

## IMPORTANT ROLE OF MEDIA IN THE FIGHT AGAINST FRAUD

Almost totally opposed as their starting points may be, Authorities and Media lead an interesting coexistence or even live in a kind of symbiosis. Authorities, of course, are solely interested in combating fraud, investigating fraud cases, and preventing fraudulent action. Media on their part are keen on publishing news dealing with fraud. Depending on the type of media, the publishing of a fraud case may also aim at attracting the widest possible circle of readers, hoping to increase the turnover. It is characteristic of the so-called tabloid papers sold as single copies to pounce even on unimportant and unintentional errors made by Authorities. On the other hand, Media may support and give credit to Authorities for the protection of society when writing on their accomplishments on the fight against fraud.

### Needless fear of Booze Rally

Yet Media's publishing policy may also support the Authorities' efforts to combat fraud. A recent example thereof is the threat of the so-called Booze Rally from Estonia to Finland expected to start in the beginning of May 2004, when ten countries including Estonia accessed the EU as Member States.

This threat was not diminished by the fact that at the very beginning of 2004, when the quantity restrictions were abolished on alcohol allowances between the EU Member States, several major lots of alcohol had been imported to Finland from Germany and declared to be intended for its own use. Media reported that these lots, which comprised several hundred litres of alcohol, had been withheld by Customs, and commented on the pertinence of the action taken by the Authorities.

Time and money required to cross the sea between Finland and Estonia are only a fraction of the cost for a return trip to Germany. Thus it was well-founded to expect that alcohol would now be imported from Estonia in massive quantities.

The expectations concerning an alcohol import rush were reflected in the Media as never before. Experts on Customs and alcohol policy were interviewed in direct programmes dealing with current affairs. It could not possibly remain unclear to anybody that despite the abolishment of exact quantity restrictions, Customs would still be able to seize major import lots likely to be intended for commercial distribution.

Alcohol tax had been cut well in advance before the H hour in order for alcohol purchases to take place at home instead of Estonia. Yet both Authorities and Press were on the alert, meeting the first alcohol lots acquired in EU Estonia at the port of arrival during the first few hours of May 1, 2004. It was the Authorities' task to prevent or impose taxes on excessive import lots likely to be commercial. Media on their part were on the look-out for strikingly large alcohol lots.

What a great surprise it was for all parties that not a single import lot from Estonia came up to such volumes as expected! However, journalists' professional skill turned this "non-news" into a sensation. The alcohol quantities which failed to materialize got larger headlines than the very effects brought about by the accession of the new Member State.

This matter is also linked with OLAF's field of responsibilities: A large quantity of alcohol imported for purposes other than for own use would have implied a violation of the harmonized tax on alcoholic beverages to be collected by Finland.

Media are partly to thank for the no-show of those expected large import lots of alcohol. The publicizing by the Media of the Authorities' powers to control excessive alcohol lots reached a considerably wider circle of readers than would have been the case if the information were to have been distributed by the Authorities themselves. The Press also acts in this way regarding fraud cases having a considerable news value. The reaction of enlightened Media usually supports the goals of Authorities.

### Blue Spirits case

There are cases where the interest expressed by Media in criminal action which is being committed may have prevented either the fraud itself or its possible impact. One such example is the so-called Blue Spirits case.

A few years ago Finnish authorities were informed that a batch of spirits would be imported in transit containers from the Far East to Finland, for selling in the black market. According to this intelligence, the containers would be addressed to a Russian consignee and declared to contain anti-freeze solution. Authorities were astonished to see the number of containers which actually arrived: they were more than ten, which meant almost a quarter of a million litres! Yet more surprising was the blue colour of the substance, which really did not look anything like a drink. Maybe the substance was really alcohol to be used as anti-freeze as stated by the documents? For various reasons, it was not possible to arrange thorough laboratory examinations. Neither would the methods then available have enabled the trailing of each container from Helsinki all the way to the Russian border.

It would no doubt have been possible to ensure the exit of the containers, but despite sealing them, their contents might have been substituted secretly. It was also possible that the substance now located in Finland was just legal transit traffic. Authorities were unable to interfere, unless fraud relating to the cargo was to be committed in Finland such as its removal from under customs surveillance.

From an anti-fraud viewpoint, Authorities would certainly have followed another line of action than what actually happened. But in this special case still another possibility had to be considered seriously: that the substance would contain poisonous methanol. If so, it would lead to a great number of deaths and cause serious damage to persons drinking it.

The Press got tipped-off on a large obscure transit lot. National TV channels and major Finnish newspapers made a sensation of it. The news was also noted abroad. The publicity gained by the container lots would have been the main reason for the fact that they were never fetched from the port. This confirmed that they had not come to Finland as normal transit traffic but were presumably being imported for the illicit market, just as claimed by the obtained information.

This publicity also had the effect that not all the information on those involved in the fraudulent project could be disclosed and that the fraud may never get completely solved. Yet the correctly timed media publicity worked like the Authorities had wished: the forbidden, possibly even dangerous substance was prevented from entering the illicit market without any proper measures taken by the Authorities! In the opposite case, if the substance would have reached the market, the Media of course would have had something very exciting to tell: failure of authority control, possible methanol poisoning in the worst case, etc. Luckily, there was no news like that to publish! The chosen strategy seems to have been the only correct one.

## Maintenance of a “working in peace” environment

The above examples describe how publicity by the Media, when professionally applied, can promote fraud combat and thereby crime investigation. Yet crime investigation shall strictly adhere to the principle that unfounded publicity be avoided, thus securing its possibility to work in peace until all evidence has been obtained that is required for the case to be solved.

If the Media so desires, it can indeed seriously disturb the anti-fraud efforts of the Authorities. This could happen, say, through publishing received confidential information at a much too early stage of the investigation. In Finland the entire Media exert exemplary self-discipline in this respect. Authorities can rest assured that information that is sensitive in terms of investigation is not being published prematurely. This by no means implies, however, that Authorities would somehow be trying to infringe one of the very basic society principles: the freedom of Press to decide on the subjects and contents of what is published.

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