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## ORGANISED CRIME AND PROSTITUTION: 'DUBAI-ING' AS A NEW CONCEPT OF HUNGARIAN PROSTITUTION

### Introduction

**N**ot just Hungary, but also the European Union, and the third world have to face one of the world's biggest threats-challenges: human sex trafficking, which is launching an attack in the classic Schengen area from several directions. More and more people are becoming victims by getting involved in sexual exploitation/prostitution crimes, which are bringing billions of euros in profits for organised crime networks. Sexual exploitation – especially prostitution – is one of the most profitable businesses in organised crime networks. Sexual prostitution crimes have become part of our daily lives, the statistics show that more and more people are affected day by day. Thousands of women and children in Hungary regularly become victims of sexual exploitation and prostitution, both within the country and abroad.

Numerous studies have proven that behaviour of pimps is violent, and based on exploitation and injustice<sup>2,3</sup>. Recently, however, a book which was prepared following a dissertation, besides to those behaviours, discovered a completely different one: mediation, as a new pimp behaviour, and as a new scientific result<sup>4</sup>. In essence, organised crime groups see a relationship and potential in that – self-application, without the use of violence or threats – to mediate the girls to international fields, then share

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<sup>2</sup> Déri P, A prostitúció néhány kérdéséhez. *Rendőrségi Szemle*, 1957, 55 (1-3), pp. 72–75.

<sup>3</sup> Dohy J, Az üzletszerű kéjelgés bizonyításának tapasztalatai: hozzászólás a Prostitúcióhoz kapcsolódó bűnözői csoport felszámolásának egyes tapasztalatai című cikkhez. *Belügyi Szemle*, 1976, 14 (12), pp. 73-74.

<sup>4</sup> Kovács I, Egy empirikus kutatás részletei: a prostitúció jelensége, és társadalmi kontrollja napjainkban. Budapest, manuscript, 2018, pp. 1-160.

the proceeds fairly amongst each other. This almost completely overwrites the results so far, because it shows the business policy of organised crime – especially the pimp groups – to the changing and globalised world. If non-violence is proven in this way, then sexual human trafficking (prostitution) would become service in which the pimp and the prostitute would be business partners, and the service could be based on fair wages agreed in advance. There is no danger that otherwise unlawful conduct will come under the authorities' control, because prostitutes will not report it to the authorities in the absence of violence. If there is not police intelligence and investigation work on this, illegal activities will flourish.

### **Research methods**

In the first chapters, I conducted basic historical research, in which I conducted primary and secondary source analyses. The data collection activities consisted of archival research on organised crime and prostitution, and processing of written regulations, measures, orders, reports, police records, and published studies. As there was little Hungarian literature available on the topic, I supplemented my data with monographs in English and German. This chapter describes the situation of organised crime in Hungary before and after the change of the regime. Subsequently, I conducted applied research, which included the analysis of court judgements. The dialectical use of analysis and synthesis helped me to break down the topic into pieces (I was able to separate their essential properties, structural elements, and some relationships), thanks to which I was able to map each part – based on its structure and functionality – to its relation to the whole. This was complemented by a comparative methodology based on previous research results, which presumed numerous judgements on the subject matter of the investigation. They were closely related, and the knowledge was separated within the resulting system by the aspects of identity, similarity, difference and incomparability. So the analysed results could test the hypothesis: 'I assume that the organised crime groups of the traffickers have partially changed their conduct, which has evolved into a service-based financing system with the main aspect of mediation.'

All phenomena, including organised crime and prostitution, can be interpreted as a puzzle, in which the pieces are separated from each other, and we can only see the whole picture if we put them together. The functional aim is to create new scientific results, which would provide another piece of this jigsaw puzzle. The strategic aim of the paper was to create a database/collect data to show a realistic picture of organised crime in the 21st century.

### **Organised crime in Hungary**

Many people in Hungary identify the first serious threat of organised crime with the so-called 'Presztizs case', however there are some records

dating back to the 1970s that could be linked to a primitive form of organised crime<sup>5</sup>. So far in Hungary, we have distinguished three terminological stages in the development of organised crime: the 'like' networks of the 1970s; the activities of groups specialising in crime against property in the 1980s, and the period of the showdown for the division of the domestic underworld, the 1990s<sup>6</sup>. Today, due to the effects of globalisation, the three time periods have also been complemented with a new one: the activities of the twentieth century transnational criminal networks, which, in addition to violent crime, has been complemented by unlawful acts including cybercrime<sup>7</sup>.

Thanks to Hungary's geostrategic position, it has become an important crossroads in the life of organised crime<sup>8</sup>. In the 1970s, the capital and Szeged offered excellent transport and communication links to the east and west, which were exploited by criminal groups operating in Hungary. (Szeged was called the City of Mafia, Budapest – because of its prostitutes – was called the Bangkok of Europe). Most of the organised criminal groups in Eastern Europe (Russian, Ukrainian, Serbian and Bulgarian) were active in these cities<sup>9</sup>. The structure, organisation and methods of the groups were very similar to those of the Italian groups, though they were less effective and larger than their Italian counterparts. The term 'similar' criminal networks was also inspired by this statement. In the mid-1980s, criminal groups that were not necessarily based on family relationships began to appear. Between 1984 and 1985, criminals specialising in real estate crime and stolen property invested most of their proceeds from crime in legal businesses. Legally operated restaurants, night bars, and businesses have the potential to launder their money through privatisation opportunities. Night bars boomed into prostitution and illegal gambling, while restaurants were part of the leisure industry. This was worrying because, by the end of 1996, neither the prosecution, the judiciary, nor the investigative authorities had data on criminal convictions or completed prosecutions for money laundering<sup>10</sup>. After the change of regime in Hungary, the uncertain legal framework and the numerous legal gaps created the opportunity for criminal groups to get rich quickly and with little effort. The circumstances had a profound effect on the third phase of organised crime after the change of regime in the years

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<sup>5</sup> Kovács I, 'Olajozás', szervezett bűnözés és prostitúció a 90-es években Magyarországon. *Nemzetbiztonsági Szemle*, 2015, 3 (1), pp. 114-146.

<sup>6</sup> Tonhauser L, 'Szervezett bűnözés'? *Belügyi Szemle*, 1983, 21 (9), pp. 48-52.

<sup>7</sup> Kovács I, Is prostitution a threat/danger to a country's (national) security? *Nemzetbiztonsági Szemle*, 2017, 5 (special issue), pp. 12-25.

<sup>8</sup> Kovács I, Magyarország határain átnyúló szervezett bűnözés és prostitúciós bűncselekmények a schengeni térségben, különös tekintettel a SOCTA és EUROSTAT értékelésére. *Határrendészeti Tanulmányok*, 2017, 14 (4), pp. 82-167.

<sup>9</sup> Horváth A, A szervezett bűnözés néhány gyakorlati tapasztalata. *Rendészeti Szemle*, 1994, 32 (10), pp. 3-7.

<sup>10</sup> Wright A, 'Organized Crime' in Hungary: The Transition from State to Civil Society. *Transnational Organized Crime*, 1997, 3 (1), pp. 68-86.

1989-1990, and their wealth, which sometimes reached billions, attracted not only Hungarian but also other criminal groups. The division of the Hungarian underworld began, the period of the showdown. (The scope of the study does not provide an opportunity to process 'the Prisztázs murder' or 'the Boros blast', etc., but details of it can be found in the former study of Kovács)<sup>11</sup>.

Regardless of the terminology of organised crime groups in Hungary, no ethnic group enjoyed a dominant position. Certain groups may have acquired specific knowledge and control over certain areas, but many transnational operations required a cooperation between the organised crime groups. The cooperation was also true for regionally closed, insulated and largely independent groups such as the Albanian, Chinese, Turkish and Russian ones. Although we need to pay attention to the use of cooperative vocabulary, we should not overestimate it as these are merely strategic alliances for the benefit of the gangs. Maintaining strategic interests was limited to trafficking in weapons, drugs, and sex workers. The disintegration of the Warsaw Pact and Yugoslavia, and the conflicts in the Balkans had a major impact on the trade in arms and explosives. Most criminals resolved the violent armament from the instability of the Balkan conflicts (Yugoslav war), which served as a permanent source of weapons and explosives. Arms, ammunitions, explosives (and even from the former Soviet Union) nuclear and radioactive materials were smuggled through the territories and routes of disintegrated states. For example, in 1998, the Polish police worked on a group which was proven to be involved in the trading and smuggling of light weapons and ammunition in the Gdansk port in Poland, which netted them more than 6 million dollars in profit<sup>12,13</sup>. Between 1998 and 2000, these shipments were proven to reach Hungary, from which the Slovak criminal groups also benefited. The Hungarian and Slovak Governments at the time were aware of the concerted action of the Hungarian, Slovakian and Albanian criminal groups, but many of the showdowns were solved only today, in the early twenty-first century. This is important because crime groups from Arab countries (Africa, Asia, the Balkans, Turkey), Western Europe (including Italy), and Eastern Europe (Russia) were the most active at this time in Hungary, Poland and the Czech Republic. And in 1998, the Russian Minister of the Interior announced and warned the relevant governments that Budapest, Krakow, and Prague, along with several other European cities, are the capital of organised crime<sup>14</sup>. The fight against them and the accountability of the criminals should have happened in due course.

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<sup>11</sup> Kovács I, 'Olajozás', szervezett bűnözés és prostitúció a 90-es években Magyarországon. *Nemzetbiztonsági Szemle*, 2015, 3 (1), pp. 114-146.

<sup>12</sup> Draghsdahl J, Polish Arms Smugglers Violated UN Embargoes. *Basic Reports*, 1998, 65 (14), pp. 48-59.

<sup>13</sup> Galeotti M, *Global Crime Today*. New York: Routledge, 2005.

<sup>14</sup> Hignett L, *Organised Crime in East Central Europe: The Czech Republic, Hungary and Poland*. *Global Crime*, 2004, 6 (1), pp. 70-83.

Drug trafficking is one of the most prized markets for organised crime. Afghan heroin, and Moroccan, and Cuban cocaine supply Western Europe and certain regions of the United States. This market is mostly controlled by Albanian, Colombian, Nigerian, North African and Turkish groups, and the subcontracting activities are carried out by Slovak, Polish and Hungarian criminal networks, which mainly act as couriers. Under the control of Turkish and Albanian groups, drugs are stored with domestic criminals and shipped to Western Europe in smaller quantities. (Cocaine, for example, is exported by ship to Polish ports and then transported by land to the Czech Republic and to Hungary.) The Balkan route is the main transport zone for drug trafficking. It is estimated that 80 percent of the drugs produced reach consumer and trade zones along this route, but recently the so-called 'silk route' from Central Asia to the former Soviet Union, from the Hungarian to the Czech and Polish borders, has been revived. Drug trafficking does not know geographical or ethical boundaries<sup>15</sup>.

The trafficking of children and women for sexual purposes began to intensify in the early 1990s. The night bars needed new girls. The networks most specialised in this profile are the Russian, Albanian, Turkish and Ukrainian groups. However, we have information about a German and Bulgarian criminal group who transported hundreds of girls from Bulgaria to Poland in 2000 with fake passports, and from there to German brothels. Violence and deception were among the methods used by the traffickers. They took the IDs from vulnerable victims and forced them to provide sexual services in brothels. There was also a girl who was first shipped from Hungary to the Czech Republic and then to Austria and eventually to Germany. She was forced to dance in a brothel disguised as a nightclub and meet the sexual needs of her guests. These bars flourished not only abroad, for example, Hungary became the third largest money launderer in Europe by 1992.

Despite the fact that gangs have retained their ability to commit violence, the 1990s showdown has not yet been repeated in the twenty-first century. But fourth-generation criminals threaten the world with another threat, with cybercrime. Russian, Chinese and American groups are the main stakeholders. Briefly, the most profitable crimes are mainly associated with the following ethnic groups: Tsentral Naya, Khoze, The (Three) Chechen, Lazanskaya, Mitischenskaya, Trifonskaya, Yekaterinburg, Kazanskaya, and Tambovskaya<sup>16</sup>.

Organised crime is an uncontrollable, threatening fact in the life of the community<sup>17</sup>. The nature, dynamism and diversity of the crimes com-

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<sup>15</sup> Kovács I, A szervezett bűnözés két alappillére: az emberkereskedelelemhez kapcsolódó prostitúciós bűncselekmények valamint a kábítószer-kereskedelem összefonódása. *Nemzetbiztonsági Szemle*, 2014, 2 (4), pp. 79-101.

<sup>16</sup> Williams P, *Russian Organized Crime: the new threat?* Great Britain: Redwood Books, 1997.

<sup>17</sup> Chamberlin H, Some observations concerning organized crime. *Journal of Criminal law and Criminology*, 1932, 22 (5), pp. 652-670.

mitted are unlimited, with drugs, arms and human trafficking (including trafficking in women and children for sexual purposes) and money laundering being the most widespread. No part of the world is immune to these threats. This demand is particularly true for the trafficking of weapons, drugs and sex workers. These crimes are often linked to 'supporting activities' such as violence and corruption, the systematic use of which facilitates criminal activity. The greater physical, psychological and social damage they cause, the more dangerous their activities to society are. Public order and security are deteriorating, which weakens the subjective sense of security of citizens.

### **Organised crime connected with the new concept of prostitution in Hungary, named 'Dubai-ing'**

Since the turn of the millennium, Dubai has not only grown into a futuristic, modern tourist paradise, but has also become a major economic power that centralises some of the global capital. This has also been noticed by organised crime, which has been trying to get hold of billions of dollars by various crimes, often without turning to violent means. These non-violent yet illegal sources are then used to finance new crimes in the grey and black market of Europe, threatening global security and jeopardising global peace.

We are talking about crimes like drug trafficking, prostitution, corruption, money laundering, etc. The present study does not deal with corruption, money laundering or drug trafficking, but recent research has shown that they are interrelated and complementary. With this in mind, an effort is made to introduce the concept known as 'dubai-ing'<sup>18</sup>, to describe accompanying phenomena, and to explore what means are used by the mediators between prostitution and organised crime to gain illegal profit.

In Hungarian, the slang term 'Dubai-ing' has started to gain ground since, as a by-product of global thinking, and travelling without borders, an increasing number of Hungarians started going to Dubai, partly for holidays, partly as, e.g. singers and dancers, to seize the opportunity of a booming tourist industry. This was also followed by an unknown number of 'others' working in the dark side of tourism: criminals, prostitutes, etc. Of course, the international scene of prostitution has always been accessible to participants, only it was not named after the country (Switzerland, Italy), but was called 'dancing'. (See the book on prostitution by Kovács, who takes the reader to the international scenes of prostitution.)<sup>19</sup> Or the

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<sup>18</sup> It's a new Hungarian term, which is used to describe international prostitution moved from Hungary to Dubai.

<sup>19</sup> Kovács I, Egy empirikus kutatás részletei: a prostitúció jelensége, és társadalmi kontrollja napjainkban. Budapest, manuscript, 2018, pp. 1-160.

case of Krisztián Zsolt V., who was prosecuted for the crime of multiple counts of procuring (Central District Court of Pest, case number III/17.B.32343/2013).

Nowadays the name of this city has been interwoven in Hungary with the practice of luxury prostitution. This is not due to the Arab Spring, or to the classic 'One Thousand and One Nights' tale, but rather to the inexhaustible potential for enjoyment and earning money in the fabulous Middle East. Unfortunately, however, the media mislead ordinary people with news that is far away from reality, and instead of focussing on the phenomenon, they concentrate on celebrities and public figures. See for example the criminal case against Lajos R. (Central District Court of Pest, case number III/10.B. 32089/2014.), who, after a lengthy police investigation, was accused before the Pest Central District Court of the crime of multiple counts of procuring. In this case, several models, Hungarian celebrities, and media personalities were affected. This, in turn, was only a side-step to the real process known as the 'Dubai lawsuit', which laid the groundwork for a conceptual definition in 2009. According to the investigation and indictment, Zoltán K. and his two accessories sent girls as prostitutes to African, Asian, and Far Eastern countries to provide sexual services to clients. (Budapest-Capital Regional Court, case number III/ 3.B.32435/2013). During the prosecution several celebrities, models, beauty queens, media personalities, members of reality shows, even presenters and anchors who gained a deeper understanding of this kind of world were interrogated. That was the point at which information from the media, the facts of the prosecution, and the stereotypes of the public blended international prostitution with hostessing, escorting, and modelling, thus creating the notion of 'Dubai-ing'. (Of course, we cannot claim that there is no connection between these concepts and prostitution, but they do not form a coherent unit. A very good example is the matrix of similarity and difference between pornography and prostitution.) Most of the procedures are still ongoing and, according to the current Hungarian criminal law in force, perpetrators can only be found guilty by the final judgement, which is not available at the time of the study, and therefore cannot be analysed. However, there are final court judgements and rulings that completely model this segment of the world, and by using scientific methods of analysis and synthesis, we can reach a conclusion, thus guaranteeing new scientific results. Scientific research always seeks to understand reality and truth; therefore, the purpose of this study is not to argue in favour of acquiring and/or convicting those who are prosecuted.

Therefore, a prosecution/case was chosen which relies on a final court ruling, and is focussed on international prostitution, solicitation, procuring, and corruption. It was also important that there were no 'celebrities' involved, but the elements of the cases were well known to the members of organised crime. Therefore, the Budapest-Capital Regional Court 7.B.7/2007/263. and the Budapest-Capital Regional Court of Appeal 3.Bf.12/2011/29. cases were chosen.

## Research analysis: the organising of prostitution, mediating of the illegal income

It is important to bear in mind that prostitution is a complex, latent phenomenon. Different layers, different locations, methods, social mapping. Individual cases, unique stories. When we look at the phenomenon of 'dubai-ing', we cannot ignore the fact that the romantic stereotypes of prostitution (for more details, see Kovács' latest work)<sup>20</sup> are outdated. In this case, there are no pimps who use psychological and physical violence to exploit and intimidate the prostitutes, who become victims. As Kovacs writes, as early as in 2016, different levels of prostitution could be associated with different behaviours<sup>21</sup>. While on the one hand, in the case of street prostitutes, pimps clearly use intimidation and violence, threats and coercion, on the other hand, the transforming institution of 'rooming' (or 'getting a room') and the international arena operate on a different level, pimps are the mediators, the business is profit-oriented, and the payment is proportional. No violence is used, mediators and girls alike have realised that symbiosis can only work if the reward is proportionate and not based on one-sided exploitation. Collaboration is established between the mediator and the prostitute, and the remuneration is distributed proportionally, more to the prostitute's account than to the mediator's pocket. (Generally speaking, we cannot say that there is a 30-70, or 40-60, or 50-50 ratio of revenue, but we can generally determine 1/3-2/3 ratios.) This mutual, work-based collaboration brings in millions of dollars to the organised crime groups, and the girls, who, on a voluntary basis, benefit in the same way – their earning depends on their choice and willingness.

In the following section, this modernised system and its operating mechanism will be shown. (To limit the scope of the study, the evidence process is not fully described, and the focus is on the mechanism of action, structure, and familiarity with organised crime and runner behaviour.)

In this case, the Budapest Investigative Prosecutor's Office submitted to the Budapest-Capital Regional Court on 3 January 2007, the 9/2005 indictment No. 16, in which it charged 16 defendants with solicitation, procuring, corruption, and bribery. According to the indictment, the lead defendant is accused of transferring dancers abroad<sup>22</sup>, and organising their employment abroad for long periods of time. His reason was that, on the one hand, there is great demand for prostitution, and on the other hand, there are many women who, for various reasons, are willing to provide sexual services for a fair financial reward. (Nowadays these are called 'push & pull' factors in prostitution.) After the accused realised that this

<sup>20</sup> Kovács I, The Big Hungarian Prostitution Survey, [in] Marton, Zs (Ed.), III. Turizmus és Biztonság Nemzetközi Konferencia. Pannon Egyetem, Nagykanizsai Kampusz, Tanulmánykötet. 2019, pp. 293-303.

<sup>21</sup> Kovács I, Die Ermittlung der Förderung der geschäftsmäßigen Prostitution. *Hadtudományi Szemle*, 2015, 12 (3), pp. 177-185.

<sup>22</sup> Dancers who are connected to prostitution and peep shows.



activity was worth billions in profits, he started to transfer dancers abroad and organised their employment abroad. To establish a smoothly running, well organised, profitable, long-term, safe venture, the accused founded a criminal organisation, including, but not limited to, his family, relatives, close friends, and their acquaintances. (This phenomenon assumes a high degree of organisation, leadership and management functions, division of labour, responsibility, decision-making mechanisms, and tailor-made work tasks, which are clearly visible not only in the domestic, but also in the international arena.) Here, it is important to note how important the positive impact of trust is when an organisation is being built up. The social environment – family, close relatives, friends – also served as an important scene for the formation of a criminal organisation, it is almost like an educational institution. This is a typical representation of the Italian mafia, or of Italian criminal organisations that later emigrated from Italy, most notably from Sicily, to the United States, where bloodline was a prerequisite for positions in the hierarchy. (This criminal organisation was in operation for at least 5 years until the accused was captured.)

Initially, the criminal organisation was run by the 1st degree accused, who was at the top of the hierarchy, but to run a diverse criminal group, that works across borders and has centres in different cities of different countries, and is in regular commercial connection and cooperation with other foreign criminal organisations, meant that the accused needed help and partners to accomplish organisational and other executive sub-tasks. (There are countless examples in the literature on rivalry between criminal organisations – see ‘turf wars and violent advocacy’ – but no cooperation between organisations). The above is of enormous importance because it contradicts power struggles; for example, it demonstrates the dynamic volatility of organised crime, which is necessarily adapted to its environment, opening a new chapter in the history of organised crime research that has not yet been known to us. It can be assumed that modern law enforcement, and globalisation made international organised criminal circles cooperate and work side-by-side instead of acting against each other. Thus, their future can be secured by working together, in cooperation, complementing each other in a large organisation made up by smaller cells. Change-management as a new organisational tool has its effect on organised crime as well.

The other defendants actively took part in sharing the tasks, they were directly under the lead defendant in the hierarchy. They were men of trust. Their task was to recruit prostitutes who volunteered for sexual work, to keep records of women and income, and to operate flats abroad as brothels. There, in the flats, they had to provide the necessary and appropriate conditions and equipment for prostitution, had to produce a portfolio of photographs of the women applying for prostitution and to advertise them on the Internet, and to organise the details of travelling abroad and returning home, arranging specific dates for women travelling abroad, reconciliation, dealing with housing problems and, in some cases, collecting money from prostitutes or other agents. The organisational work

included giving detailed information (where to go, how much to ask for, etc.) to the girls, but it was also common to do a 'job aptitude test' for the girls, based on testing the girls. (Kovács, in his dissertation, also proved this, with several interviewees saying that they were always 'tasted' by the pimps<sup>23</sup>. The same is reported in studies performed abroad.) Here, it is worth mentioning that the II accused was originally a driver (just like the 7th, 8th, 10th and 14th degree accused) whose task was to drive the girls from home abroad and then back. In 2004, the 1st accused had the information that the police had opened a criminal investigation against his criminal organisation and at the same time against a foreign partner criminal organisation, therefore he resigned and pulled the strings from behind the scene. (This is another example of cooperation between international criminal organisations, and of acquiring information illegally. The notion of corruption and the integrated concept of personnel and organisation fits to this section.) At that point, the 2nd degree defendant stepped up, who, from a footsoldier, became a leader. (Of course, this was only informal power, since the decision-making was still in the hands of the 1st degree defendant, the evidence of which is the fact that the 2nd degree defendant had to report everything to the 1st degree defendant. It is similar in style to manual drive, but this study does not deal with the management system of organised crime).

The 3rd and 4th degree defendants performed administrative duties, posting photos of the girls on various sex sites, and it was their responsibility to make portfolios of the girls, although many of the girls already had some kind of portfolio. (For example, the 5th degree defendant had a modelling agency through which he could post advertisements on the Internet and recruit girls for prostitution.) He received 5-10% of the income of the prostitutes that he recruited as a commission from the criminal organisation. A team of photographers was employed to carry out background activities. (This also proves that there is a very precise division of labour, everyone has their own tasks, and follows the given instructions. External experts are employed as needed.) The 4th degree accused did the interpreting job, because he spoke foreign languages, which was part of the recruitment. He was also tasked with accounting. This section also links money laundering and prostitution. (See Kovács's study for details.)<sup>24</sup>

The girls worked in rented apartments abroad, usually one or two prostitutes per apartment, depending on the size, and location of the apartments. As a rule, the income was distributed: 50% went to the prostitute, the other 50 % was the commission to the organisers. Sometimes, this portion was 40:60. The commission was compulsory, however the

<sup>23</sup> Kovács I, *A prostitúció jelensége és társadalmi kontrolljának vizsgálata empirikus módszerekkel*. Budapest, Nemzeti Közszolgálati Egyetem, 2016, pp. 1-278.

<sup>24</sup> Kovács I, *Azok a 90'-es évek prostitúció és szervezett bűnözés, különös tekintettel a 'Cinóber' sérelmére elkövetett emberölésre*. Budapest, manuscript, 2019, pp. 1-18.

recruited girls were informed of the split, as if as a verbal contract, and they voluntarily accepted the terms. There were several methods of collecting the commission, depending on the relationship of trust between the recruiter and the prostitute. This clearly shows that recruitment and the behaviour of the recruiter is based on the division of work and on the 'fair wage' system. Fairer at least than that of the pimp who exploits the prostitutes, and takes all of her earnings.) The fee paid by the customer was collected by service members, who also dealt with the telephone calls, and at the end of the day, 50 percent of the income was redistributed to the girls. (Control is an integral part of the criminal organisation's work-sharing principle, however profit-orientation and profit-sharing can only be ensured through follow-up. This is not different from the control methods used in the private sector, or the administration, for example, where the employee's daily activities are monitored by camera, and the income is collected at the end of the day. However, in some cases, prostitutes – primarily and almost exclusively those who have developed a close relationship of trust with the organisers over the long term – collected the income, and they themselves put aside the adequate amount that should be given to the organisers. (This can be traced back to the intimate relationship between the prostitute and the organiser, which was in the focus of another study. This is how Stockholm Syndrome works)<sup>25</sup>. The system worked well, at the end of the workday, either the 'receptionist' or the girls themselves informed one of the four organisers (I-IV degree accused) usually by SMS. The girls usually worked in ten days shifts, and depending on the number of clients, the prostitute gave the organisers HUF 500,000 to 1,000,000 (in Euro) after the ten-day shift.

It is difficult to obtain real numbers about prostitution without the help of records, and this lack of data further enhances latency. However, what is registered and/or proven also generated an incredible amount of illegal profit. We should not forget the fact that the girls had a clean, net profit because the organisers took care of the living expenses of the apartments, settled the rents, and utility bills, paid the cost of advertising the prostitutes on the Internet, securing the apartments, and even buying large quantities of condoms. This is deducted from the brokerage fee, so the net profit on the brokerage side is reduced.

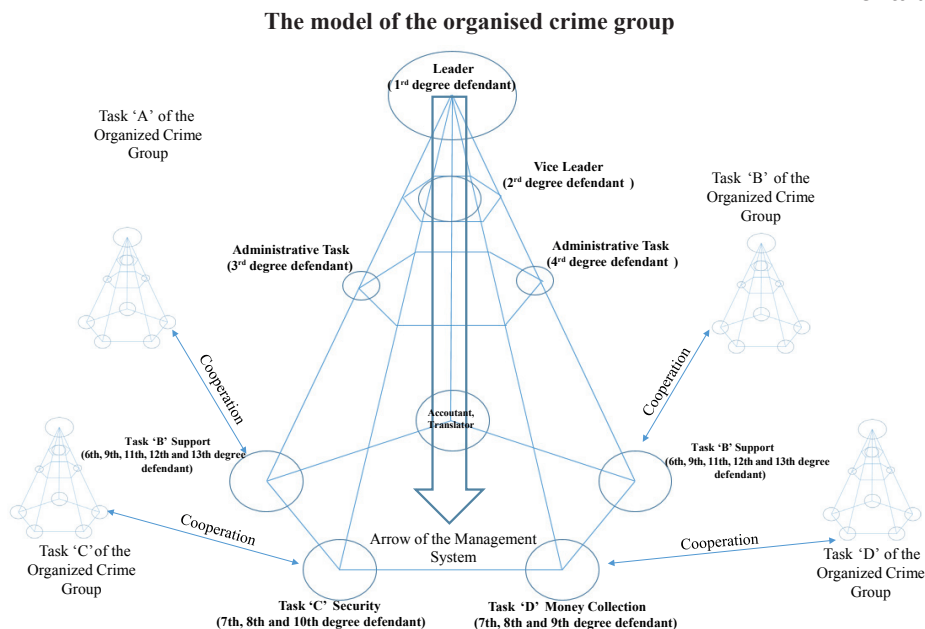
In the flats used as brothels, there are the so-called telephone operators to coordinate the meetings between the prostitute and the client, who they also checked before letting him in, which is another way that they controlled the prostitutes and registered their income. Their activity concerned making the business. (This however may contradict the notion of the voluntary agreement and free choice of work, unless there was a previous agreement between the prostitute and the client. The girls

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<sup>25</sup> Kovács I, Die kriminalpsychologischen Charakterzüge eines Zuhälters aufgrund der antisozialen, psychopathischen und soziopathischen Persönlichkeit. *Hadtudományi Szemle*, 2015, 12 (2), pp. 151-160.

theoretically had the right of free choice, since the first step of recruitment is when the working conditions and tasks are outlined.) As was mentioned earlier, the operators managed the revenue, redistributed the money, and reported the daily income to the leader of the organisation via SMS. (The 6th, 9th, 11th, 12th and 13th degree defendants also served in the telephone support staff.) The organisation also had security personnel (the 7th, 8th and 10th degree defendants). Their task was primarily to monitor and manage the revenue. To provide physical security was only a secondary activity. The security staff were on standby and intervened promptly if the 1st degree defendant ordered them to do so. This could happen if there was a problem with accounting, for example. Typically, it was meant not against the prostitutes, but against the clients. The above is illustrated in the figure below.

Chart 1



Source: compiled by the author

In a hierarchical structure, everyone had their own tasks. The illustrated figure shows how the person who ran the organised crime team managed the workflow, and who was responsible for the different tasks. The division of labour was shared between organisational members, and members shared the income equally, as seen in the analysis.

With regard to court judgements, given that legal proof and judicial decision are not dealt with in this paper, it is only stated that certain parts of the first instance judgement were upheld and some parts of the second instance reversed. Read more in the judgements.

## Summary

Organised crime is an uncontrollable, threatening fact in the life of the community. The nature, dynamism and variety of the crimes committed are unlimited, with drugs, arms and human trafficking (including sex trafficking of women and children) and money laundering being the most widespread. No part of the world is immune to these dangers, because everywhere, there will always be people who, in a web of money and power, will satisfy the demands for illegal, illicit goods and services. This demand is particularly true for trafficking in weapons, drugs and sex workers. These crimes are often linked to 'supporting activities' such as violence and corruption, the systematic use of which facilitates criminal activity.

The analysis of the second part of the paper made it clear that 'Dubai-ing' is a billion-dollar business involving organised crime both in national and international settings. The transformative nature of organised crime is embodied in the fact that the groups work together, and self-interest has been replaced by co-operation, and the pursuit of maximum profit. A system based on a strict hierarchy, levels of executive and decision-making alternate with each other, and each level has its own responsibilities. The violent tools of prostitution are replaced by a system of division of labour and assuming proportional pay. There is no coercion or threat, instead there is prior agreement, 'contracting' and disclosure. Hungary is in the 21st century with regard to prostitution. By the 21st century, it has become a transit country, providing various Asian, African, European markets with prostitutes, where the consumers pay millions of dollars, thus enriching the illegal profit-making of organised crime, and supporting the illegitimate goals that organised crime has set itself.

In Hungary, sexual offences (fencing, promotion of prostitution, perseverance, etc.) and the phenomenon of prostitution in the last centuries and decades have significantly changed the nature and functions of regulation. Organised crime based on sexual exploitation, and closely related to prostitution, has created a problem for which not only the EU, but, as the figures prove, Hungary must act ruthlessly and take the necessary measures. According to the results of the investigation, our country and the European Union will be threatened in the near future if we do not act against the following threats:

- The number of victims of sexual exploitation and prostitution crimes is continuing to rise.
- The fewer victims we know (registration, detection), the more likely it is that the reintegration into society, the whole process of resocialisation, and the continuity of victim protection measures will be impossible.
- Organised criminal networks, criminal gangs, who profit from crimes related to sexual exploitation and prostitution, continue to gaining billions more in black revenue.
- Billions in black revenue could lead to further crimes, increased arms and drug trafficking, terrorism, the deterioration of states' economies

and the global economy as a whole.

Human life is the most important value that all humans on Earth must protect. Everyone has basic human and constitutional rights, and the state guarantees to enforce them, and to punish those who violate them. It is in the interest and duty of every country to detect such acts, to empower the injured, and to restore the injured (law) area through a comprehensive, effective and complex set of measures.

As criminal groups work together, it is worth considering whether there is an adequate response of the law enforcement agencies of individual states. Organised crime has changed, and law enforcement has to change too. My proposal is to set up a national, regional, and nationwide, top-level bodies to ensure the detection of sexual exploitation prostitution crimes, sanctioning perpetrators and reintegrating victims into society through rehabilitation measures. The national body would include the investigation of trafficking in human beings for sexual exploitation and prostitution crimes, both in the open and in the operational field, and in a complex way, in addition to victim protection, the implementation of rehabilitation measures.

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**Keywords:** organised crime, prostitution, new concept of prostitution, the Hungarian 'dubai-ing' phenomenon, criminal groups

**Summary:** The study deals with a brief history of organised crime in Hungary in the past and today. One of the biggest sources of revenue for organised crime is prostitution. Hundreds of victims are reported daily. In addition to this, a new strategic approach has emerged, linked to the upward management of organised crime. Prostitutes volunteer for work, the organised groups do not use violence, and illicit earnings are distributed among themselves on the basis of work done. The girls are transferred to rich countries where rich people can enjoy their services through a built-in agency system. Many girls are referred to Dubai, where the new form of Hungarian prostitution is thriving: the 'dubai-ing' phenomenon. The study presents, through a case study, the phenomenon of 'dubai-ing', and the activities of organised criminal groups. The method used is critical source analysis, basic historical research, as well as case and judgement/verdict analysis. This is not a classic analysis, but a criminal analysis of specific cases. The strategic aim is to collect data which can show the new profile of organised crime in the 21st century.