entire OSCE area. Debt bondage involves targeting young people and offering them seemingly easy solutions and promises of quick money to alleviate their financial burdens and debt problems, consequently “trapping individuals in debt and

*forcing them to work it off, or by persuading them to join a criminal group due to their personal or family financial difficulties.”*⁶⁶

The lack of financial literacy among many young recruits makes them especially vulnerable to this tactic. OCGs have recognized that exploiting financial vulnerability is an effective and discreet strategy for securing a large, easily coerced labour force. As one practitioner pointed out:

“People who don’t fully understand how interest, borrowing or debt work are easily manipulated.”⁶⁷

Within the debt bondage tactic, OCGs “[...] identify young individuals in financial distress or living in poverty, offering them loans or financial assistance”,⁶⁸ presenting themselves as benefactors while concealing their true motives. Through intentional lending, criminals often offer “easily accessible loans to young people and financially illiterate individuals without clear terms”.⁶⁹ Recruits often believe they are simply borrowing funds and paying off a debt, not realizing the long-term consequences.

These promised opportunities quickly turn into entrapment. Once an individual is indebted to an OCG, a power dynamic emerges, subordinating them to the group. According to practitioners, “when a person is unable to repay the debt due to high interest rates or hidden costs, the group forces them to work for them to ‘settle the debt’. [...] This can involve illegal activities such as drug trafficking, smuggling, or other forms of crime”.⁷⁰ Practitioners point out that “[young recruits] get into a vicious circle as a result of the desire to improve their financial situation, but without proper knowledge about the consequences they will face.”⁷¹

63 I4.

64 R19, I2.

65 I3, I4.

66 R31.

67 R29.

68 R19.

69 R27.

70 R27.

71 R13.



Box 5

Use of debt for exploitation in distribution of drugs

B.P., a young man from Walsall, United Kingdom, was arrested in Exeter for transporting illegal substances for a criminal gang. B.P. had been sent to Exeter by a gang based in Birmingham to repay a £2,000 debt he had incurred. He was tasked with transporting and distributing items for the group, receiving only basic living expenses in return.

B.P.'s background reveals a history of instability. As someone who grew up in state care with no family support or stable home environment, he was highly vulnerable to exploitation. Financial illiteracy made him unable to recognize debt as a predatory recruitment tool, leaving him an easy target for the criminal network. They exploited this by offering what seemed like an easy solution – encouraging him to take on a loan to alleviate his situation. This quickly trapped him in a cycle of debt, forcing him to engage in drug transport and sales to repay what he owed. During sentencing, the judge acknowledged the significant pressure exerted on him by others in the gang, noting that his early life was marked by hardship and lack of guidance.⁷²

⁷² Information from: <https://www.birminghammail.co.uk/black-country/baby-faced-walsall-drug-dealer-17779853> [accessed 14 November 2024].

OCGs employ additional tactics beyond direct lending to trap young people in criminal activities. One method involves “staged incidents of financial loss”, in which OCGs orchestrate incidents where the youth “loses” valuable items belonging to the organization, such as drugs. In some cases, the criminal organization simulates a robbery, leaving the young person without the goods

and indebted to the group.⁷⁷ The organization then demands repayment for these “lost” items, creating a debt the young person cannot easily repay.⁷⁸ To settle this fabricated debt, the youth is pressured into further criminal activities, becoming increasingly entangled in and exploited by the criminal network.⁷⁹

Box 6

Trapped by debt: how financial exploitation led a vulnerable child into crime⁷³

M., a vulnerable juvenile with a history of school exclusions, was placed in a Pupil Referral Unit in the United Kingdom. There, he was targeted by a local criminal group that gained his trust and exploited his lack of understanding of debt.

After being coerced into dealing drugs, M.’s drug supply was stolen, as orchestrated by his exploiters who claimed he now owed a debt to the criminal group. He was forced to “work off” the debt by transporting and selling drugs.

When police found him with Class A drugs,⁷⁴ the group increased his “debt”, deepening their control. Even after social services relocated him, he went missing and returned to drug couriering, unaware that he was being exploited.

Eventually, co-ordinated efforts between the police and social services led to the arrest of his exploiter. With continued support, M. transitioned into adulthood free from further exploitation.

Respondents also reported that OCGs in the United Kingdom use debt to trap youth in other ways, such as creating drug dependence: young people are given drugs such as marijuana, and then pressured to repay their growing debt through forced labour or sexual favours.⁷⁵ In some cases, young women take on additional debts to avoid immediate sexual abuse or violence.⁷⁶

In the area of human trafficking, another tactic involves treating travel expenses as debt to be repaid. Many individuals seeking better opportunities abroad unknowingly enter a system where transportation, accommodation and other costs are fronted by traffickers. In Nigerian human trafficking networks, young men and women are transported to Europe and burdened with inflated travel debts. To “repay” these amounts, they are forced to work for the organization, facing violence if they resist. Young Nigerian men are often used as drug mules, while young women are pushed into prostitution to pay off their supposed debts.

Gender aspects and vulnerabilities

Evidence gathered by the OSCE suggests that criminal groups exploit gender-specific vulnerabilities to recruit young people into organized crime. Of practitioners responding to the OSCE survey, 82 per cent noted a gender differentiation in recruitment strategies used by OCGs,⁸² stating, for example, that “*financial illiteracy affects recruitment differently based on gender*”.⁸³ Debt, in particular, is used differently depending on gender roles and vulnerabilities: “*Debt is used in various ways as a tool for recruiting young women and men into organized crime, depending on gender roles, specific vulnerabilities and the expectations that criminal groups have of men and women.*”⁸⁴

73 Information from: https://www.myria.be/files/2022_MYRIA_Annual_report_Trafficking_and_smuggling.pdf

74 Drugs classified as the most harmful and illegal under the Misuse of Drugs Act 1971 of the Parliament of the United Kingdom. More information at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/100278/6439-consult-doc-drug-classif.pdf Microsoft Word - 6439 - Hardison consultation document release version.doc

75 Jo, Hudek (September, 2022). Criminal exploitation of children and young people on county lines and the response of St Giles CLVSS, Evaluation report, unpublished.

76 I3.

77 Jo Hudek, Evaluating the impact of the CLiC Project, September 2023, <https://www.stgilestrust.org.uk/app/uploads/2023/10/CLiC-Evaluation-Report-Sept-2023.pdf> [accessed 9 August 2024].

78 Commission on Young Lives, 2022, *Hidden in Plain Sight: A national plan of action to support vulnerable teenagers to succeed and to protect them from adversity, exploitation, and harm*, Final report. Available at: <https://thecommissiononyounglives.co.uk/wp-content/uploads/2022/11/COYL-FINAL-REPORT-FINAL-VERSION.pdf> [accessed 9 August 2024].

79 Jo Hudek, Evaluating the impact of the CLiC Project, September 2023, <https://www.stgilestrust.org.uk/app/uploads/2023/10/CLiC-Evaluation-Report-Sept-2023.pdf> [accessed 9 August 2024].

80 T1.

81 T1.

82 R1–R40.

83 R19/2.

84 R12/9.

For boys and young men, debt often serves as a tool for coercion and gradual entrapment. As one respondent noted:

“Young men are often recruited by criminal groups using debt as a means of emotional and physical coercion.”⁸⁵

Initially, they are enticed by the opportunity to take on small tasks. As one source explains: *“Young individuals are also recruited through minor jobs with the promise that they will earn enough to repay the debt.”*⁸⁶ Over time, their roles become riskier: *“This is often reflected in their roles as couriers for the criminal organization, which gradually become more dangerous. As the criminal group fosters a sense of belonging, they entrust him with increasingly difficult tasks, thus raising his level of responsibility.”*⁸⁷ Additionally, some practitioners observed that *“young men may be more exposed to financial scams and risky financial behaviours.”*⁸⁸

For girls and young women, debt is frequently tied to exploitation. Practitioners emphasized that *“criminal groups target women in financial crisis or those who lack financial management skills.”*⁸⁹ They pointed out that financial illiteracy may lead to severe forms of coercion, particularly sexual exploitation:

“Young women [...] are more likely to be coerced into roles that involve exploitation, such as sex trafficking, forced labour.”⁹⁰

In some cases, debt serves as a direct tool of control. They *“may face additional pressures such as exploitation or trafficking, where debt is used as a coercive tool.”*⁹¹

It is important to note that several cases have been identified across the OSCE area, particularly within drug networks in the United Kingdom, where girls were sexually exploited to trans-

port drugs.⁹² Sexual exploitation of boys in the form of coercive internal concealment of narcotics within body cavities during drug transport is also reported but often overlooked and underreported due to gender stereotypes.⁹³ Health professionals underscore that this practice represents a violent and humiliating tactic employed by OCGs.⁹⁴

Instant money and financial dependency

Evidence collected for this study shows that young people are not only recruited into organized crime as victims, but are increasingly choosing to get involved, lured by the false promise of instant money, luxury brands, status or a sense of belonging. OSCE data shows that financial illiteracy plays a significant role in this dynamic, since a lack of financial knowledge and skills makes youth more susceptible to the allure of immediate financial rewards offered by criminal activities, often portrayed on social media. As one practitioner made clear, *“organized groups use ‘easy money’ as an advertisement.”*⁹⁵

The appeal of the “fast buck”

The concept of the “fast buck” can affect anyone, regardless of their financial status. OSCE data shows that this concept is fundamentally connected to the misuse and misunderstanding of money. As one practitioner stressed: *“It’s not poverty at all for us. Most of the people we see [getting involved in organized crime] come from the middle class. Many of the women who get into this [criminal lifestyle] make really good money, they are nurses, they are making over a USD100,000 a year, they have a great income but they are saying ‘we are doing a 12-hour night shift to make that money, we would rather not have to work and get the same amount in 6 months.’ A lot of it is chasing the ‘fast buck’, the least amount of work, the least amount of labour, to be able to just travel and not have to work, just go and get your hair and nails done, there is a lot of that.”*⁹⁶

85 R27.

86 R27.

87 R27.

88 R12/9.

89 R27.

90 R14.

91 R19.

92 Information from: <https://ivisontrust.org.uk/criminal-exploitation/county-lines-slang/> [accessed 1 November 2024].

93 Jo, Hudek (September, 2022). Criminal exploitation of children and young people on county lines and the response of St Giles CLVSS, Evaluation report, unpublished.

94 Oxfordshire Safeguarding Children Board. *County Lines: Coercive Internal Concealment* (London, 2021). Available at: <https://www.oscb.org.uk/wp-content/uploads/2021/12/nhs-Coercive-Internal-Concealment-Rapid-Read.pdf> [accessed 2 December 2024].

95 R11.

96 I1.



Box 7

Financial dependence and the illusion of luxury in OCG recruitment

B. from Canada worked in the entertainment industry. She was recruited into an organized crime network by a woman she was working with. She also had a boyfriend who was involved in organized crime. He “love-bombed” her with money and the relationship evolved into a dependency on the substantial criminal income her partner provided. B. recalls how the lure of large sums from criminal activities, along with the associated luxury lifestyle, became “crippling”, binding her to her manipulative, abusive partner. She was unable to break away.

She got caught by the police for transporting proceeds of crime as a money mule. After completing a prison sentence, she decided to leave her boyfriend and the criminal lifestyle.

M. from Canada was a dancer. She became the girlfriend of an OCG member. He paid for her basic necessities (rent, bills, etc.), as well as lifestyle items such as beauty treatments and luxury goods. Quick and instant cash lured her into criminality and her financial dependency on her boyfriend kept her in the criminal lifestyle, unable to break free and sustain herself on her own. Her boyfriend manipulated her: She became a money mule for him, carrying cash made from illegal activities. M. was eventually arrested and jailed for her criminal involvement. Once out of jail, she became financially stable and independent in a life free from organized crime.

Both B. and M. are now experiential speakers at the prevention initiative Her Time, which educates and empowers girls and young women to pursue a life outside of criminality. During their coaching, they emphasize the importance of girls and women learning life and financial skills to achieve financial success, stability, and – most importantly – independence, helping them build resilience against organized crime.⁹⁷

Practitioners contributing to this study highlighted the role of social pressure to achieve success or wealth. They highlighted that “today money plays such an important role, such an important status symbol for young people”⁹⁸ and that when young people cannot acquire money legitimately, they will find alternative strategies, such as becoming involved in organized crime, since it “often offers opportunities for quick money”.⁹⁹

Practitioners contributing to this study also noted the importance of symbols of wealth. “Status symbols play a big role for young people: it has to be the newest [...] shoes, a certain bag and certain makeup from certain influencer” and that “it is always about optics: nails have to be done regularly, this costs a lot.”¹⁰⁰ This is intensified by social media, where trends

and material status symbols change rapidly. “What’s in style today will be out tomorrow, and juveniles feel constant pressure to keep up”,¹⁰¹ explained one practitioner, noting that the drive to belong and fit in requires a substantial amount of money, creating ongoing financial pressure. One practitioner stressed that “the dependence on money becomes crippling to the point that you lose your identity.”¹⁰²

Evidence collected by the OSCE for this study finds that a lack of financial literacy can increase the vulnerability of both boys and girls to the allure of both quick and instant money offered by organized crime.¹⁰³ Without the ability to critically assess false promises and recognize the real risks associated with a criminal lifestyle, they become susceptible to financial dependency.¹⁰⁴

Box 8

False get-rich-quick promises as a recruitment tactic for youth to become money mules

Across the OSCE area, OCGs are increasingly recruiting young people as money mules to launder illicit funds.¹⁰⁵ In Belgium, for instance, data indicates that two in ten young people have either been approached or know someone targeted by criminals for this purpose.¹⁰⁶ These recruits are tasked with receiving and transferring funds through their own bank accounts or forwarding them to other accounts, both domestically and internationally.¹⁰⁷ These funds often originate from criminal activities such as fraud, drug trafficking or other illegal operations.

The Belgian financial federation Febelfin warns that youth are increasingly lured by such get-rich-quick schemes. Financial illiteracy remains a key risk factor: 25 per cent of 16- to 25-year-olds have shared financial information in the past year without fully trusting the recipient, an 8 per cent increase from 2021.

This inability to recognize scams and false promises of easy money can leave young people highly vulnerable to exploitation, increasing their risk of becoming complicit in organized crime and money laundering, and facing serious legal consequences.

98 I2.

99 R29.

100 I2.

101 I2.

102 I1.

103 R1–R40.

104 R1–R40.

105 Ingemannsen, R.-M. *The Age of Money Mules is Trending Younger* (April 2024). Available at: <https://www.tietoenvy.com/en/blog/2024/04/the-age-of-money-mules-is-trending-younger/> [accessed 13 February 2025].

106 ING. *Online Fraud: Money Mules* (September 2024). Available at: <https://www.ing.be/en/individuals/fraud-and-security/online-fraud/money-mules> [accessed 13 February 2025].

107 Ingemannsen, R.-M. *The Age of Money Mules is Trending Younger* (April 2024). Available at: <https://www.tietoenvy.com/en/blog/2024/04/the-age-of-money-mules-is-trending-younger/> [accessed 13 February 2025].

Box 9

Draw of being a “cool” gangster with a lot of money

As a teenager, A., a boy from Kyrgyzstan, committed various criminal offenses, including theft and hooliganism. At 19 years old, he was sentenced to prison for assisting in a murder.

A. comes from a stable, well-off family. His parents provided him with money whenever he asked, but never taught him how to manage or spend it responsibly, nor did they emphasize the importance of earning money through legal means. Wanting a taste of a luxurious lifestyle and status, he was drawn to a criminal gang that promised quick cash in exchange for theft, fighting and violence.¹⁰⁸

It is important to note that the combination of financial illiteracy and the promise of instant money poses a serious risk for both boys and girls. However, girls may be particularly vulnerable for two reasons: As showcased in Chapter 2, young women across the OSCE area often have lower levels of financial literacy. Additionally, as highlighted in the recent OSCE assessment report *Understanding the role of women in organized crime* (2023), women and girls are rarely acknowledged or recognized as actors in organized crime.¹⁰⁹ This lack of recognition means they often go unnoticed by organized crime prevention initiatives, including financial literacy education programmes, which tend to be directed more toward boys and men.

This study has found that financial illiteracy among youth not only increases their susceptibility to being lured into criminal activities by the allure of instant money and a luxurious lifestyle, but also contributes to them becoming financially dependent on criminal networks, making it difficult to escape.¹¹⁰ This indicates that once involved in criminal activities, youth often become accustomed to large sums of money and become dependent on a certain lifestyle and cash flow.¹¹¹

Financial illiteracy and social media

This study highlights the growing use of social media by organized crime networks to glamorize the criminal lifestyle, portraying it as a path to instant wealth, luxury, and social status.¹¹² These images appeal particularly to impressionable young audiences who are drawn to the promise of quick success and financial freedom.¹¹³ Financial illiteracy, combined with a desire to fit in by acquiring desirable status symbols, makes it harder for young people to distinguish between safe and risky financial decisions and behaviours.

The evidence collected for this research indicates that OCGs strategically use social media to recruit financially illiterate young people, presenting the criminal lifestyle as powerful, glamorous and luxurious, luring young people into crime under false promises of financial gain.¹¹⁴ As one practitioner noted, OCGs’ use of social media for recruitment “[...] allowed them to create networks and promote the illusion of a glamorous lifestyle, making criminal activities seem like an easy way to achieve financial success.”¹¹⁵

Practitioners indicated that financial illiteracy also interacts with gender-specific pressures on social media, particularly affecting young girls. Girls often face heightened pressure to display wealth and status online, which can increase their vulnerability to financial exploitation and dependence.¹¹⁶ Furthermore, social media reinforces financial dependence on criminal partners by normalizing relationships in which women receive financial support in exchange for loyalty and silence. As one practitioner stated, “young women, drawn in by images of luxury and financial security on social media, may become reliant on partners involved in organized crime, believing this lifestyle is a sustainable way to achieve financial success.”¹¹⁷ Over time, this financial dependence, combined with a lack of financial literacy, makes it harder for them to recognize coercion and break free from criminal influence. Without the skills to manage their own finances independently, they remain trapped in cycles of exploitation and financial control.¹¹⁸

108 I6.

109 OSCE, *Understanding the role of women in organized crime: An OSCE assessment* (Vienna, 2023). Available at: <https://www.osce.org/files/f/documents/0/4/560049.pdf> [accessed 10 October 2024].

110 R1–R40.

111 R1–R40.

112 R1–R40.

113 R1–R40.

114 R1–R40.

115 I1.

116 R26.

117 I1.

118 I1.

Box 10

OCGs recruiting youth as contract killers via social media for quick cash

OCGs increasingly use social media platforms and encrypted messaging apps like Telegram, Snapchat and Signal to recruit young people for a range of criminal activities, from drug-related offenses to even more serious crimes like homicide.¹¹⁹ These groups often advertise such jobs as financially attractive quick and high-paying opportunities, framing criminal tasks as challenges or games.¹²⁰

Older peers (17–19 years old) often recruit younger individuals (14 years old and under). These younger recruits, sharing similar backgrounds as their older counterparts, are manipulated with false promises of quick cash, excitement, attention, recognition and a sense of belonging, including on social media. In Sweden, for example, there have been instances of older peers promising young recruits more than EUR 10,000 online to carry out a murder.¹²¹

For young people, large sums of cash for seemingly simple tasks can be highly appealing. A lack of critical thinking and financial literacy skills can make it difficult for them to recognize the true risks and long-term consequences, leaving them exposed to exploitation and deeply entangled in organized crime networks.¹²²

119 R1–R40.

120 R1–R40; Europol, *Europol warns of organised crime networks recruiting minors for criminal acts* (2024). Available at: <https://www.europol.europa.eu/media-press/newsroom/news/europol-warns-of-organised-crime-networks-recruiting-minors-for-criminal-acts> [accessed 4 December 2024].

121 Information from: <https://economictimes.indiatimes.com/news/international/global-trends/despair-in-sweden-as-gangs-recruit-kids-as-contract-killers/articleshow/115760244.cms?from=mdr> [accessed 16 November 2024].

122 R1–R40.

4. Financial literacy as a tool to build resilience against youth involvement in crime



Key findings

- While there is widespread recognition of financial literacy being a means to build resilience, in practice, education on financial literacy continues to be missing from many organized crime prevention initiatives;
- Integrating financial literacy into school curricula, using age-appropriate, interactive formats with real-life examples, can teach young people essential money management skills, savings habits and scam avoidance;
- Enhancing financial education requires building and strengthening partnerships with civil society and the private financial sector, particularly banks;
- At-risk youth and their parents benefit most from individualized, gender-sensitive support and guidance on financial literacy, delivered by youth-focused social workers;
- Men and women with lived experience in organized crime can serve as experiential speakers to reach young people who lack positive role models and are affected by the image projected by peers. Their outreach helps de-glamorize the criminal lifestyle and promotes lawfulness and financial independence;
- Financial resources can be mobilized by comparing the high costs and societal impact of youth crime with the lower investment required for effective prevention, highlighting the significant savings and return on investment that effective prevention measures deliver.

While the evidence collected for this report has demonstrated that financial illiteracy among juveniles and their families can significantly heighten youth crime risk factors (see **Chapter 3**), it also indicates that strong financial literacy skills act as a preventive factor.¹²³ Financial management skills help families achieve financial stability, prepare for financial shocks and reduce vulnerabilities related to family stress. For juveniles, financial literacy improves capacities to identify and avoid debt traps and predatory recruitment tactics, helping them resist debt-bondage schemes of organized crime. Financial literacy also enables youth to critically assess the allure of quick money – often glamorized on social media – helping them recognize the risks of a criminal lifestyle.

Data gathered by the OSCE suggests that while practitioners acknowledge the importance of financial literacy as a crime prevention tool, education to enhance financial skills among youth and parents is still absent from many initiatives aiming to build resilience to involvement in organized crime.¹²⁴ Gaps also persist in whole-of-society partnerships, including with the private sector and civil society organizations, as well as in gender-sensitive approaches that recognize and reflect the experiences of both young men and young women.¹²⁵

Understanding financial literacy as a preventive factor

Responses to this study clearly indicated that financial literacy among both juveniles and their families can reduce the risk of youth involvement in crime.¹²⁶ Almost nine in ten respondents (87 per cent) agreed that financial literacy skills help build young people's resilience to recruitment into organized crime (see **Figure 6**).

Practitioners working on youth crime cases across the OSCE area believe that prevention efforts are most effective when they focus on building resilience in young people, among other things through the acquisition of financial skills.¹²⁷

Respondents indicated that improving young people's understanding of financial concepts, budgeting, debt management and scam identification makes them less likely to fall victim to the tactics used by OCGs, in turn reducing their risk of becoming involved in criminal activities. For example, one practitioner highlighted that *“financial literacy equips young people with the tools to make informed financial decisions, manage risks and avoid the vulnerabilities that organized crime groups exploit, fostering resilience and helping them pursue safer, lawful opportunities.”*¹²⁸ Another emphasized that *“the more financially educated, and not only young men*

123 R1–R40.

124 R1–R40.

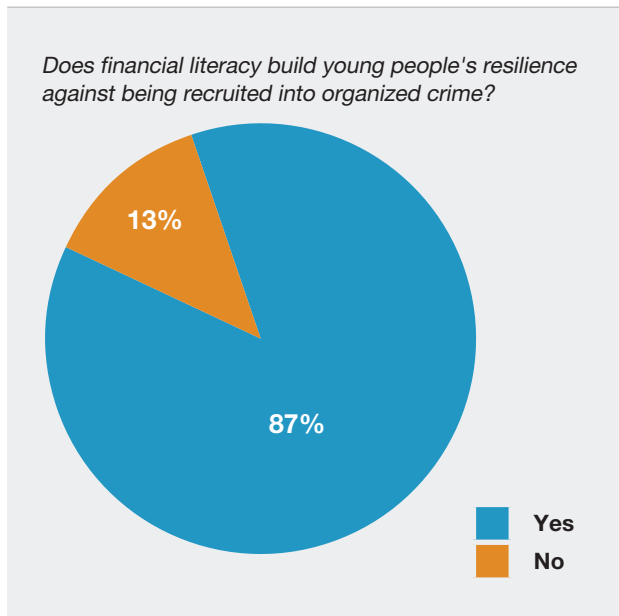
125 R1–R40.

126 R1–R40.

127 R1–R40.

128 R14.

Figure 6: Respondents’ perception of the role of financial literacy in building resilience of young people to recruitment into organized crime



Source: OSCE (2024), responses to R1–R40.

and women, the more the possibility of involvement in organized crime decreases. Also, good information from their side on financial education would guide them to deal with financial problems in a legal way, without the need to turn to crime.”¹²⁹ One law enforcement official stated:

“Financial education carries a great value, not only for personal information about future situations, but above all for the prevention of falling prey to the world of crime.”¹³⁰

In contrast to the evidence and case studies presented in Chapter 4, data collected for this study suggests that strong financial literacy skills enable parents to manage finances responsibly, build savings and provide financial security against unexpected shocks such as illness or economic crises, thereby reducing family tensions and mitigating root causes of youth crime.¹³¹ Moreover, financial skills empower juveniles to recognize and resist OCG debt traps and to develop resilience against the false appeal of instant money.¹³²

129 R13.

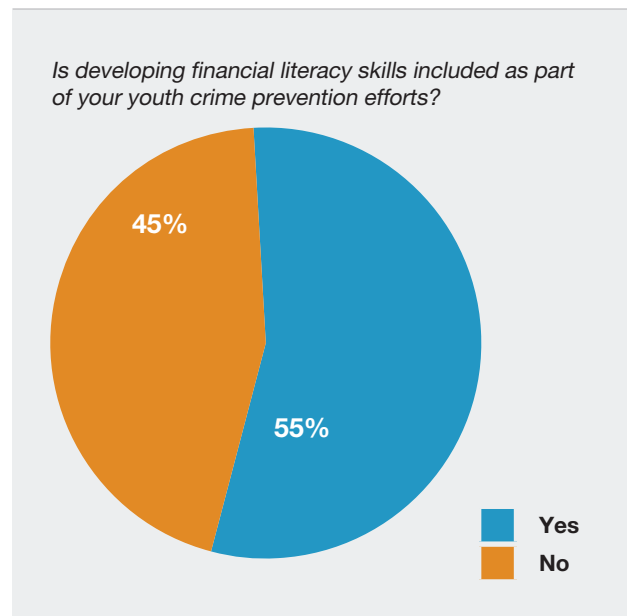
130 R20.

131 R1–R40.

132 R1–R40.

However, despite widespread recognition among practitioners across the OSCE area that financial literacy represents an important youth crime prevention tool, the data collected for this report suggests that financial literacy is still often absent from prevention and resilience-building initiatives.

Figure 7: Percentage of practitioners who include financial literacy as part of their youth crime prevention efforts



Source: OSCE (2024), responses to R1–R40.

Just over half (55 per cent) of practitioners contributing to this research stated that developing financial literacy skills is part of their youth crime prevention efforts (see **Figure 7**).

Some practitioners did note a gendered dimension to financial literacy, as it “can empower both genders but might have differing impacts. For young men, it can reduce susceptibility to scams and risky financial behaviours. For young women, it can provide the knowledge and confidence to avoid exploitative situations and seek help.”¹³³ Data provided for this research suggests that young women, facing heightened risks of exploitation and trafficking, may gain resilience through financial literacy since it provides them with the knowledge and confidence to recognize and reject manipulative offers, as well as to seek help when needed.¹³⁴

The following sections of this chapter identify different ways to effectively strengthen financial literacy among boys and girls as a crime prevention measure.

133 R12.

134 R1–R40.

Financial literacy education

Good practices in financial literacy education

Practitioners underlined how integrating financial literacy into school curricula empowers young people with the knowledge and skills to make informed financial decisions and resist the lure of organized crime. One practitioner highlighted that *“financial education carries great value [...]. I think that financial education programmes should be enlarged even more to minimize illiteracy in this field as much as possible because, as a result, we have also reduced criminal precedents. The sooner young people are exposed to financial education, the more the chances of their involvement in criminal groups decrease.”*¹³⁵

Several respondents emphasized how financial literacy helps to prevent youth crime by providing alternative legal pathways to financial independence: *“By teaching young people to manage finances effectively, we can reduce the allure of quick money through criminal activities and provide sustainable, legal financial solutions.”*¹³⁶ Another indicated that *“the skills to manage money, avoid debt and recognize financial scams [...] (is) offering them [youth] legal pathways to financial stability.”*¹³⁷ Law enforcement practitioners additionally highlighted that *“strong economic competence creates an experience of coping, [of having] one’s own functional capacity and financial management. [...] strong self-esteem and financial skills reduce the risk of becoming involved in organized crime.”*¹³⁸

Respondents also highlighted a number of factors that contribute to effective financial literacy education. Firstly, they underlined the need to introduce young people to financial skills from an early age and in a practical way: *“From early on, young people need to learn how to be financially stable and independent, how to deal with money and how to not spend it too fast. Education has to be practical and not boring, no theory but applicable to real life exercises.”*¹⁴⁰ They also highlighted the importance of peer-to-peer approaches: *“It is very important [that] this topic is in every school. There are opportunities to learn and bring in examples of good practice. Young people can ask and can learn new information from their peers.”*¹⁴¹

Many respondents emphasized the value of strategic partnerships, rooted in a whole-of-society approach, including civil society and the private sector alongside schools and criminal justice authorities.¹⁴² One practitioner explained that *“government and civil society can collaborate by integrating financial literacy into school curricula, supporting community-based programmes, and using media campaigns to raise awareness. Partnerships with NGOs can help reach vulnerable groups and ensure gender-sensitive approaches.”*¹⁴³ Another practitioner highlighted that *“co-operation between government and civil society aimed at promoting financial literacy can reduce the risk of criminal involvement, increasing opportunities for legal economic success and personal stability among young people.”*¹⁴⁴ Several respondents highlighted that civil society has a particularly important role to play in reaching at-risk youth in vulnerable communities¹⁴⁵ (see **Box 11**).

Box 11

Good practices for effective financial literacy education

Respondents identified a number of good practices that contribute to effective financial literacy education¹³⁹:

- Evidence-based education curriculum that is practical, engaging and based on real-life scenarios;
- Comprehensive content, including budgeting, saving, forecasting and planning for shocks, debt management, as well as recognition of scams;
- Starting financial education at an early age;
- Targeted approach that is age-appropriate and gender-sensitive;
- Inclusion of peer-to-peer exchange;
- Whole-of-society partnerships, leveraging co-operation between criminal justice practitioners, schools, civil society and the private sector;
- Use of technology to broaden the reach of financial literacy education.

¹³⁵ R13.

¹³⁶ R12.

¹³⁷ R19.

¹³⁸ R35.

¹³⁹ R1–R40.

¹⁴⁰ I2.

¹⁴¹ R7.

¹⁴² R1–R40.

¹⁴³ R19.

¹⁴⁴ R33.

¹⁴⁵ R1–R40.

While a few good practice examples have been identified in the field of co-operation between criminal justice authorities, educational institutions and civil society, this study has revealed untapped potential for co-operation with the private sector in financial literacy initiatives.¹⁴⁶ The OSCE identified only one example, Her Time in Canada, where collaboration with a bank helped develop a financial literacy educational curriculum specifically for girls and women to strengthen their resilience and prevent involvement in OCGs (see **Box 13**).

Enhanced public-private partnerships could greatly benefit pS, since financial institutions often develop age-tailored financial literacy educational materials and financial resources to support social projects. Leveraging these existing tools would offer significant opportunities for effective crime prevention. Some practitioners also indicated opportunities linked to new technologies, indicating that “*online platforms can also reach a broader audience and provide flexible learning opportunities.*”¹⁴⁸

Box 12

Mainstreaming financial literacy in education and targeting vulnerable youth

My Bnk is a financial education charity in the United Kingdom established in 2007, at a time when only 10 per cent of adults had ever received any form of formal financial education. It delivers programmes on financial literacy such as budgeting, debt and student finances to 5- to 25-year-olds to help them navigate their financial situations with confidence no matter where they start or who they are.

My Bnk provides experts who teach young people money knowledge, skills, mindsets and habits. They organize short, intensive training sessions for young people to help them develop core knowledge and skills to boost their confidence at different pivotal moments in their lives. My Bnk adopts a holistic approach in their teaching programmes, using games, videos and realistic case studies. Three-quarters of their work focuses on vulnerable young adults, aiming to build “survival” money skills that strengthen resilience against exploitation and empower youth to achieve financial stability and independence.

The initiative also successfully advocated for the inclusion of financial education in England’s national curriculum (from age 11 to 16).

Challenges in developing financial literacy education

Several respondents indicated a gap in financial literacy education in youth crime prevention initiatives across the OSCE area: “*Young people can’t find this information; it could be made available in schools, but at present our schools don’t provide information on this topic.*”¹⁴⁷ They highlighted several factors impeding the development and delivery of meaningful training to build financial literacy, including a lack of trust and collaboration between schools and law enforcement in youth crime prevention, as well as gaps in targeted and inclusive approaches.

Practitioners pointed out that teachers are often hesitant to take on additional educational responsibilities due to the heavy demands of delivering the standard curriculum.¹⁴⁹ Some practitioners noted that educational institutions often hesitate to proactively approach the police in cases of youth crime or illicit juvenile behaviour.¹⁵⁰ They indicate that schools may worry about being stigmatized or held responsible, preferring to manage juvenile delinquent behaviour internally rather than seeking law enforcement assistance.¹⁵¹ Evidence collected for this report shows that the tendency to avoid police involvement can contribute to limited implementation and co-operation in delivering school-based prevention initiatives, including those focused on financial literacy.¹⁵² Strengthening dialogue between police and educational institutions can help build trust. By fostering mutual understanding of the benefits

146 R1–R40.

147 R7.

148 R12.

149 R1–R40.

150 I1, I2.

151 I1, I2.

152 R1–R40.

of collaboration, schools and police can share information on at-risk youth at an early stage, allowing for timely intervention to disrupt criminal pathways, including support and education on financial literacy.¹⁵³

Some practitioners expressed concerns that existing financial literacy prevention initiatives are not fully inclusive, leaving some young people without access: *“I think that not everyone has equal access, and this is due to information reasons, geographical reasons and socio-economic reasons. So, even though the initiatives are for everyone, not everyone has the opportunity to access them.”*¹⁵⁴

Several practitioners specifically highlighted important gender dynamics. Some emphasized that *“prevention initiatives still cater to men and boys.”*¹⁵⁵ Another practitioner reported that *“traditional gender roles, regional disparities and lack of*

*targeted financial literacy programmes create unequal access to financial education for young men and women. Addressing these barriers requires tailored educational programmes and outreach to marginalized and rural communities to ensure that both genders receive similar tools they need to resist criminal exploitation through financial independence.”*¹⁵⁶

Respondents agreed that educating girls and strengthening their financial literacy skills is crucial, not only to enhance their resilience against OCGs’ predatory recruitment tactics, but also to empower them to achieve financial stability, independence and success outside of organized crime (see **Box 13**). The potential exclusion of girls and young women from financial literacy programmes is particularly significant given the data showing that women and girls across the OSCE area have lower financial literacy rates than men and boys (see **Chapter 2**).

Box 13

Financial literacy education and awareness-raising for girls at risk

Her Time has a proactive and reactive approach to supporting women vulnerable to entering a life of organized crime and gangs. The initiative was established in 2017 by two female police officers, Detective Constable Anisha Myette and Sergeant Sandy Avelar, based in Vancouver, Canada, with the aim to provide education and resources for females involved in, or vulnerable to, the world of organized crime in the Vancouver area.

Her Time has a two-tiered training philosophy: first, approaching prevention with empowerment programming, and secondly, intervention with one-on-one coaching and speaking engagements for vulnerable populations. In particular, it trains women formerly involved in organized crime to become coaches who go into schools to tell young women about their experiences.

Her Time has now developed an extensive, age-appropriate and practical educational programme for both schools and summer education sessions. For schools, Her Time coaches deliver a 12-week programme for 10- to 11-year-old girls during lunch/elective classes; participants are referred to the programme by their headteachers. The classes are taught in a fun and realistic way to make them relatable and empowering, using specially designed teaching materials. During the summer, high-risk girls referred by schools can benefit from one-on-one mentoring sessions once a week, including a meeting with a counsellor for mental health issues.

Her Time considers financial literacy a vital life skill for young women to build resilience against and remove themselves from organized crime. Since 2024, the initiative has worked with the Royal Bank of Canada to develop a specific training programme for Her Time coaches on financial literacy. The philosophy of the initiative is to empower young women for a life outside of organized crime, teaching them how to earn their own money legally, how to budget it and how to be successful without depending on men’s money and illegal activities.¹⁵⁷

153 R1–R40.

154 R20.

155 I1.

156 R14.

157 I1.

Individualized financial advice

School-based or group financial literacy education has, however, limitations in reaching those most at risk. Juveniles in particularly vulnerable situations may have already dropped out or attend school only sporadically, making them less accessible to broad, group-based educational efforts. Voluntary educational programmes may also not appeal to at-risk youth. They also do not reach parents: As presented in Chapter 3, financial pressures within the family are an important driver of youth involvement in crime. One-on-one mentoring and financial literacy guidance provide an effective complementary way to provide targeted, individualized support to at-risk youth and their families.¹⁵⁸

Good practices in individualized financial advice

Respondents stated that a comprehensive needs assessment is essential to developing targeted and effective financial advisory services.¹⁵⁹ Such an assessment should identify the root causes of youth susceptibility to crime and the specific areas where financial knowledge and skills are lacking.

For instance, is the family dealing with substantial debt, experiencing financial strain due to illness, or is the youth caught in a predatory debt scheme tying them to criminal activities? Are they financially dependent on quick cash flow from organized crime or luxury items? Do they lack skills for financial independence outside of crime? Such in-depth assessments form the foundation for personalized financial advisory and management services (see also **Boxes 1, 2 and 3**).

Respondents felt that pedagogical experts and social workers are the most qualified persons for assessing individual needs and risk factors after police have identified and referred at-risk youth.¹⁶⁰ Such professionals are well-equipped to establish trust with juveniles and their families, and to identify sources of financial stress. Once these factors are understood, they can refer parents to specialized financial experts, such as debt management advisors (see also **Boxes 2 and 3**). Some practitioners noted that families often have limited trust in external actors, so initiatives are most effective when a trusted pedagogical expert explains the benefits of support and accompanies them through the entire process, ensuring they feel safe and supported.¹⁶¹ Respondents also highlighted the distinct financial challenges faced by single parents, especially mothers, and the need to provide them targeted, gender-sensitive support to reduce risks of exploitation.¹⁶²

Box 14

Good practices for individualized financial assistance

Practitioners identified the following good practices for effective, individualized financial guidance to support youth and their families in strengthening financial skills to prevent or manage existing financial challenges:

- Establishment of trust with juvenile and family through empathy, consistent approach and continuity of staff;
- Comprehensive needs assessment of root causes of youth crime and contributing financial challenges;
- Tailored advisory and financial coaching rather than a one-size-fits-all approach;
- Leveraging partnerships, including accessing specific technical expertise;
- Gender-sensitive advice, especially for single parents.

¹⁵⁸ I1, I2.
¹⁵⁹ R1–R40.

¹⁶⁰ R1–R40.
¹⁶¹ R19, I2.
¹⁶² R1–R40.

Box 15**Tailored financial advisory for juveniles and their families**

Kurve Kriegen is one of Germany's leading youth crime prevention initiatives, offering a holistic, individualized approach to youth crime through systematic and sustainable collaboration between the police and social services. It leverages also financial literacy as a crime prevention tool.

The programme targets youth most at risk of repeat offending, noting that about 6 per cent to 10 per cent of juveniles are responsible for more than 50 per cent of crimes in their age group. Once cases are assessed and prioritized, Kurve Kriegen employs pedagogical strategies to address the root causes of juvenile delinquency. Social workers in the initiative have identified financial illiteracy as a factor that can create or exacerbate risk factors for youth crime, especially within the family. Once relevant risk factors are identified, Kurve Kriegen offers individualized financial literacy education for parents, covering debt management, effective budgeting, and how to access financial support and professional advice as part of its prevention efforts.

The initiative also works directly with at-risk youth to foster financial skills and values. This includes teaching them to recognize scams and the false allure of organized crime, which often promotes quick cash and a luxury lifestyle. Kurve Kriegen helps youth understand the risks associated with a criminal lifestyle, such as financial dependency, exploitation, and the difficulty to escape criminal networks.¹⁶³

Challenges in developing individualized financial advice

Respondents identified two key challenges to the effective implementation of targeted financial advisory and support to juveniles and their parents: 1) lack of co-operation between law enforcement and social services/pedagogical experts, and 2) lack of financial resources.

Respondents to this study highlighted that systematic collaboration between law enforcement and social services is often still lacking across the OSCE area, with regular systematic communication and co-operation remaining the exception.¹⁶⁴ They noted that, as a result, referrals of at-risk youth and interventions, including through individualized financial advice, often come too late – typically after the juvenile has already committed serious offenses and become deeply entrenched in a criminal network.¹⁶⁵

To close this gap, it is crucial to strengthen early intervention and case prioritization through systematic co-operation between law enforcement and social services (see **Box 15**). Efforts to promote trust and effective collaboration can enable early referral of at-risk cases allowing for effective early intervention and prevention, including through individualized financial advice.

Respondents identified as an additional challenge the lack of financial and human resources to employ social workers/pedagogical experts to work on youth crime cases, professionals who have the capacity to properly assess and address risk factors through individualized advice and support, including in the area of financial literacy.¹⁶⁶ Targeted prevention, with social workers managing smaller caseloads to facilitate more individualized, one-on-one support, is expensive.

Some respondents reported that financial resources for such a targeted approach can be mobilized by comparing the high costs and societal impact of youth crime with the lower investment required for effective prevention, highlighting the significant savings and return on investment that effective prevention measures deliver.¹⁶⁷ A positive example in this regard is the German youth crime prevention initiative Kurve Kriegen, which conducted a cost-benefit analysis to demonstrate the societal and financial advantages of early intervention and targeted prevention. It calculated and compared the financial impact of a repeat youth offender – averaging EUR 1.7 million per individual by the age of 25 – with the much lower costs of targeted prevention (around EUR 11,000 per participant).¹⁶⁸ Kurve Kriegen found a return of EUR 3 to EUR 10 in prevention benefits for every euro invested, making a compelling case for funding targeted prevention (see **Box 15**).

¹⁶⁶ R1–R40.

¹⁶⁷ R19, I2.

¹⁶⁸ Kurve Kriegen, Management summary, *Cost-benefit analysis of the Kurve Kriegen crime prevention initiative of the Ministry of Interior of North-Rhine Westphalia* (Dusseldorf/Berlin, 2016). Available at: https://www.kurvekriegen.nrw.de/sites/default/files/2021-11/2016_03_Prognos_KNA_Managementsummary.pdf [accessed 4 November 2024].

¹⁶³ I2.

¹⁶⁴ R1–R40.

¹⁶⁵ R1–R40.

Leveraging lived experience

Good practices in leveraging lived experience

Several respondents emphasized the significant value of leveraging the lived experience of individuals formerly involved in organized crime as part of outreach and awareness-raising programmes, arguing that young people can better relate to them than criminal justice or social work professionals. They highlighted that *“young people often do not listen to adults. They say to us social workers or police officers, ‘What do you know? You did not grow up in our neighbourhood with our background. What do you know?’”*¹⁶⁹

Several civil society initiatives demonstrate engaging people with lived experience of involvement in organized crime can effectively educate young people about its harsh realities – such as violence, threats to life and freedom, and especially the loss of financial independence – while also promoting values of ethical work and legitimate success. For example, the coaches involved in the Her Time initiative act as relatable role models, illustrating the harsh realities of the criminal life versus the glamour often portrayed on social media

(see **Box 13**). When these women openly share their experiences, it resonates strongly with young girls.

Challenges in leveraging lived experience

Nevertheless, challenges in engaging people with lived experience remain. Some practitioners across the OSCE area expressed reservations about engaging individuals who were previously involved in crime due to their past activities and connections to criminal networks.¹⁷⁰ To mitigate such risks, they highlighted that it is essential to select experiential speakers carefully to ensure they are completely detached from criminal associations.

Another challenge is the lack of diversity among experiential speakers, who are often men. This reinforces stereotypes that only men and boys are involved in organized crime and thus are more vulnerable to recruitment. Respondents emphasized the need for more inclusive prevention efforts.¹⁷¹ Improving diversity in outreach activities by involving women with lived experience in organized crime can ensure that young girls have women from similar backgrounds to look up to and learn from in terms of general life skills, including financial literacy.

Box 16

Good practices for leveraging lived experiences

Respondents identified the following good practices in this regard¹⁷²:

- Engage men and women who have left the criminal lifestyle for an extended period to minimize any risk of “relapse”;
- Avoid a “one size fits all” approach. This type of outreach is most effective for young men and women who lack positive role models and are highly focused on appearance within their peer group;
- Experiential speakers should speak in their own words and avoid sounding scripted to make a genuine impact on young people;
- Fear-based tactics are ineffective. Present the dangers and darker sides of crime to allow young people to make their own informed choice to stay away.

¹⁶⁹ I2.

¹⁷⁰ R19, I2, I5.

¹⁷¹ R1–R40

¹⁷² R1–R40.

5. Conclusion



This report shows that financial illiteracy is both a symptom and a driver of socio-economic vulnerabilities, making young people susceptible to engagement in criminality. It reveals that the relationship between low levels of financial literacy and youth crime is poorly understood, in turn limiting the full inclusion of financial literacy-building in prevention initiatives. As a result, prevention efforts fall short of addressing the root causes of youth involvement in organized crime, hindering a comprehensive and effective approach to tackling these issues.

Data collected by the OSCE shows that financial literacy directly and indirectly impacts youth vulnerability to organized crime involvement. Low financial skills, such as budgeting, saving and debt management, heighten risks such as family stress, debt-based recruitment and the allure of quick money. These factors, coupled with domestic violence, neglect or substance abuse, can push young people toward criminal activities.

Without financial literacy, youth are particularly exposed to predatory tactics like “debt bondage”, and are more susceptible to the allure of wealth, status and belonging, aspects that are often glamorized on social media. These aspects are also falsely associated with OCGs. Lower financial literacy rates among young women amplify these risks, with young women facing heightened risks of sexual exploitation to settle debts. Nonetheless, prevention programmes predominantly target young men. Addressing this gap is essential to reducing gender-specific vulnerabilities and ensuring more inclusive and effective crime prevention strategies.

More positively, the evidence presented in this report highlights the transformative potential of financial literacy as a preventive factor, equipping young people and their families with the tools to navigate financial challenges, resist predatory recruitment tactics and build sustainable, lawful livelihoods. Teaching young people how to be financially independent and manage their finances responsibly empowers them to pursue alternatives to a life of crime.

While the data collected and analysed by the OSCE for this report shows a general consensus that financial literacy education is an important crime preventive tool, implementation seems to be lacking. A cultural shift and a strong commitment to include financial literacy education in youth crime prevention efforts is thus needed to promote more targeted, systematic and effective responses to youth recruitment into OCGs. Financial literacy education should also include individualized financial advice for at-risk families and juveniles, and outreach and awareness-raising through individuals with lived experience. This is most effective through a whole-of-society approach, in which the criminal justice system, schools, civil society and the private sector work together to deliver impactful prevention efforts.

By embedding financial literacy into crime prevention strategies, OSCE pS can equip youth with the tools they need to build resilient, secure, independent futures, reducing their vulnerability to criminal exploitation. This approach does not merely represent a policy imperative, but is a societal investment that will ensure stronger communities and greater resilience in the face of organized crime.

Annex 1: Data sources

Primary data

Much of the data presented in this report was collected specifically for this assessment through questionnaires and follow-up interviews. Institutional respondents and contributors came from different criminal justice institutions, including police, as specified below (see **Table 1**). Further contributions were provided by civil society organizations (see **Table 2**).

Table 1: Overview of agencies contributing to this study

PARTICIPATING STATE	CONTRIBUTING AGENCY
Albania	Albanian State Police
Andorra	Ministry of Justice and the Interior
Bosnia and Herzegovina	Federal Police Administration, Police of District Brcko, Ministry of Justice, State Investigation and Protection Agency
Czech Republic	Bureau of Criminal Police and Investigation Service, Probation and Mediation Service under the Ministry of Justice
Estonia	Ministry of the Interior
Finland	Ministry of Justice, Ministry of the Interior
Germany	Ministry of the Interior of North Rhine-Westphalia
Italy	International Police Cooperation Service of the Ministry of the Interior
Kyrgyzstan	Ministry of Internal Affairs
Malta	Malta Police Force
Moldova	Ministry of Internal Affairs
North Macedonia	Ministry of Internal Affairs
Poland	Polish National Police
Portugal	National Republican Guard
Romania	Directorate for Investigating Organized Crime and Terrorism
Slovakia	National Bank of Slovakia
Spain	Spanish National Police
Sweden	Swedish National Council for Crime Prevention, Social Services North-east (City of Gothenburg)
Turkmenistan	Ministry of Internal Affairs

Table 2: Overview of civil society organizations contributing to this study

PARTICIPATING STATE	CONTRIBUTING ORGANIZATION
Canada	Her Time Programme
Germany	Du & Ich e.V.
Kyrgyzstan	Kyrgyz Association of Women in the Security Sector
United Kingdom	My Bnk
United Kingdom	St Giles Trust
United Kingdom	Catch 22

Questionnaires

Questionnaires were sent to officially nominated national focal points for this assessment in 29 pS between September and November 2024. In addition, the questionnaire was distributed to selected civil society organizations. Forty responses to the questionnaire were received from 21 pS, including representatives of:

- Ministries of Justice (MoJ)
- Ministries of the Interior (Mol)
- Law enforcement agencies (LEA)
- Prosecutorial services (P)
- National banks (NB)
- Civil society organizations (CSO)
- Social worker services (SW)

In some instances, multiple responses were received from the same institution.

Table 3: Overview of responses received

RESPONSE NUMBER	PARTICIPATING STATE	RESPONSE NUMBER	PARTICIPATING STATE
R1	Malta (LEA)	R2	Estonia (Mol)
R3	Spain (LEA)	R4	Sweden (MoJ/SW)
R5	Italy (Mol)	R6	Czech Republic (MoJ)
R7	Czech Republic (MoJ)	R8	Czech Republic (MoJ)
R9	Czech Republic (MoJ)	R10	Czech Republic (MoJ)
R11	Portugal (LEA)	R12	Czech Republic (LE)
R13	Italy (MoJ)	R14	Slovakia (NB)

RESPONSE NUMBER	PARTICIPATING STATE	RESPONSE NUMBER	PARTICIPATING STATE
R15	Czech Republic (MoJ)	R16	Romania (P)
R17	Czech Republic (MoJ)	R18	United Kingdom (CSO)
R19	Germany (MoI/SW)	R20	Albania (LEA)
R21	Albania (LEA)	R22	United Kingdom (CSO)
R23	United Kingdom (CSO)	R24	United Kingdom (CSO)
R25	United Kingdom (CSO)	R26	Bosnia and Herzegovina (LEA)
R27	Bosnia and Herzegovina (LEA)	R28	Poland (LEA)
R29	Moldova (MoI)	R30	Moldova (MoI)
R31	Turkmenistan (MoI)	R32	Kyrgyzstan (MoI)
R33	North Macedonia (MoI)	R34	North Macedonia (MoI)
R35	Finland (MoI/MoJ)	R36	Andorra (MoJ/MoI)
R37	Bosnia and Herzegovina (MoJ)	R38	Bosnia and Herzegovina (P)
R39	Kyrgyzstan (CSO)	R40	Kyrgyzstan (MoI)

Follow-up interviews

Following the receipt of responses to the questionnaire, six semi-structured interviews were conducted to clarify data and gather additional insights. These interviews were conducted online between October and November 2024.

Table 4: Overview of follow-up interviews conducted

INTERVIEW NUMBER	INTERVIEWEE
I1	Canada (CSO)
I2	Germany (SW)
I3	United Kingdom (SW)
I4	Albania (MoJ)
I5	Sweden (SW)
I6	Kyrgyzstan (MoI)

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Annex 2: Glossary of terms

DEBT MANAGEMENT: The process of managing one's debts effectively, including creating a budget, prioritizing payments and negotiating with creditors. It may also involve seeking professional help from debt counsellors or credit counselling agencies.

ECONOMIC EMPOWERMENT: The process of increasing individuals' access to and control over economic resources and opportunities. This includes providing financial skills education, job training and opportunities for employment and entrepreneurship.

ENFORCED DEBT/DEBT BONDAGE: A form of modern slavery in which a person is forced to work to pay off a debt. Traffickers often use debt bondage to exploit vulnerable individuals, forcing them into labour or services under the threat of violence or other forms of coercion.

FINANCIAL EXPLOITATION: The illegal or unethical use of an individual's financial resources for another person's benefit. This can include elder abuse, scams targeting vulnerable individuals and predatory lending practices.

FINANCIAL ILLITERACY: The lack of knowledge and skills needed to make informed and effective decisions about money management. This can make individuals vulnerable to financial exploitation, debt and poor financial choices that may increase the risk of criminal behaviour.

FINANCIAL LITERACY: The knowledge and skills necessary to understand and manage financial resources effectively. This includes budgeting, saving, investing, borrowing and understanding financial products like loans and credit cards.

FORCED CRIMINALITY: When an individual is coerced or forced to commit crimes against their will. Traffickers may use violence, threats, or manipulation to compel victims into criminal activities such as theft, drug smuggling or prostitution.

GENDER is a term used to describe socially constructed roles for women and men. It is an acquired identity that is learned, changes over time, and varies widely within and across cultures. In contrast, the term sex is used to indicate the biological differences between men and women.

GENDER MAINSTREAMING involves taking into account the different needs and perspectives of women and men when designing and implementing policies and programmes. Gender equality policies can have a positive effect in preventing and countering organized crime; vice versa, crime prevention policies can benefit from using gender equality principles to level the playing field and be more inclusive.

MULTIPLE OFFENDER: An individual who has been convicted of more than one criminal offence. Also known as a repeat offender or habitual offender.

ORGANIZED CRIME GROUP [OCG]: according to UNTOC is defined as a group of three or more persons that was not randomly formed and that exists for a period of time. Members act in concert with the aim of committing at least one crime punishable by at least four years of incarceration. They undertake these crimes in order to obtain, directly or indirectly, a financial or other material benefit.

PROTECTIVE FACTOR: A characteristic or circumstance that reduces the likelihood of someone engaging in criminal behaviour. These factors can buffer the negative effects of risk factors and promote positive development. Examples include strong family bonds, positive school experiences and access to support services.

RESPONSIBLE BORROWING: The practice of borrowing money only when necessary and within one's means to repay. It involves understanding the terms of the loan, including interest rates and fees, and making timely payments to avoid further debt.

RISK FACTOR: A characteristic or circumstance at the individual, family, community, or societal level that is associated with an increased likelihood of a person engaging in criminal activity. Examples include poverty, lack of education, exposure to violence and substance abuse.

SCAM: A fraudulent scheme designed to trick individuals into giving up money or personal information. Scams can take many forms, including phishing emails, investment fraud and identity theft.

SEXUAL EXPLOITATION: The abuse of an individual's sexuality for another person's gain. This can include forcing someone into prostitution, pornography or other sexual acts through coercion, manipulation or threats.

TRANSNATIONAL ORGANIZED CRIME: according to the UNTOC consists of organized crime groups that undertake criminal activities in more than one State. These activities can be planned and controlled in one State and take place in another. This covers all profit-motivated serious criminal activities with international implications.

YOUTH RESILIENCE: The ability of young people to overcome adversity and challenges, such as poverty, trauma or difficult family situations. Resilience is built upon protective factors, like financial skills, and can help prevent young people from engaging in criminal activity.

