

USURIOUS ACTIVITY, PATRIMONIALISATION AND RECYCLING OF PROFITS: DISTORTING EFFECTS IN THE ECONOMIC AND SOCIAL CONTEXT IN THE MEDIUM AND LONG TERM

DOI: <https://doi.org/10.36004/nier.es.2026.2-02>

JEL classification: K42, G21, O17, Z13

UDC: 343.536(450)

Davide BARBA

Full Professor of Legal Sociology and Deviance, DEMM Department, University of Sannio, Benevento (Italy)

<https://orcid.org/0000-0002-0264-5174>

email: dbarba@unisannio.it

Received 25 september 2026

Accepted for publication 30 octomber 2026

SUMMARY

This paper examines the money-laundering and reinvestment channels through which usury proceeds are absorbed into the legal economy, and the distorting effects that usurious activity generates on the economic and social context over the medium and long term. The analysis draws on an original corpus of twelve judgments issued by the Benevento Court between 2012 and 2024: seven criminal proceedings concerning informal usury combined with money laundering or unlawful reinvestment, and five criminal proceedings plus one civil case concerning banking usury. Each judgment was examined through qualitative content analysis across five analytical dimensions: offender profile, victims, interest rates applied, patrimonialisation, and laundering or reinvestment channels. The findings show that laundering strategies range from layering proceeds through check-exchange systems and interlocking shell companies to the direct integration of illicit capital into real estate, corporate vehicles, and online gambling. Short-term effects center on the asset expropriation of vulnerable victims. Medium-term effects distort the local credit market through adverse selection against legitimate borrowers. Long-term effects manifest as a durable infiltration of licit economic sectors by capital of criminal origin, an effect that becomes especially acute where usury is instrumental to territorial control by organized crime. The persistently low number of complaints recorded by the Prefettura di Benevento points to a substantial dark figure that judicial data alone cannot capture. The paper situates these findings within the economic-sociological literature on embeddedness, credit rationing, and organized-crime infiltration of the legal economy, and draws out implications for prevention policy under Italian anti-usury legislation.

Keywords: *usury, money laundering, patrimonialisation, informal credit market, organised crime, judicial sociology, economic sociology, Benevento*

INTRODUCTION

Usury is rarely an isolated criminal episode. It is a social relation embedded in ongoing structures of trust, dependency, and local knowledge that connect lender and borrower long before and long after a loan is taken out. Granovetter's argument that economic action is neither atomized nor fully determined by social structure, but "embedded" in concrete, ongoing systems of social relations, is a useful starting point for understanding why usurious credit markets resist repressive intervention (Granovetter, 1985, p. 487). Because the usurer draws on local networks of information and reputation, the same networks that make legitimate credit relations possible, usury tends to reproduce itself within the formal economy rather than alongside it.

This embeddedness helps explain why usury keeps re-emerging wherever access to formal credit is rationed. Under asymmetric information, lenders may rationally ration credit rather than raise interest rates indefinitely, since higher rates attract riskier borrowers and worsen adverse selection (Stiglitz & Weiss, 1981, p. 393). When banks ration credit this way, economically vulnerable borrowers, including small entrepreneurs in temporary difficulty and low-income employees and pensioners, are pushed toward informal, high-cost lenders. Recent Italian research documents precisely this dynamic: in Rome, the 2008 financial crisis drove previously bankable households and small firms into the hands of informal moneylenders operating through dense local networks based on trust and coercion (Marinero, 2017, pp. 196-201). Household-level survey evidence confirms that usury vulnerability in Italy is concentrated among specific socio-economic profiles rather than being randomly distributed (Stefanizzi & Lysova, 2024, pp. 3846-3855).

What the existing literature addresses less systematically is the second stage of the phenomenon: what happens to the proceeds of usury once they are collected. Analyses of organized-crime infiltration of the legal economy explicitly note that it is "extremely hard to observe and then have the certainty" about how illicit capital creeps into licit markets (Mocetti & Rizzica, 2024, p. 1339). Most quantitative studies of usury focus on incidence, victimization, or aggregate market size rather than on the laundering and reinvestment pathways through which usurious profits are patrimonialized. This is a significant gap. It is precisely at the laundering and reinvestment stage that usury's effects on the broader economic and social context, distinct from its effects on individual victims, are generated.

This paper addresses that gap using an original, judicially grounded corpus and starts from the hypothesis, largely confirmed by the empirical analysis below, that usury in an intermediate-sized provincial economy is not an episodic phenomenon but a structural one, closely tied to identifiable channels of money laundering and reinvestment that produce distorting effects that increase in severity and irreversibility as the time horizon lengthens. The paper first sets out the methodology and the corpus of judicial and institutional sources, then reviews the relevant literature on the economic sociology of informal credit, the economics of crime, and organized-crime infiltration of legal markets. The results section documents, in turn, the laundering and reinvestment channels found in the corpus; the short-, medium-, and long-term distorting effects of usury on the local economy; the specific role of the banking system; and the factors that sustain underreporting. The conclusions draw together the implications for research and for anti-usury prevention policy.

METHODOLOGY

The empirical basis of this paper is a corpus of twelve judgments issued by the Benevento Court between 2012 and 2024, compiled as part of a broader research project on usurious activity in the province of Benevento (Barba, forthcoming research report, §§ 9–12). The corpus comprises two subsets. The first consists of seven criminal proceedings concerning informal usury in which money laundering, unlawful reinvestment, or patrimonialization of illicit proceeds (Codice Penale, 1930, arts. 644, 648-bis, 648-ter) was contested or documented (R.G.N.R. 5166/2012, 5886/2013, 120/2023, 1561/2021, 1150/2023, 1167/2019, and 433/2019, the last aggravated by mafia-type association under Article 7 of Law 203/1991). The second consists of five criminal proceedings and one civil judgment concerning banking usury, in which the alleged usurer is a regulated credit institution rather than an individual informal lender.

Each judgment was examined through qualitative content analysis structured around five analytical dimensions: the type of usury and associated offenses; the offender profile; the victims and the credit relationships involved; the interest rates applied, benchmarked against the legal threshold rate; the modalities of patrimonialization of illicit proceeds; and, where applicable, the specific

money-laundering or reinvestment channel together with the judicial outcome. This structure enables comparable synthesis of the twelve cases in Tables 1 and 2 below, despite substantial differences in the length, legibility, and evidentiary completeness of the original rulings.

The judicial corpus was triangulated with two additional sources: official statistics on usury complaints registered by the Prefettura di Benevento for 2015–2024, and exchanges with magistrates experienced in prosecuting usury offenses in the same judicial district. This triangulation matters because judicial data, by construction, capture only prosecuted and adjudicated conduct, and even within that subset, proving the subjective element of money laundering often determines conviction. As the classical criminological literature on measuring hidden crime observes, official statistics for any offense category are best read as an index of how many cases enter the reporting and prosecution funnel, not as a direct measure of the underlying phenomenon (Biderman & Reiss, 1967, p. 1). The caveat applies with particular force to usury, an offense typically committed within closed, trust-based dyads, with no independent witness and a victim who has a strong interest in staying silent.

USURY, MONEY LAUNDERING AND CRIMINAL INFILTRATION OF THE LEGAL ECONOMY: MAIN APPROACHES IN THE LITERATURE

The economic-sociological starting point for this paper is Granovetter's embeddedness argument: concrete economic transactions, including credit relations, are structured by ongoing social relations of trust, obligation, and reputation rather than by anonymous market mechanisms alone. This embeddedness explains both the efficiency and the malfeasance found in real economic exchange (Granovetter, 1985, pp. 481–487, 490). Applied to usury, the framework suggests that the usurer's local reputational capital and the borrower's embeddedness in the same social network are not incidental to the relationship but constitutive of it, one reason usury markets survive the deterrent effect of criminal sanctions.

From the demand side, the theory of credit rationing under asymmetric information explains why formal credit can be unavailable to certain borrowers even when they would pay higher rates: raising the rate charged to all applicants worsens the pool through adverse selection and moral hazard, so profit-maximizing lenders ration credit rather than price it to clear the market (Stiglitz & Weiss, 1981, pp. 393–395, 399–402). This creates residual demand for credit that the informal market, unconstrained by prudential regulation, is well positioned to satisfy. On the supply side, Becker's economic model of criminal behavior, in which an offender weighs the expected utility of an illegal act, net of the probability and severity of punishment, against that of legal alternatives, offers a parsimonious account

of the usurer's rate-setting: observed rates reflect not only the borrower's risk profile but also the lender's assessment of detection and prosecution risk (Becker, 1968, pp. 170, 176–178).

Once usurious proceeds exist, their absorption into the legal economy has been theorised most thoroughly in work on organised crime as a private-protection industry. Gambetta's analysis of the Sicilian mafia as a firm supplying protection services under conditions of weak public trust shows how criminal organisations convert coercive and informational advantages into durable footholds in legitimate markets, including commerce and construction among them (Gambetta, 1993, pp. 1–19, 154–166). A parallel line of inquiry into white-collar and occupational crime bears on the banking dimension of usury: Sutherland's foundational definition of white-collar crime as offending "committed by a person of high social status and respectability in the course of his occupation" (Sutherland, 1949, p. 9) captures the evidentiary and social distance separating banking-usury prosecutions from those brought against informal lenders.

Recent Italian empirical scholarship substantiates these frameworks. Beyond the work already cited on Rome's illegal credit market (Marinero, 2017) and on measuring household usury vulnerability (Stefanizzi & Lysova, 2024), a systematic economic analysis of organized crime in Italy estimates usury's illicit revenue

at roughly €2.2 billion nationally, much of it reinvested in ostensibly legitimate commercial activity. Commerce and construction emerge as the sectors most exposed to this kind of infiltration, owing to their liquidity, the informality of practice, and their capacity to absorb undeclared cash flows (Mocetti & Rizzica, 2024, pp. 1339-1341, 1345). The mechanics of that reinvestment, which involve placing illicit cash, layering it through successive transactions designed to obscure its origin, and finally integrating it into apparently legitimate assets, map onto the three-stage typology used in the international anti-money-laundering framework, which offers a convenient grid for classifying the laundering channels identified in judicial sources (Financial Action Task Force [FATF], 2023).

Finally, the persistence of usury as a structurally underreported offense has both criminological and sociological explanations. Biderman and Reiss's classic treatment of the "dark figure" of crime shows that offense categories marked by victim-offender proximity and

victim vulnerability are systematically underreported relative to their true incidence (Biderman & Reiss, 1967, pp. 1-10). Putnam's account of civic traditions in Italy links the density of local social capital, horizontal trust, associational life, and confidence in institutions to a community's capacity to respond collectively to predatory practices such as informal credit abuse (Putnam, Leonardi, & Nanetti, 1993, pp. 167-176). Taken together, this body of literature supplies the interpretive tools used in the remainder of the paper: embeddedness and credit rationing to explain why usury persists and recurs; the economics of crime and the protection-industry model to explain the rate-setting and territorial logic of usurers; the FATF typology to classify laundering channels; and the dark-figure and social-capital literature to interpret the low complaint rates found in the Benevento data. What this literature has not yet supplied is a fine-grained, judicially documented account of how these mechanisms interact in an intermediate-sized provincial economy outside the historical core regions of Italian organized crime, the gap this paper addresses.

MAIN RESULTS

MONEY LAUNDERING AND REINVESTMENT CHANNELS IN THE BENEVENTO CORPUS

The most detailed case in the corpus is R.G.N.R. 5166/2012, in which the defendant was charged with reinvesting the proceeds of multiple usurious loans into five companies, using their current accounts as a layering mechanism for illicit funds. The online gambling sector is explicitly identified as an investment destination, consistent with the broader pattern by which criminal actors penetrate economic sectors marked by high monetary velocity and low transparency (Mocetti & Rizzica, 2024, p. 1345). In the same case, a check-exchange system operated by the defendant served simultaneously as an operational tool of usury, a mechanism for disbursing credit, and a laundering device that obscured the flow of funds: many checks were made out to third parties (the defendant's partner, relatives, suppliers), and some carried no documentary endorsement at all, pointing to a systemic rather than occasional laundering practice.

In R.G.N.R. 120/2023 the laundering channel is simpler but no less significant: proceeds of usury and extortion were used to purchase real property through the defendant's wife acting as an intermediary, a straightforward instance of the integration stage in the FATF typology (FATF, 2023). R.G.N.R. 1167/2019 instead relies on cashier's cheques, an instrument commonly used for layering given how hard it is to trace the ultimate beneficiary; the presence of an associative structure with differentiated roles, usurers, intermediaries, launderers, suggests a higher degree of professionalisation than in the individual cases.

Table 1 synthesises the seven informal-usury cases in the corpus across the five analytical dimensions set out in the Methodology section; Figure 1 summarises how often each reinvestment or laundering channel is documented across the corpus.

Table 1. *Synthesis of informal-usury and money-laundering cases, Benevento Court (2012–2024)*

Case (R.G.N.R.)	Offender profile	Documented rate(s)	Laundering/ reinvestment channel	Outcome
5166/2012	Professional informal usurer; manages 5 companies + cheque-exchange system	53% – 4,055% p.a.; loans ≈ €510,000	5 companies (incl. online gambling); cheque-exchange as layering	5 yrs + €9,000 fine; confiscation
5886/2013	Individual informal lender; continuous activity, multiple victims	20.27% – 172.20% p.a.; interest ≈ €261,380	Not specifically contested	Conviction; confiscation

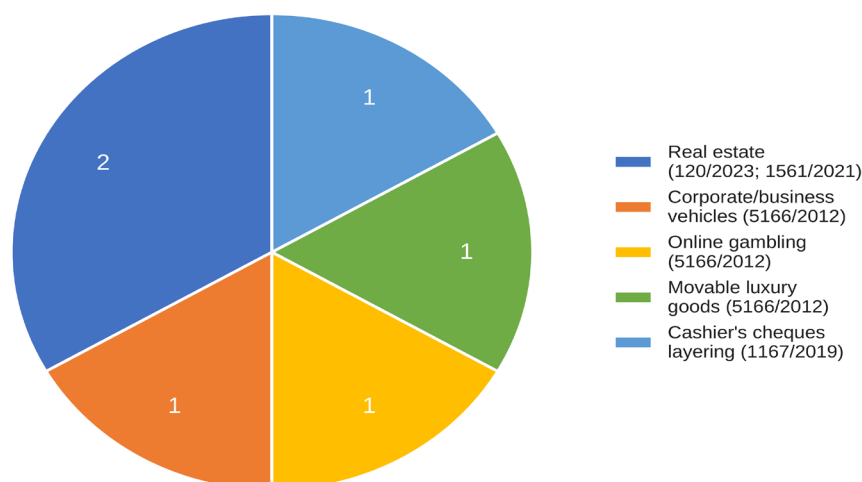
Case (R.G.N.R.)	Offender profile	Documented rate(s)	Laundrying/ reinvestment channel	Outcome
120/2023	Recidivist lender; spouse co-investigated for laundering	120% p.a. (10% monthly)	Real estate purchased via defendant's wife (integration)	Conviction (lender); wife acquitted of laundering (insufficient proof of intent)
1561/2021	Two brothers + deceased intermediary; tripartite structure	49.26% monthly / 591% p.a.; loans ≈ €103,000	Industrial warehouse (value ≈ €354,000) via power of attorney to lender's wife	Conviction (6 yrs requested); civil damages
1150/2023	Individual lender, multiple victims; collective proceeding (8+ defendants)	60.83% – 268.38% p.a.	Not specifically documented in this proceeding	Conviction; differentiated sentences
1167/2019	Organised structure: usurers, intermediaries, launderers	Above legal threshold (not quantified in legible portions)	Cashier's cheques (layering)	3 yrs + €3,000 fine (laundering); differentiated sentences (usury/extortion)
433/2019	Mafia-type structure (clan PAGNOZZI-PANELLA/IADANZA)	Not below 10% monthly (≈120% p.a.)	Functional to territorial control by the clan	Partial acquittal (insufficient evidence); conviction for unlawful financial activity

Source: author's elaboration from the judicial corpus.

Looking at the corpus as a whole, four destinations for reinvested proceeds recur: real estate, valued for its price stability, the difficulty of tracing flows into it, and the additional income it can generate through rent or resale; commercial and corporate vehicles, several of which were loss-making or already dormant, pointing to a laundering logic rather than a genuine profit motive; online gambling and betting, attractive for

their liquidity and weak oversight; and movable luxury goods, particularly vehicles and jewelry, often registered fictitiously to relatives. The pattern matches the sectoral concentration of organized-crime investment found at the national level, where commerce and construction are repeatedly identified as preferred vehicles for absorbing undeclared liquidity (Mocetti & Rizzica, 2024, p. 1345).

Figure 1. Documented money-laundering / reinvestment channels (number of judgments in the Benevento corpus mentioning each channel, $n = 7$)



Source: author's elaboration from the judicial corpus.

THE SUBJECTIVE ELEMENT ISSUE IN MONEY-LAUNDERING PROSECUTIONS

A recurring evidentiary difficulty in the corpus concerns proving the subjective element of money laundering, particularly when third parties, such as spouses, children, or relatives, formally carry out the investment operations. Italian criminal law distinguishes money laundering (Article 648-bis of the Criminal Code, which requires generic intent, that is, awareness of the unlawful origin of the funds) from handling stolen goods (Article 648, which requires the specific intent to profit; Codice Penale, 1930). R.G.N.R. 120/2023 and 5166/2012 both turn on this distinction. In the former, the wife's

acquittal on the laundering charge rested on insufficient evidence of her awareness of the funds' unlawful origin, even though the underlying real-estate purchase with proceeds of her husband's usurious activity was itself established. This pattern illustrates a limit of judicial enforcement noted more broadly in work on organised-crime infiltration: those who formally hold laundered assets are often once removed from the predicate offense, which weakens the evidentiary chain even where the illicit origin of the capital is not seriously in dispute.

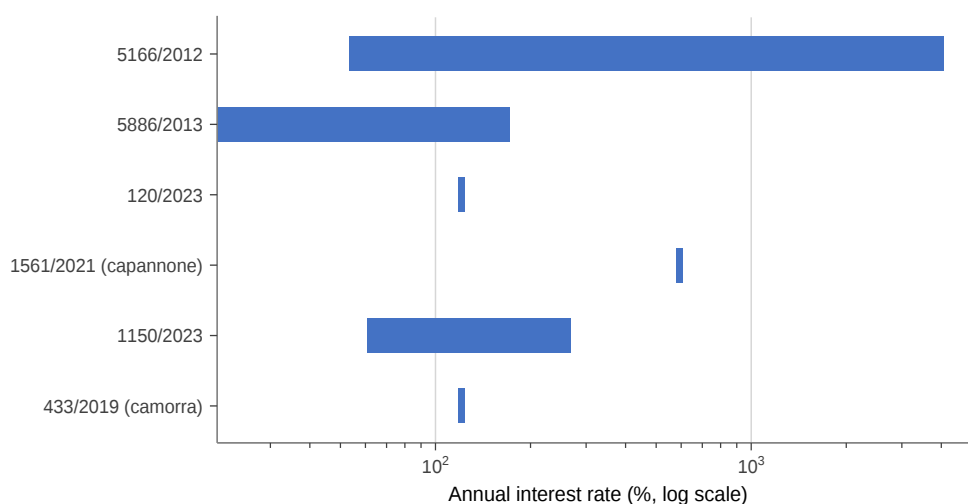
SHORT-TERM EFFECTS: EXPROPRIATION OF VICTIMS' ASSETS

In the short term, the most immediate effect of usury is the progressive impoverishment of victims. The debt spiral documented in nearly all the cases analysed transfers resources from economically vulnerable actors, including entrepreneurs in financial distress, low-income employees, and pensioners, to actors who already command liquidity. It functions as a reverse redistributive mechanism that amplifies existing economic inequality, consistent with a rational-choice reading of the usurer's behavior in which the rate charged reflects an assessment of the borrower's bargaining weakness as much as of default risk (Becker, 1968, pp. 176-178), and with the credit-rationing literature's prediction that borrowers excluded from the formal market face a residual supply curve set by lenders

operating outside prudential constraints (Stiglitz & Weiss, 1981, p. 394).

The direct economic damage to victims documented in the corpus ranges from a few thousand euros for individual victims to several hundred thousand euros for entrepreneurs. In R.G.N.R. 5166/2012, total loans amounted to approximately €510,000, with interest collected of approximately €46,000, a relatively low average rate compared with the peaks documented elsewhere in the corpus. In R.G.N.R. 5886/2013, total loans reached €614,850, with interest of €261,380. *Figure 2* presents the annual interest rates documented across the informal-usury cases on a logarithmic scale, showing both the wide dispersion of rates and how far several cases exceed the legal threshold.

Figure 2. Annual interest rates documented in Benevento usury rulings (informal-lending cases, min-max range by case)



Source: author's elaboration from the judicial corpus. Rates shown are as reported in each judgment.

MEDIUM-TERM EFFECTS: DISTORTION OF THE LOCAL CREDIT MARKET

In the medium term, the persistent presence of usurious activity distorts the local credit market. The coexistence of formal circuits (banks and financial intermediaries) and informal circuits (usurers) segments the credit market in a way that penalises the most vulnerable and riskier firms, pushing them toward high-cost circuits: the mirror image of the adverse-selection dynamic identified in the credit-rationing literature, where firms unable to obtain formal credit at any price are precisely those the market rations most severely (Stiglitz & Weiss, 1981, pp. 393, 399–401). The result can be described as a reverse form of credit dumping: firms that resort

to usurious credit bear financial charges so high that competing with firms that access ordinary credit becomes impossible, feeding an adverse-selection process that favors their failure.

The corpus documents this dynamic directly. In R.G.N.R. 1019/2015, the victim's company failed because of debts incurred to meet the usurer's demands; in R.G.N.R. 120/2023, the company built by the victim couple was declared bankrupt in May 2013, after its operating assets had been sold to raise cash for usurious interest payments.

LONG-TERM EFFECTS: CRIMINAL INFILTRATION IN LEGAL ECONOMY

In the long term, the most severe effects stem from the infiltration of the legal economy by capital of usurious origin. Patrimonializing and reinvesting illicit proceeds in commercial activity, real estate, and financial instruments create ostensibly "legal" economic actors that operate with capital of criminal origin, distorting competition and altering market equilibria. The five companies managed by the defendant in R.G.N.R. 5166/2012 illustrate this mechanism well: formally existing firms with regular current accounts carry out apparently lawful activity but are financed with usurious proceeds, creating unfair competition for firms operating with lawful capital. This fits the protection-industry account of organized crime, in which coercive and informational advantages built up through activities such as usury are redeployed as competitive advantages in ostensibly legitimate markets (Gambetta, 1993, pp. 1–19).

The most concerning case in this respect is the mafia-aggravated usury documented in R.G.N.R. 433/2019. The role of usurious activity in maintaining territorial control for the PAGNOZZI-PANELLA/IADANZA clan indicates a level of integration between the criminal economy and the territory that goes beyond individual enrichment: usury becomes an instrument of territorial governance, a means of economic subjugation of the population, and a vehicle for channeling the organisation's profits back into the local productive fabric. This finding aligns with national-level estimates that a meaningful share of mafia-linked firm turnover in regions outside the historical core of Italian organized crime derives from exactly this kind of capital redeployment (Mocetti & Rizzica, 2024, pp. 1344–1348).

THE BANKING SYSTEM ROLE

Analysis of banking-usury cases adds another dimension to usury's distorting effects. The systematic exceeding of the legal threshold rate by formally regulated banking institutions, documented in the five criminal proceedings and one civil case reviewed here, shows that credit-market distortion does not come only from informal circuits: it is also produced by unlawful conduct within the regulated banking system itself. In fact, this is the institutional analogue of Sutherland's white-collar crime: offending by actors whose social and professional

respectability places them, and the evidentiary standard applied to them, at a considerable remove from the individual informal usurer (Sutherland, 1949, p. 9). The acquittals that prevail in this category do not indicate the phenomenon's absence so much as the technical and evidentiary difficulty of establishing it, particularly where the alleged usurious charges consist of undisclosed fees, disproportionate default interest, and unagreed costs rather than a single, easily quantifiable rate.

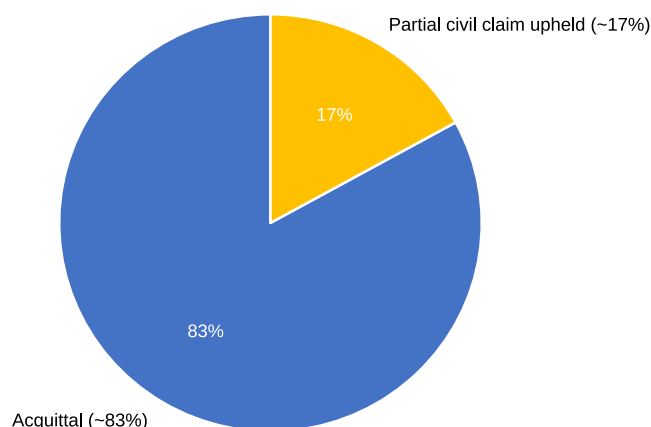
Table 2. *Banking-usury cases, Benevento Court (2015–2021).*

Case	Institution	Subject matter	Rate contested	Outcome
259/2018	Banca Credito Popolare scpa	Mortgage loans, €2,200,000 + €300,000	TAEG/APR 4.919–23.701%; default interest 6.72–13.33%	Acquittal

Case	Institution	Subject matter	Rate contested	Outcome
478/2015	Bank branch (unidentified)	Current account	Threshold rate exceeded by 0.73–1.04%	Acquittal
002/2021	Bank (unidentified)	Current-account credit line	5.21–5.79% (quarterly)	Acquittal
1033/2021	BPER, ex Banca Campania	Credit line, Ariano Irpino branch	Not quantified	Acquittal
696/2021	Bank (unidentified)	Not specified	Not quantified	Acquittal
1984/2021 (civil)	Bank (civil proceeding)	Mortgage loan, €300,000	TAEG/APR 33.601% (worst case)	Claim partly upheld; early-termination clause voided

Source: author's elaboration from the judicial corpus.

Figure 3. Outcome of banking-usury cases in the Benevento corpus (5 criminal proceedings + 1 civil case, 2015-2021)



Source: author's elaboration from the judicial corpus.

The acquittal rate of roughly 83% recorded in banking-usury cases points to a shortfall in the evidentiary tools

available to prosecutors, rather than to the absence of usurious practice among regulated lenders.

STRUCTURAL FACTORS OF UNDERREPORTING AND POLICY IMPLICATIONS

The analysis of usury's distorting effects cannot ignore the factors that sustain the phenomenon's persistence through underreporting. The limited number of complaints registered by the Prefettura di Benevento from 2015 to 2024, with a minimum of zero reported offenses in 2020 and 2021 and an average of fewer than two cases per year in the second half of the decade, does not necessarily reflect a decline in the phenomenon; it more plausibly reflects a consolidation of its submerged, unreported component. This aligns with the general criminological finding that offenses marked by close victim-offender proximity and victims' fear of retaliation carry a substantial dark figure that official statistics do not capture (Biderman & Reiss, 1967, pp. 1-10).

Regarding policy, the institutional perspective gathered

for this research suggests that underreporting cannot be solved by awareness campaigns alone. Officers receiving a usury complaint must assess the complainant's risk profile and activate protective measures proportionate to the danger posed by the person reported. However, the effectiveness of such measures depends heavily on the territorial context. Where the usurer operates within an organized criminal structure, reporting exposes the victim to risks comparable to those of reporting mafia-related extortion. This territorial variability in the cost of reporting is itself a form of social-capital deficit, in the sense used by Putnam and colleagues, for whom horizontal trust and civic association underpin a community's collective capacity to resist predatory economic practices (Putnam, Leonardi, & Nanetti, 1993, pp. 167-176).

Anti-usury associations and the foundations that administer the state Prevention Fund play an essential role in intercepting at-risk individuals before they turn to illegal credit. Yet, as the Prefettura di Benevento data indicate, effective access to the benefits provided by law remains constrained by bureaucratic barriers and limited awareness of the instruments available to

potential victims. Making access to the Solidarity Fund more direct and straightforward is therefore a concrete policy lever for reducing demand for informal credit. Both funds were established under Law No. 108/1996 (Legge disposizioni in materia di usura, 1996) and Law No. 44/1999 (Legge disposizioni concernenti il Fondo di solidarietà, 1999).

CONCLUSIONS

The analysis of the judicial corpus of the Benevento Court (2012-2024) provides a structured, empirically grounded picture of usurious activity in this local context, with theoretical and practical implications for research on the distorting effects of usury, patrimonialization, and profit recycling over the medium and long term.

First, usury in the Benevento area is not a temporary problem but a structural one, rooted in dynamics that predate the 2008 crisis and intensified during it. The concentration of contested conduct in the 2008–2016 period suggests a causal link between the restriction of bank credit and the expansion of informal markets, consistent with what the credit-rationing literature would predict (Stiglitz & Weiss, 1981, pp. 393-395).

A second finding concerns the stratification of the phenomenon, which involves markedly different types of actors: individual informal lenders, banking officials, and organized criminal groups. Actors so different in social status and institutional visibility call for differentiated analytical approaches and countermeasures, much as the white-collar and occupational-crime literature would suggest (Sutherland, 1949, p. 9).

Patrimonialization and the laundering of usurious proceeds, the paper's third finding, are documented to a significant extent in the corpus, though with varying degrees of sophistication. Reinvestment in real estate, commercial activity, and online gambling is a channel through which the criminal economy is absorbed into the legal one, producing long-term distorting effects that are difficult to reverse. This pattern aligns with broader Italian evidence on where organised-crime reinvestment tends to concentrate (Mocetti & Rizzica, 2024, pp. 1339, 1345).

A fourth, more troubling pattern lies in the procedural difficulties of establishing banking usury and of attributing the subjective element of laundering to third parties, both of which expose limits in the judicial

system's capacity to fully suppress the phenomenon. The acquittal rate in banking cases, around 83%, points to a shortfall in the evidentiary tools available for the conduct of this complexity.

These difficulties matter because the distorting effects of usurious activity on the local economy manifest both quickly, in the expropriation of victims' assets and in business failures, and slowly, in the criminal infiltration of the economy, the distortion of competition, and the erosion of social capital. Countering them will require policy interventions that go beyond criminal repression alone and that address the structural causes of demand for informal credit.

Finally, institutional data from the Prefettura di Benevento, read alongside the qualitative perspective gathered from experienced magistrates, confirm the existence of a substantial dark figure that judicial data alone cannot capture (Biderman & Reiss, 1967, pp. 1-10). Underreporting, driven by fear of retaliation, social stigma, economic vulnerability, and distrust of the protective instruments on offer, is a long-term distortion of the local community's social capital caused by usury (Putnam, Leonardi, & Nanetti, 1993, pp. 167-176). Addressing it will require, alongside stronger enforcement, an expansion of preventive instruments, starting with the Prevention Fund and the Solidarity Fund established by Law No. 108/1996 and Law No. 44/1999, and investment in training practitioners able to reach victims early in the usurious relationship, before turning to illegal credit becomes an irreversible choice.

The judicial corpus analyzed here confirms and enriches the paper's initial hypotheses and offers firsthand empirical material for studying the medium- and long-term distorting effects of usurious activity. The judgments of the Benevento Court provide a privileged vantage point on criminal and economic dynamics that, while locally specific, mirror structural patterns of national and international scope.

DATA AVAILABILITY STATEMENT

The data underlying this study are drawn from twelve judgments of the Benevento Court (2012-2024), analyzed by the author as part of an ongoing research project. The judgments themselves are public judicial acts, but the systematized dataset built from them (Tables 1 and 2 and the underlying case-by-case coding) is an original elaboration not otherwise publicly available; it is referenced here by public-prosecutor register number

(R.G.N.R.) with section references (§) to the author's underlying research report. Complementary institutional data on registered usury complaints (2015-2024) were provided by the Prefettura di Benevento in aggregate, non-nominal form. No personal data concerning victims, defendants, or third parties are disclosed beyond what is already contained in the public judgments cited.

REFERENCES

- Becker, G. S. (1968). Crime and punishment: An economic approach. *Journal of Political Economy*, 76(2), 169-217. <https://doi.org/10.1086/259394>
- Biderman, A. D., & Reiss, A. J., Jr. (1967). On exploring the “dark figure” of crime. *The Annals of the American Academy of Political and Social Science*, 374(1), 1-15. <https://doi.org/10.1177/000271626737400102>
- Codice Penale. Regio Decreto 19 ottobre 1930, n. 1398. (1930). Artt. 644 (usura), 648 (ricettazione), 648-bis (riciclaggio), 648-ter (impiego di denaro, beni o utilità di provenienza illecita). Italy. <https://www.normattiva.it/uri-res/N2Ls?urn:nir:stato:regio.decreto:1930-10-19;1398>
- Financial Action Task Force (FATF). (2023). *International standards on combating money laundering and the financing of terrorism & proliferation*. The FATF Recommendations. FATF. Paris. <https://www.fatf-gafi.org>
- Gambetta, D. (1993). *The Sicilian mafia: The business of private protection*. Harvard University Press.
- Granovetter, M. (1985). Economic action and social structure: The problem of embeddedness. *American Journal of Sociology*, 91(3), 481-510. <https://doi.org/10.1086/228311>
- Legge disposizioni concernenti il Fondo di solidarietà per le vittime delle richieste estorsive e dell'usura: n. 44 del 23 febbraio 1999. (1999). *Gazzetta Ufficiale*, n. 51. Italy. <https://www.parlamento.it/parlam/leggi/99044l.htm>
- Legge disposizioni in materia di usura: n. 108 del 7 marzo 1996. (1996). *Gazzetta Ufficiale*, n. 58. Serie Generale - Suppl. Ordinario n. 4. Italy. <https://www.gazzettaufficiale.it/eli/id/1996/03/09/096Go121/sg>
- Marinaro, I. C. (2017). Loan-sharking in a time of crisis: Lessons from Rome's illegal credit market. *Trends in Organized Crime*, 20(1-2), 196-215. <https://doi.org/10.1007/s12117-016-9279-y>
- Mocetti, S., & Rizzica, L. (2024). Organized crime in Italy: An economic analysis. *Italian Economic Journal*, 10(3), 1339-1360. <https://doi.org/10.1007/s40797-023-00236-4>
- Putnam, R. D., Leonardi, R., & Nanetti, R. Y. (1993). *Making democracy work: Civic traditions in modern Italy*. Princeton University Press. https://dl1.cuni.cz/pluginfile.php/408189/mod_resource/content/1/Uvod%20Robert%20D%20Putnam_%20-Making%20democracy%20work%20_%20civic%20traditions%20in%20modern%20Italy.pdf
- Stefanizzi, S., & Lysova, T. (2024). Usury vulnerability: Measuring and modelling the phenomenon in Italy. *Quality & Quantity*, 58(4), 3845-3862. <https://doi.org/10.1007/s11135-024-01841-w>
- Stiglitz, J. E., & Weiss, A. (1981). Credit rationing in markets with imperfect information. *American Economic Review*, 71(3), 393-410. <https://pages.ucsd.edu/~aronatas/project/academic/Stiglitz%20credit.pdf>
- Sutherland, E. H. (1949). *White collar crime*. Dryden Press.