Financially motivated cybercriminal networks

Dr. Rutger Leukfeldt
Netherlands Institute for the Study of Crime and Law Enforcement
The Hague University of Applied Sciences
Based on recent publications


Network structure

Digital opportunities

Crypto markets and currencies
Special investigative powers:
• Wire taps
• IP taps
• Interrogations
• Observations
• Listening devices
• House searches (incl computers etc)
Criminal cooperation and the use of IT

How do you find capable and trustworthy co-offenders?

• Traditional organized crime: social ties
• Cybercrime:
  • Many core members have social ties (offline)
  • Technical skills and tools are found on online forums
  • Money mules are often locally found (offline)
Modus operandi
Phishing: e-mail + website + telephone call (or sim swap)
Attack Dutch banks
Secondary criminal activities
Skimming, burglaries, drugs trafficking

Ties
- Core members from the same Amsterdam neighbourhood
- Recruitment of enablers and money mules within social networks
Finding buyers – the case of a Dark Net market (DNM)

• DNM’s broaden horizon for sellers and buyers
• But DNM’s have local dimensions too–our case:
  • Developers have same local background
  • Some transactions take place offline
  • Online transactions: cross-border but not so global
Money flows and the use of IT

• Traditional OC
  • Generates cash
  • Traditional forms of ML, no use of Bitcoin
  • Very limited use of prepaid cards

• Cyber – malware/phishing
  • Generates digital regular currencies (Euro)
  • These are cashed out (Euro)
  • Partly used to purchase Bitcoin, prepaid cards

• DNM
  • Generates Bitcoin
  • These are exchanged and cashed (Euro)
Conclusions

- Cybercrime has local dimension
  - Criminal networks with local roots
  - Local embeddedness
  - DNM’s are not ‘borderless’
  - Cyber and traditional crime are intertwined
- Cash is still king
- Counter strategies to cybercrime rely on ‘cyber’ knowledge and measures as well as regular methods
Dr. Rutger Leukfeldt
rleukfeldt@nsr.nl