



Italian icecream parlors in Germany became the focus of raids against the mafia this weekImage: Beckerbredel/dpa/picture alliance  
Crime Germany

## Why the mafia loves Germany

[Ben Knight](#)

The massive international raids on the Italian 'Ndrangheta organization have again put the spotlight on money laundering in Germany. Has organized crime found a haven in this country?

Coordinated [raids against 'Ndrangheta organized crime syndicate](#) across Europe this week attracted international headlines and generated explosive insider stories about the details of the investigation. What the raids didn't do was surprise seasoned mafia investigators.

"It won't change anything about mafia operations in Germany," said Petra Reski, a German journalist based in Italy who has spent years investigating mafia activities. "You can arrest a few people, but it doesn't change the structure."

Some 108 people were arrested in Italy and more than 30 more in Germany, following a more than three-year investigation called Operation Eureka into drug and arms trafficking. The 'Ndrangheta, which has its origins in Italy's southern Calabria region and is one of the richest and most powerful crime groups in Europe, is said to have built up a worldwide money-laundering operation to hide the money.

For Reski, who has written several books about the Italian mafia, this week's arrests brought a certain gratification, as some of those arrested had sued and threatened her over her reporting. In some cases, German courts have forced her to redact some of her books about organized crime activities.

"These are people at the heart of 'Ndrangheta, and I wrote about them in 2008 — I was the first to get sued and lost," she told DW. "For me personally it's gratifying because what I described has led to a result, thanks to the Italians."

# Italy, Germany carry out large raids against 'Ndrangheta

## Germany's reputation as safe haven

Although German police cooperated in the investigation, and some arrests were carried out in Germany, these were enforced under an international arrest warrant filed by the Italian authorities, Reski said. "These arrests couldn't have happened at all under German law," she told DW. "In Germany, just belonging to a mafia organization is not prosecutable. You have to be able to prove an actual crime as well."

Germany has long had a reputation as a safe haven for This organized crime. week, some 30 arrest warrants were executed the German states of North Rhine-Westphalia, Rhineland-Palatinate, Bavaria, Saarland and Thuringia.

The east German state of Thuringia became a mafia stronghold following the reunification of Germany in 1991 when the lack of interest from distracted law enforcement meant that the Italian mafia could buy swathes of real estate.

As long ago as 2012, Roberto Scarpinato, chief anti-mafia prosecutor from Palermo, Sicily, told the German federal parliament, the Bundestag, of "incredible flows of money from Italy to Germany," and highlighted loopholes in the anti-money laundering laws.

## Money laundering in Germany

But Germany remains a very cash-friendly economy. To this day, unlike in other European Union countries, there is no limit on how much one can pay for a single transaction in cash: In Spain, the cap is €2,500 (\$2,750), in Italy €1,000 and in Greece €500.

Current Interior Minister Nancy Faeser is planning a €10,000 cap in Germany, which would bring the country into line with an EU directive, but legal experts are already worrying about whether it conforms with the German constitution.

As things stand, you can also spend up to €10,000 in cash in Germany on most things without having to identify yourself (though since 2020 you do have to show ID when spending more than €2,000 on precious metals). All this makes it extremely easy for mafia groups to launder money in Germany.

Until April 2023, even real estate could be bought in cash, which could be particularly lucrative in cities like Berlin, where the property market promises astronomical profits.



In Germany, you can spend up to €10,000 in cash without even having to identify yourself. Image: Burkhard Schubert/Geisler-Fotopress/picture alliance

## No transparency, no enforcement

The fact that organized crime groups have been taking advantage of this through opaque networks of shell companies has been public knowledge since 2016 when the Panama Papers were leaked.

"We can't call this a breakthrough, but maybe it's a partial success against parts of the mafia," said Andreas Frank, who has spent three decades investigating and writing about Germany's money laundering loopholes. "The 'Ndrangheta is something we've been confronted with for a long time."

Frank, whose 2022 book *Dreckiges Geld* ("Dirty Money") argued that laundered money was undermining democracy in Western Europe, is almost weary of describing what he sees as the lack of political will to tackle it.

"Has anything improved in fighting money laundering? No! Nothing at all," he told DW.

## Consequences for the whole of society

Frank, who also testified before the Bundestag committee in 2012 alongside Scarpinato, thinks the damage that organized crime does is constantly underestimated.

"The mafia is highly dangerous, it undermines our economy," he said. "As a legitimate business, it's very hard to compete with mafia-led businesses. And the 'Ndrangheta is just one of many organizations."

On top of this, like in many other countries around the world, Germany's agencies have resource shortages. The German authority charged with tracking down money launderers, the Financial Intelligence Unit (FIU), has been accused of being slow in reporting its suspicions to the relevant prosecutors.

In turn, the prosecutors usually operate at state level and often complain that they can't pursue crimes beyond their jurisdiction, which makes coordinating information extremely difficult.

Frank thinks the structural problems come down to a lack of personnel combined with inhibitions on the sharing of data between authorities. "It took years, up to 2021 and 2022, for

the FIU to be allowed access to the data it needed," he told DW. "And even today it doesn't have full access."

For journalist Reski, the whole issue boils down to political will: "There is no political will in Germany to fight the mafia, that's the point," she concluded.

"Because German politicians see the mafia's investment as an economic driver. Money comes, and they don't want to know where it comes from."

*Edited by: Rina Goldenberg*