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AN EVALUATION OF MONEY LAUDERY IN ALBANIA USING GARVITY MODEL

Abstract:

This study focuses on the measurement of money laundering in Albania using the gravity model of Walker. "Walker Model" was developed for the first time in 1994, and has been used and updated recently. The study also shows that gravity models are made recently popular in international trade theory. Measuring the exact money laundering becomes increasingly important, both for political and economic reasons. Politically relates to the war effort against money laundering as for public and private sector, and evaluation of the effects for the measures taken. The knowledge of how much money is laundered, it is a necessary precondition for the legitimization of the anti-money laundering policies and prevention of economic, social, and political damages from money laundering. In the end important recommendations are given with regard to the fight against money laundering in Albania

Keywords:

Money laundering, Walker Gravity model, illegal transactions, black market, organized crime

JEL Classification: O17, H26, K42