



Sultan Qaboos University
College of Science
Department of Computer Science
Ethical and social Issues for computing professions (COMP4100)

Online Money laundering

PROJECT PROPOSAL

Submitted to: Prof Zuhoor Al-Khanjari

Group title: Anonymous

Coordinator: Abrar Ibrahim Al-Hsani s125821

Member1: Raya Khalid Al-Suleimani s127023

Member2: Kulsoom Kanwal Shoukat Ali s128453

Member3: Al-Zahraa Hamed Al- Sulaimani s127124

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Abstract:

This project investigates the ethical issues that are related to Online money laundering as the act of the criminals is unexpected and anonymous. It starts with exploring how the money laundering was done previously in brief and then how it expanded and increased due to the technology development in some details and the methods in which it is done. Moreover, we will discuss the effects that this ethical issue is having in many fields. Furthermore, we will search what the countries are doing to prevent this act of crime and how they reduce its negative effect in different sectors.

Introduction:

The computer ethics play a key role in all internet applications in preventing frauds. Thus, in our project we decided to choose one of the commonly faced problems while considering computer ethics, which is Online money laundering. Since we believe that money laundering can have benefits in some economies, on the other hand it makes macroeconomic management more difficult, encourages corruption, and creates vested interests in the continued activities of criminals [3].

Description of the topic:

Criminals use a wide variety of money laundering techniques to make illegally obtained funds appear clean [1]. Traditionally money laundering is done through currency exchange houses, casinos, trading companies, automobile dealerships, etc. [5]. However, dealing in large amounts of illegal cash anonymously is difficult, the criminals need a way for cleaning this money with no face-to-face and easier transaction. Here where the huge technology development and rise in online banking makes their work efficient. Especially these days the cryptocurrencies such as Bitcoin, that the criminals are using in online auctions and sales, gambling websites, drug trade, video games where all gotten money is converted into gaming currency, then back into real, and "clean" money. The anonymity of these cryptocurrency compared to other currencies and using proxy servers makes it impossible to detect them [6]. This issue grows larger as the online platforms and the new technologies get faster and better which will directly affect the society.

Importance:

the importance of online money laundering presented in its effect on economic, social, political, and ethical sectors as it gets wider after the huge development of technology. Economically, it affects the global financial markets stability [1]. In addition, it expands the terrorism financing which is a major political issue [2]. Furthermore, online money laundering could highly increase social stratification which is associated with other social issues and transfers the economic power to the criminals from the government, citizens, and market [5]. However, effects of online money laundering could be reduced by wise control of the process. Developers have a role in controlling the transactions that aim to launder money. Encryption of the application or website may vary in two ways, either it provides an excellent platform for laundering or never gives a chance for them due to the well encryption management.

Objectives:

This project aims to identify this ethical issue deeply and explore more about techniques of laundering owing to the risk facing the world while using these techniques in many aspects. Indeed, that is lead us to distinguish between legal and illegal money laundering in Islam. Once we understand the difference, we will raise community awareness.

Conclusion:

As money laundering through online unsettles the world's various aspects, it for sure attracts the governments and those responsible attention since criminals use the newest technology to exploit governments vulnerabilities to organize money laundering. Accordingly, policies of online transfers must be advanced in such a way to prevent the laundering possibilities and there must be authorized anti-money laundering institutions in each country in the world.

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