



## Protection Without Security – How to Fight Protection Racketeering Crime in Israel

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*This paper seeks to provide decision makers with a deeper understanding of the crime of protection racketeering both globally and in Israel, and to offer recommendations to successfully combat this particular challenge.*

The **first chapter** explains the phenomenon, laying out the incentives of both perpetrators and victims and the parasitic relationship between them, explaining how the crime is embedded in the economic ecological system and the subsequent economic repercussions, points out the difference between systemic and localized protection racketeering and its nature as a “hidden” crime (i.e. characteristically unreported).

The **second chapter** outlines the scope of the issue in Israel, as far as it is possible to glean from the data, while the **third** looks to how other states have dealt with the issue both institutionally and socially.

The **fourth chapter** lays out the particular challenges in Israel, while the **fifth and sixth** detail policy recommendations and legislative, regulatory, financial, social and enforcement solutions.

### Summary:

The phenomenon of protection racketeering, although directed at particular businesses and companies in certain geographic locations, is a collective crime that harms everyone. Global research shows that in highly dense commercial and industrial areas, where proper law enforcement is difficult, virtually all businesses will agree to pay protection money and refrain from making a police report. In Israel, only a small number of officials and media outlets treat this as a widespread, pressing issue and no effective tools for evaluating and resolving this phenomenon have been crafted, as opposed to other crimes attributed to organized crime, such as drugs, theft, gambling or prostitution.

Despite institutional utter disregard, there is urgent need to tackle the crime of protection racketeering, named in Israel “protection-money extortion” (סחיטת דמי חסות). Various methodologies were employed to examine the ways in which the extent of protection racketeering in Israel can be measured, from interviewing public service workers and security guards who were personally exposed to the crime, to reviewing estimation research from other parts of the world, to sorting through data and information published by local and international media. Comparative research and white papers from around the world show various ways of dealing with the issue, to keep in mind while examining what Israel lacks today in terms of tools that can minimize the extent of protection racketeering: inadequate institutional response, inadequate evaluation of the issue, and legitimate protection businesses that obfuscate the illegal activity.

### Recommendation:

Mainly, to build a strategic plan of action that addresses the issue with precision from a number of angles.

**Legally**, the crime of protection-money extortion should be defined, facilitating: (1) better enforcement; (2) a way of measuring the extent of the crime to better adapt policy; and (3) the ability to review the formulated policy's effectiveness. Within this framework are different layers of legislative action – the highest would include adding a provision regarding “organized extortion” to the amendment to the *2003 Combating Criminal Organizations Law*; the intermediate layer would add a paragraph regarding protection-money extortion as an amendment to the *1977 Israeli Penal Law*, allowing the law enforcement system to specifically target protection crimes, particularly the crime of protection money extortion; and the lowest layer would amend the *1972 Private Investigators and Guard Services Law*, permitting administrative sanctions in a manner that expands enforcement against unlicensed protection services. In addition, an existing loophole in the area of private security and guard services should be closed. The extant proposal in the 2022 memorandum of law regarding the regulation of private security companies should be endorsed; however, only in limited scope, to be applied to the sections directly combatting protection racketeering so as to avoid the harm such regulation causes legitimate private security companies and civic initiatives.

The paper also recommends (1) **financial** enforcement tools, such as administrative fines and the establishment of a designated confiscation fund to assist protection racketeering victims and the fight against the crime in general, (2) strengthening **civil society institutions** interested in fighting protection racketeering, among others by encouraging citizens to refuse payment, (3) enhancing the ability to **measure** the crime with external review tools that don't depend on police reports and finally, (4) forming a designated **enforcement unit** tasked with formulating the tactics to combat protection racketeering crime and constructing an intelligence network that can shorten prosecution times.

[Full Paper in Hebrew](#)