


本著作受上海市重点学科建设项目——刑法学（S30901）资助



# MONEY LAUNDERING

## SUPPRESSION AND PREVENTION

# 洗钱罪的惩治与预防

何萍 著  
HE PING



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## Preface

In February 2001 I was luckily selected by the Chairman of CHERC (China-Holland Education and Research Centre), Prof. Willem Lammerts van Bueren to have had the chance to be included in a two-month Master Class in Erasmus University Rotterdam in July-August 2001. During the two months, I attended all the wonderful lectures organized by CHERC and showed great interest in the research topic with regard to money laundering. Under the guidance and supervision of Prof. Hans de Doelder, the then dean of the law faculty, and Dr. Vincent Mul, an expert in the field of anti-money laundering, I embarked on a preliminary research work. With the approval from Prof. De Doelder of my proposal, I was encouraged to pursue a further research. Therefore, conducting Ph. D. research abroad, a long-cherished dream came true in the beginning of the New Millennium.

From 2001 to 2004, I traveled back and forth between China and Holland. Every year I spent several months in Rotterdam, a fascinating place boasting a fascinating people. Rotterdam was my second home, where I nourished a new hope of my career. No doubt, life style of doing Ph. D. research abroad was boring and hard, but it was also rewarding and encouraging. Collecting material, seeking advice, reading and writing ceaselessly, I was deeply absorbed in my research topic.

Little by little, step by step, slowly but steadily, considerable progress has been made in my chosen area. In the process, I had four English articles published in the *Journal of Money Laundering Control* in the United

Kingdom. They were ‘*Chinese Criminal Law Concerning Money Laundering*’, ‘*The Chinese Financial Institution Campaign against Money Laundering*’, ‘*Banking Secrecy and Money Laundering*’, and ‘*New Trends in Money Laundering— From the Real World to Cyberspace*’. Additionally, I saw several of my Chinese articles in print in China’s journals, such as *Legal Science* and *Juristic Review*. All of these are essential parts of my dissertation.

After I submitted my dissertation to my supervisor, Prof. De Doelder, he thought highly of my work. ‘You have done a wonderful job’, ‘You are one of my best Ph. D. students’ are some examples of his compliments.’ Dr. Mul made the following comments on my dissertation, ‘Your book is complete, up to date, very well documented, and has a high level of intellectual analysis. Further, you have put much your own opinion and criticism in it.’

Looking back on the last four years, I would like to say:

To start this Ph. D. project was an act of courage.

To carry on in the face of difficulties was an act of perseverance.

The successful conclusion of the project was a combination of excellent guidance, zealous support and good luck.

During the course of my Ph. D. research project, I owed a lot to the following:

First and foremost, I greatly appreciate the encouragement, guidance and academic stimulus from my promoter Prof. De Doelder from the inception of this study to its completion. His instructions will stimulate me to make greater efforts forever.

Secondly, I would like to express my sincere gratitude to Dr. Mul for his guidance and invaluable comments that I have been able to incorporate into my work. Every bit of the progress that I have made during my Ph. D. research is closely related to his genuine help.

As mentioned above, Prof. Lammerts van Bueren is the initiator who made my Ph. D. research abroad possible. Allow me to show my heartfelt

thanks to him. I am also very grateful to Mrs. Tseng Wei-jia, the managing director of CHERC, and Mr. Zhao Qi, the assistant of CHERC, for their organizing my several trips to Holland and providing me a lot of convenience.

My gratitude goes to Mrs. Zhu Li-fang, my dear colleague in East China University of Political Science and Law, and my American friend Mr. Andrew C. Johnston, who gave me a lot of help in improving my English language and polishing my dissertation.

My thanks also go to my Dutch friends, Miss Cathelijne van der Schoot, Mr. Paul Verloop, Mr. Joost Verbaan, Mr. Haje Weisfelt, Mr. Ernst pols, Dr. Tom Blom, Dr. Arthur Hartmann and Mr. Robin Dijke, who made me feel at home during my stay in Holland.

Besides, I would also like to show my great thanks to my Finnish friend Mr. Timo Ahonen, who mailed some English material about my topic from remote Finland.

In addition, I am indeed obliged to my dear husband, Mr. Zhou Weiping, whose limitless devotion and support was a comfort helping me to the completion of this book. I am equally thankful to my kindly parents, Mr. He Mu-jun and Mr. Hu Yue-hui, for their encouragement and pride of their daughter. Moreover, I am thankful to my beloved son Zhou Yi-ren who was not able to receive my full attention in my absence.

Finally, successful conclusion of this Ph. D. project would not have been possible without the financial help of the "Hoogeschool-Fonds 1920." I owe a lot to this foundation. I truly doubt words can express my devout gratitude for their indispensable, generous support.

## The Speech of Prof. Hans De Doelder on Defense Day

My dear He Ping,

At this very moment ( in 2004 ) you are Associate Professor in Criminal Law and Deputy Dean of Studies at East China University of Political Science and Law. You have started your PhD project on money laundering at Erasmus University, Rotterdam in 2001. You have written dozens of Chinese papers in print in China's Journals, such as *Legal Science* and *Juristic Review*. You also have published several English papers in the *Journal of Money Laundering Control* in the United Kingdom.

You were born in 1970. This means that you are 34 year. That is rather young for having written so many articles, even in international journals. You have as a dean for Studies a responsible function within your University. And you have written your PhD thesis within three years!

I can see that the audience agrees with me saying that you have done a wonderful job. Your book is a high standard book about an international problem, not only to be solved at a national level, but indeed at an international level. International mutual cooperation is therefore necessary. From now on the cooperation between Chinese and EU-policemen, prosecutors and judiciary could be improved, because of the fact that they can learn from your book about the situation in the EU as well as in China.

You not only want to fight against money laundering, but also want to

maintain the order of the society and to create a peaceful and stable living environment. So, not only law enforcement is important, but also the protection of human rights. Governments have the duty to take into account both sides. Although it is, in this world threatened by organized crime and terrorism, quite modern to only think of fighting criminals, it should be said that this world would not be getting safer, better and more justified by policing civilians too much. There has to be left room for living without being confronted with too much controls and law-enforcement agencies. That is the concept of freedom we want to keep in our society.

Dr. He Ping, you have written your thesis under my supervision, but Mrs. Tseng and Mr. Lammerts van Bueren have helped you in an extraordinary way. Prof. Lammerts Van Bueren has selected you together with Dr. Van der Pijl in Shanghai, expecting that you could write a well-written thesis within a reasonable time. These three people symbolize the strong wish of the Erasmus University to cooperate with your home university. During the last years there has been an extraordinary cooperation between CHERC, the China-Holland Education and Research Center on the side of the Erasmus University and your University on the other side. We have made it possible by financing and giving supervision; you from your side have done the work. The first successful PhD student from your university we have had in our Dutch Law School, Prof. Liu Xianquan is the dean of your faculty. The second student we had was your colleague Tang Bo, who also successfully did her PhD defense today. Of course we congratulate her with her result. And you are the third teacher having succeeded in getting the Rotterdam PhD-title.

I already mentioned CHERC. I want the underline here the extraordinary task they fulfill within our university. They spend the money given by the general board of our university and the High School Funds on a very sophisticated way, namely by spending it in very successful projects like this one. They give a very important emotional and mental support to the Chinese participators on this PhD program. I thank them in the person



of Prof. Lammerts Van Bueren and Mrs. Tseng very much, and I also want to thank Dr. Van de Pijl for his mentioned financial and personal support.

One of the disadvantages of this successful day is that we have to say goodbye to you. You have been here for several times and have worked here, leaving your husband and son, in a sandwich like program: a few months here in Rotterdam, followed by a longer stay in your home city Shanghai. During your time here in Rotterdam I have tried to give you some assistance, but was not very available. Therefore I thank Dr. Vincent Mul and other members of my department very much that they were able and willing to help me by giving advice to you during the past years. And, by the way, of course, I am very proud to see three of my former PhD students (not only Dr. Mul, mentioned before), but also Prof. Schaap and Prof. Rogier as members of this committee. So you can expect having a same great future.

Saying good-bye will not be a definitive separation of our ways. My law School has decided to intensify the cooperation between our two institutions. We will receive delegations of your university and I look forward to visiting your University again and again to give some lectures. I already have visited Shanghai several times, and I have also made some interesting excursions in the neighborhood. I like your city very much.

My dear Mrs. He, I am going to finish. You have done a wonderful job; you have been very special in quick understanding the European and Dutch legislation. You have adjusted yourself to the Dutch way of living in a short time; you even like cheese. You are an example for a real world citizen. My congratulations for all these results!

Prof. Dr. Hans De Doelder  
September 2, 2004

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# Chapter 1    General Remarks on Money Laundering

## 1.1    Introduction

This chapter will provide general information about a global money laundering problem. It first describes the emergence and status quo of money laundering. Then it discusses the definition of money laundering and the characteristics of this problem as well. Finally it attempts to provide an overall assessment of the significance of preventing and fighting against money laundering.

## 1.2    The Emergence and Status Quo of Money Laundering

The term of ‘money laundering’ comes forth along with the ever-growing gravity of organized crime in the modern world. Money laundering aims at disguising or concealing illicit funds to make them appear legitimate. It should be acknowledged that this phenomenon is as old as civilization. However, in the past, complex schemes to hide the criminal origin of capital or assets were rare because organized crimes in ancient times were not very serious and the amount of proceeds generated from crime was not so great as today. Besides, the system of finance and taxation was not so rigid and transparent as it is at present.

In the modern world, organized criminal activities, such as drugs,