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THE IMPACT OF "DIRTY" MONEY ON BEHAVIORAL ASPECTS OF FINANCIAL ENTITIES IN THE POST-WAR UKRAINIAN ECONOMY

ABSTRACT

The article studies the influence of "dirty" money on the activities of behavioral finance entities in the post-war period of the Ukrainian state through the tools and structures of the financial market. The aim of the work is to identify the mechanisms and extent of the impact of illegal cash flows on the financial decision-making of investors, enterprises, and other financial market participants in the post-war transformation of the Ukrainian economy. The study uses a set of methods to achieve this goal: systematic analysis of financial flows, statistical and econometric analysis of behavioral models of financial agents, as well as content analysis of legislative and regulatory documents on combating money laundering. Special attention is paid to assessing changes in the behavioral strategies of financial market participants caused by the so-called "dirty" money, as well as the role of financial institutions in minimizing risks and abuse.

The results of the study show that "dirty" money significantly affects the behavior of financial market participants, generating a number of negative effects: distortion of the information field, increased financial instability, increased risk levels, and weakening confidence in institutions. At the same time, it is revealed that the effectiveness of state regulatory measures and the development of institutional mechanisms of financial control play a key role in curbing the negative impact and increasing the transparency of market processes.

Based on the results of the study, recommendations were formed to improve the systems of countering the legalization of proceeds from crime, as well as to adapt the behavioral models of financial entities to the new challenges of the post-war period. The proposed mechanisms make it possible to increase the stability of the financial system of Ukraine, promote investment attraction, and create a healthy economic environment.

Keywords: dirty money, financial market, Ukraine, institutional corruption, post-war economy, financial behavior, money laundering

JEL Classification: E44, G15, G18, G20, K42

INTRODUCTION

Modern realities of Ukraine are accompanied by the latest transformations in the socio-economic and political spheres, which affect the functioning of the financial market and the behavior of its participants. The post-war reconstruction of Ukraine requires not only enormous financial resources, but also absolute transparency and efficiency of their use. After all, instability in all sectors of the Ukrainian economy is aggravated by informal financial flows, in particular, the so-called "dirty" money. Penetration into the Ukrainian financial market of funds obtained illegally (corruption, shadow economy, terrorist financing, etc.), in addition to macroeconomic and institutional consequences, has a significant impact on the behavioral aspects of finance, distorting the decisions of individual and collective market participants.

Traditional financial theory is often based on the assumption that economic agents are rational. However, behavioral finance proves that human decisions are subject to cognitive biases, emotions, and social factors. In conditions when "dirty" money actively

penetrates financial instruments and structures, the behavior of financial market participants undergoes significant changes, which often do not correspond to classical models of rational behavior. This leads to increased market volatility, abnormal trends, distortion of price signals, and increased systemic risks (Blitz, 2019).

At the present stage, Ukraine is implementing numerous measures to prevent the impact of "dirty" money on the behavioral aspects of financial markets in the context of post-conflict recovery. However, the current regulatory mechanisms (Order, 2009; Law, 2002) neither always effectively counteract money laundering nor take into account the specifics of behavioral reactions of market participants, which complicates the development of comprehensive risk management tools. According to Transparency International (Annual, 2023), the war in Ukraine has exposed a broad industry of financial and non-financial intermediaries, often located in countries with the highest CPI rates, which help corrupt entities launder "dirty" money through the world's most developed economies. The imperfection of the domestic financial control system creates an "institutional asymmetry" that allows illegal capital to bypass detection by exploiting gaps between departments (METHODOLOGY, 2024).

Thus, illegal capital poses not only an economic but also a behavioral threat. Its presence distorts market signals, deepens distrust of financial institutions, and reinforces the irrational behavior of economic agents.

LITERATURE REVIEW

The problem of money laundering obtained illegally is the subject of numerous studies in the world of economic and legal science. The term "dirty" money originated in the United States in the 30-ies of the 20th century in connection with the adoption of a law in the country that prohibited the free sale of alcoholic beverages (Yuriy, 2025). The funds received from the shadow business of selling "underground" alcohol were used to open self-service laundries. Criminals mixed their illegally obtained profits with legitimate monetary income, effectively "clearing" their funds. This clever strategy gave rise to the metaphorical use of the term "money laundering" (Sterling Bank, 2025). However, in ancient China and medieval Europe, merchants used sophisticated methods to hide their profits to avoid taxes or government exemptions. In transition economies, such flows are often used to distort market signals and manipulate investment processes. For instance, B. Unger, J. Ferwerda, M. Kattenberg, H. Chang, and others investigated the scale of money laundering and its economic consequences, suggesting their classification by sources of funds (Unger, 2007; Ferwerda, 2013; Wolosky, 2020). Considerable attention of researchers is focused on the established consequences of the penetration of dirty money into the economies of countries (AlQudah, 2025; Smith, 2024; Matorera, 2024; Rysin, 2024). W. Gilmore devoted his works to the evolution of international measures to combat money laundering and terrorist financing, focusing on global standards (Gilmore, 2004; Gercke, 2018).

Given that illegal funds penetrate all segments of the financial market, researchers at Harvard Business School studied how banks encourage or prevent financial crimes by publishing reports on negative transactions (Harvard, 2020). The International Monetary Fund financial statements show how money laundering affects the stability of banks, causing prices to fall and deposits to outflow (IMF, 2023). J. Gao, J. Pacelli, J. Schneemeier, and Y. Wu investigated how exactly banks influence financial crimes (Gao, 2023).

K. Singh and P. Best studied the use of data visualization to detect suspicious activity in banks (Singh, 2019). Works by A. Canhoto are devoted to the analysis of the use of machine learning in the fight against money laundering (Canhoto, 2021). S. Subbagari, E. Altman, J. Blanuša, and others studied the features of using optical character recognition technology in the fight against money laundering and building realistic models of combating money laundering (Subbagari, 2023; Altman, 2023). Modern digital tools are actively used to launder illegal income (Leinwand, 2020). S. Foley, Y. Fanusie, and T. Robinson assessed the scale of illegal activities funded through cryptocurrency (Foley, 2019; Fanusie, 2018; Duan, 2024). D. Zetsche and S. Aramonte analysed the risks of decentralized finance (DeFi) for money laundering and related risks (Zetsche, 2020; Aramonte, 2021).

The influence of illegal financial flows on the behavior of financial market participants was studied by V. Karlin and O. Ivashko (Zetsche, 2022). The specifics of money laundering during the war and its impact on the economy were determined by I. Grabchuk and O. Grigorevska (Hrabchuk, 2022).

The researchers came to the conclusion that financial market instruments, including the banking system, investment funds, and cryptocurrency platforms, remain key channels for legalizing shadow capital. The literature analysis also showed that in the context of the post-war transformation, Ukraine is particularly vulnerable to abuse by shadow businesses due to the weakening of institutions, growing needs for financing reconstruction, and insufficient effectiveness of financial control. Strengthening the fight against money laundering is becoming relevant at this stage. The basis of this process is regulatory

measures and procedures aimed at preventing and detecting the illegal process of concealing the origin of money obtained by criminal means (Matei, 2024). The anti-money laundering system is based on several basic principles aimed at preventing money laundering, detecting, and reporting suspicious financial activities. The anti-money laundering system is based on the requirement that financial institutions conduct a thorough audit of clients to verify their identity and assess the potential risks associated with their operations. Transaction monitoring plays a crucial role in identifying unusual schemes that may indicate money laundering attempts, prompting further investigation and reporting to regulators.

AIMS AND OBJECTIVES

The purpose of this article is to analyze the mechanisms by which "dirty" money, using the tools and structures of the financial market, affects the behavioral aspects of decisions of investors, consumers, and other participants in the post-war period, as well as to develop proposals to minimize these risks.

In accordance with this goal, the following research objectives are defined:

1. To perform a definitive analysis of the term "dirty" money.
2. To identify the sources of origin of "dirty" money in Ukrainian conditions.
3. To determine the channels and stages of penetration of illegal funds into the financial market.
4. To assess the impact of illegal income on the financial market of Ukraine.
5. To propose an institutional and behavioral toolkit for determining the impact of "dirty" money on the financial market.
6. To analyze the main indicators of trust and financial security in the context of the spread of "dirty" money.
7. To substantiate a comprehensive approach to minimizing the impact of "dirty" money on the activities of behavioral finance entities in post-war Ukraine, combining legal, institutional, educational, and technological measures.

METHODS

The methodological basis of the study is made up of statistical and analytical methods of analysis. In order to clarify the theoretical basis for understanding the impact of "dirty" money on the financial behavior of financial market participants, content analysis and structuring of research were applied in order to identify gaps. The assessment of the legal regulation of the fight against "dirty" money and the protection of financial market participants is carried out using legal analysis. The comparative analysis was applied to compare Ukrainian legislation with international practices.

The analysis of statistical data on financial flows in Ukraine and the detection of suspicious transactions was performed using an empirical analysis of financial markets. The study used a graphical method.

The methodology provided a comprehensive approach, combining theoretical, empirical, and practical methods for in-depth analysis of the problem and development of effective solutions to reduce the impact of illegal income on the dynamics of the financial market.

RESULTS

Financial markets, in a transformational economy, play a key role in ensuring stability, growth, and efficient resource allocation. However, along with legal capital flows, the presence of so-called "dirty" money-capital obtained as a result of shadow activities, corruption, crime, or tax evasion is becoming increasingly noticeable. The impact of these flows on the structure, functioning, and behavior of financial market participants becomes particularly relevant during periods of socio-economic upheaval, in particular, in the post-war period.

"Dirty" money distorts market signals, provokes excessive volatility, creates fictitious liquidity, and increases distrust of financial institutions (investing, 2025). At the same time, their penetration into the financial system can temporarily stimulate economic activity.

Currently, there are hundreds of channels for illegal funds to enter the financial market. However, the most "active" ones are:

- financial institutions, using deposits, lending, and investment operations through banks, insurance companies, and credit unions, income is legalized;
- real estate and construction, such investments contribute to the rapid legalization of large amounts without additional checks;
- buying/selling securities through offshore companies or nominee owners refers to the stock market as a capital laundering channel;
- due to the anonymity and complexity of tracking the movement of funds, cryptocurrencies are now an essential channel for money legalization;
- fictitious businesses for cashing out or withdrawing funds abroad;
- trade operations-due to overestimation/underestimation of the value of contracts, counterfeit supplies, transit schemes.

Consequently, the main stages of money laundering include:

1. Placement-placement of illegal funds in the financial system (cash deposits, purchase of assets).
2. Layering-masking sources of origin through complex transactions (cross-border transfers, inter-firm settlements).
3. Integration-inclusion of "cleared" funds in the legal economy (investment, business, real estate).

Taking into account the most popular channels of penetration of illegal funds into the financial market and the stages indicated above, we summarize the mechanism of distribution of illegal financial flows (Figure 1).

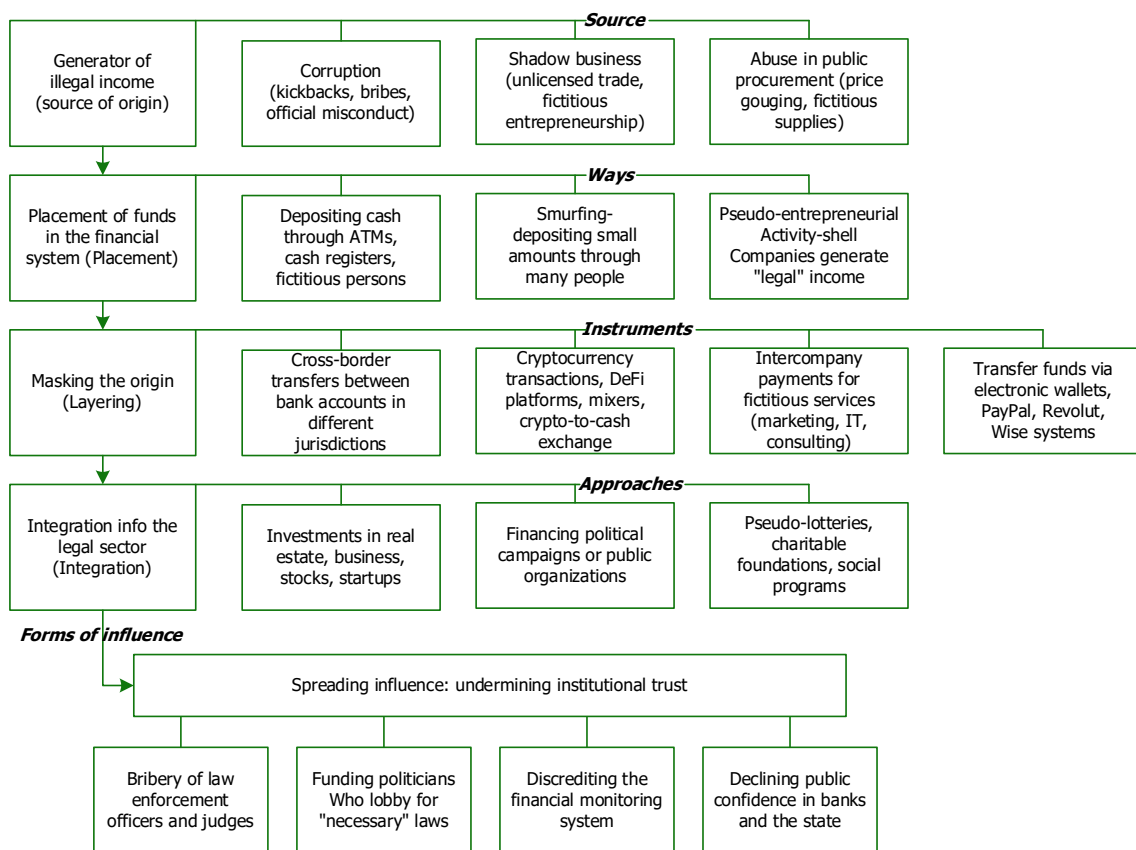


Figure 1. Mechanism for spreading illegal financial flows.

The mechanism of distribution of illegal financial flows is multi-stage, adaptive, and able to quickly transform under the pressure of regulatory measures. Its effectiveness is based on institutional gaps, behavioral loyalty of financial agents, and imperfect control.

So, at the first stage, illegal resources are formed through criminal or semi-legal sources that are trying to introduce into the legal business. The most vulnerable stage to detection is the second stage, where funds only enter the financial system (banks, exchange offices, cash transactions) in order to conceal their origin. At the third stage, the ways of origin of funds

are “entangled” through multi-stage financial transactions, which makes it impossible to identify the relationship between the source of origin of funds and the final recipient.

The return of funds to legal circulation through formally legal activities occurs at the fourth stage. After this stage, the funds look “clean” and can be used without the risk of exposure. After legalization, funds affect the socio-economic and political system. This stage turns financial crime into a threat to national security, illegal flows become systemic and begin to deform the institutional environment, which leads to: an increase in cash circulation; a decrease in deposit activity; an escalation of financial fraud; the formation of “shadow statehood” in the financial sector (Table 1).

Table 1. Impact of illegal income on the financial market of Ukraine. (Source: [investing.com](https://www.investing.com); fred.stlouisfed.org; data.worldbank.org; globalprop.ertyguide.com; <https://www.transparency.org/en/countries/ukraine>)

Indicator	2020	2021	2022	2023	2024
UX index (average annual)	1.588.42	1.596.76	1.665.26	1.552.79	1.594.00
Stock market volatility (index)	20.41	20.41	20.41	20.41	20.41
FDI volume (net, USD million)	-868	0.56	4.50	4.25	4.50
Real estate price dynamics (index)	4.85%	3.30%	1.83%	1.79%	1.76%
Corruption Perception Index (Ukraine)	33	32	33	36	35

Illegal income and corruption affect most of the key indicators of the Ukrainian financial market. Despite some improvements in UX and investment recovery after 2020, market volatility remains high and stable, reflecting overall uncertainty and risks for investors. The Corruption Perception Index fluctuates between 32 and 36, which indicates that there are no significant changes. A slight increase in 2023 may indicate some improvements in the fight against corruption, but the index is still at a low level, which negatively affects the investment climate.

At the same time, “dirty” money affects the behavioral economy through the deformation of expectations and incentives of financial market participants (Figure 2).

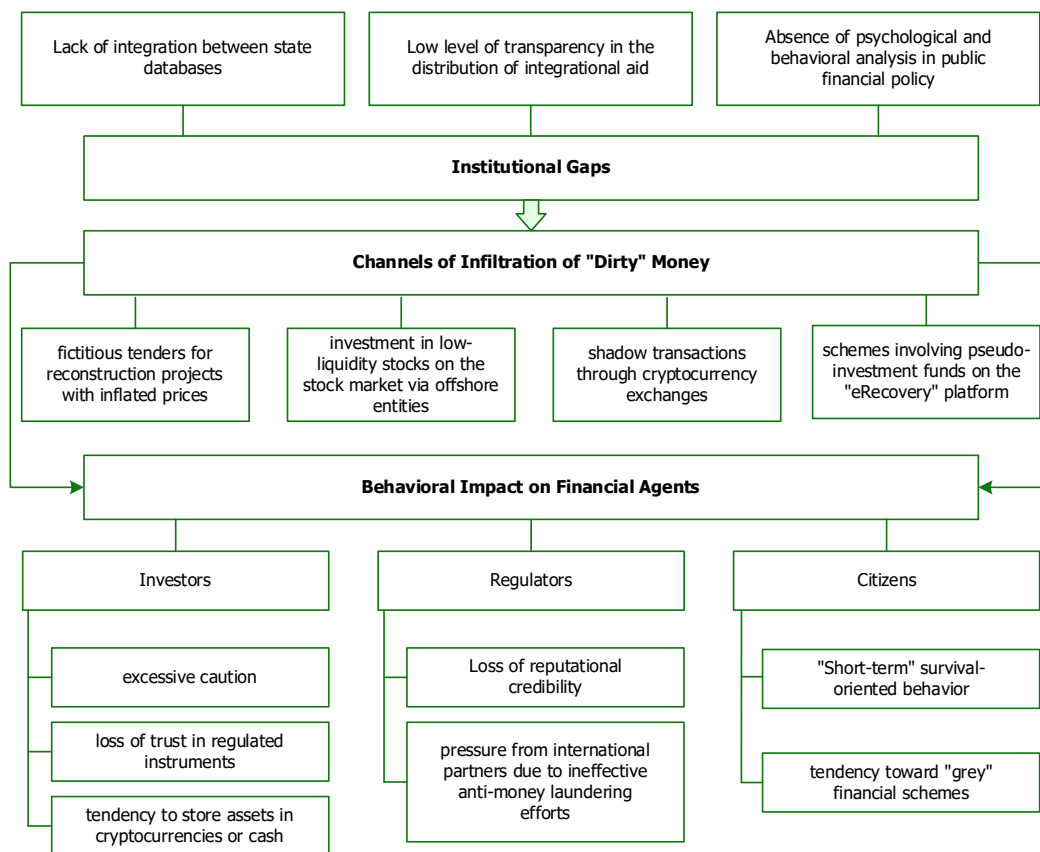


Figure 2. Institutional and behavioral tools for the impact of “dirty” money on the financial market.

One of the behavioral aspects of the impact of "dirty" money is the "illusion of growth", because fictitious activity creates the impression of growth in the real estate or stock market. At the same time, there is a decrease in confidence in financial institutions due to scandals or disclosure of fraud (Table 2). Moreover, quite often, subjects of behavioral finance are not able to distinguish legal investments from shadow ones, which distorts competition. Institutional inconsistencies allow illegal funds to enter the financial system without proper control. Assessment of the level of influence of "dirty" money on market participants is carried out using the following indicators:

1. Behavioral level of trust – public confidence in the country's banking system.
2. Cash turnover and shadowing show the share of cash in circulation.
3. Financial activity is characterized by the dynamics of household deposits.
4. Institutional vulnerability number of requests for financial fraud.

Table 2. Indicators of trust and financial security in the context of the circulation of "dirty" money. Note: *Preliminary data. (Source: built by the authors based on data <https://www.fatf-gafi.org>; <https://bank.gov.ua>; <https://fiu.gov.ua>; <https://gp.gov.ua>)

Indicator	2020	2021	2022	2023	2024*	2025 (forecast)
Public confidence in the banking system (%)	48.0	52.0	38.0	42.0	50.0	55.0
Share of cash in circulation (%)	45.5	43.0	55.0	53.0	48.0	44.0
Dynamics of household deposits (UAH billion)	1 200	1 350	1 100	1 250	1 400	1 550
Number of requests for financial fraud	2 300	2 600	3 400	3 800	3 200	2 800

The identified trends indicate that during 2020-2023, the system operated in the context of the growing influence of the shadow sector and the information vulnerability of financial agents. Thus, the analysis of the dynamics of key indicators that characterize the state of financial confidence, the level of shadowing of the economy, and behavioral reactions of the population in the context of the spread of "dirty" money indicates a constant increase in requests for financial fraud, reaching a peak in 2023 (3,800 requests). This dynamic confirms the hypothesis of a high level of information and behavioral risks that accompany the activity of "dirty" money in the system.

Today, fraud is gaining momentum amid the spread of new investment schemes, such as blockchain and cryptocurrencies, as well as due to the migration of many financial services to online (mobile banking, exchange trading, etc.) (Dudchenko, 2023). According to the State Financial Monitoring and the NBU, in 2024, the number of reports on financial transactions subject to financial monitoring increased by 23% (FIU, 2024) (Table 3).

Table 3. Dynamics of suspicious financial transactions and financial stress. Note: *Including blocked funds. (Source: built by the authors based on data <https://fiu.gov.ua>; <https://gp.gov.ua>; <https://bank.gov.ua>)

Year	Number of suspicious financial transactions	Number of materials submitted to law enforcement agencies (UAH billion)	Financial Stress Index (FSI)
2021	1659877	50.8	0.35
2022	1179392	57.2	0.65
2023	1429594	62.6	0.7
2024	1750940	69.5*	0.52

The Financial Stress Index (FSI) is an indicator that reflects the level of tension in the financial sector of Ukraine. FSI takes values from 0 to 1, where 0 is the complete absence of stress and 1 is the highest level of stress (Financial Stress Index FSI, 2025). As a result of COVID-19 restrictions in 2020, the index was 0.48 points, having stabilized in 2021. However, Russia's full-scale invasion of Ukraine led to a sharp jump to 0.65 points, which continued to grow in 2023. According to preliminary calculations, in 2024, the index showed relative stabilization in the financial market.

It is worth noting that the war creates favorable conditions for the legalization of "dirty" money through new schemes, thereby creating risks (Figure 3).

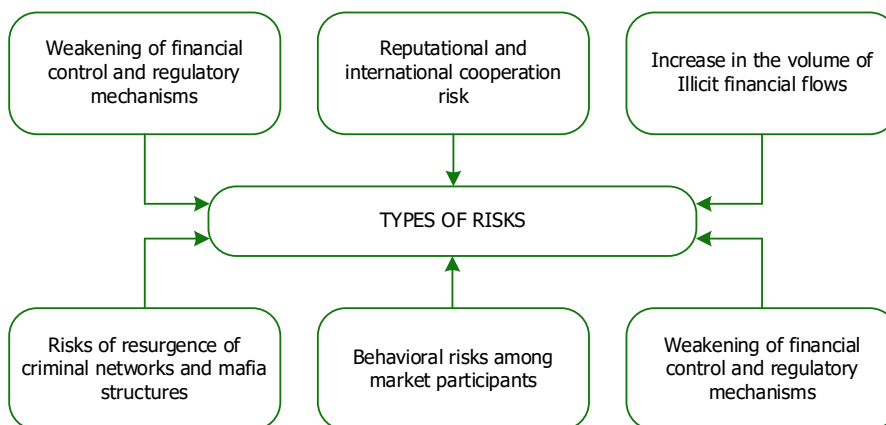


Figure 3. Classification of money laundering risks for the national economy.

Thus, the economic recovery after another crisis is accompanied by the activation of illegal activities: corruption, smuggling, and shadow business. Instability and growing economic losses reduce the financial stability of banks, which leads to the concealment of questionable transactions. However, according to the Financial Monitoring Market, in 2023, Ukrainian banks are increasingly reporting suspicious transactions and transactions of their clients (Figure 4).

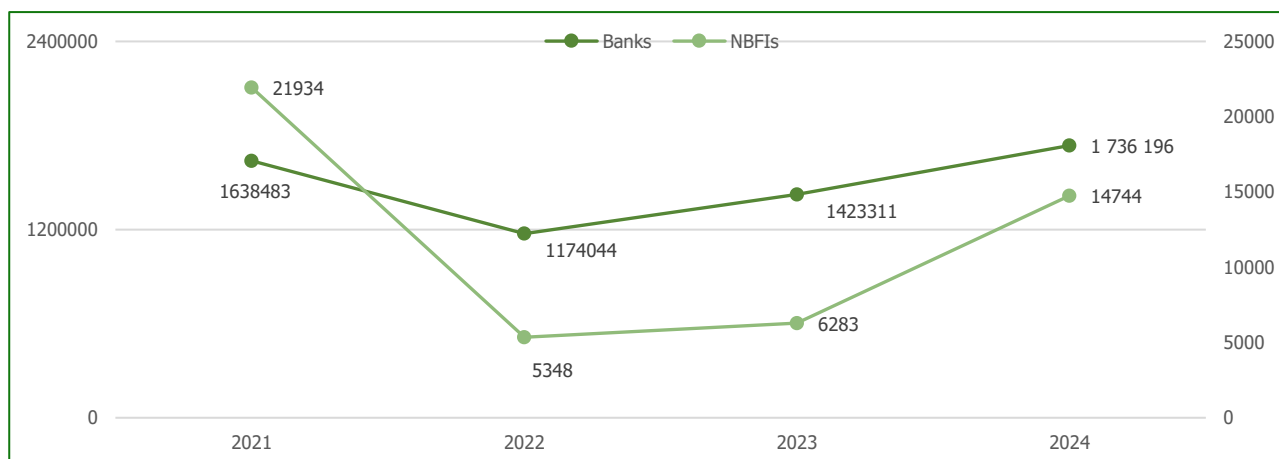


Figure 4. Dynamics of messages registered by the State Financial Monitoring Service in the context of subjects of primary financial monitoring. (Source: <https://fmu.gov.ua/>)

The extensive use of “dirty” money threatens the country's reputation as a reliable partner, which can lead to sanctions and loss of access to international financial markets. Hence, increasing distrust of official institutions can encourage the circulation of shadow money and the desire for quick profits through risky schemes. The weakening of control over criminal groups, which increases opportunities for money laundering, has become a negative feature for Ukraine. Thus, according to the Office of the Prosecutor General of Ukraine (GP, 2025), the number of sentences for “money laundering” is growing annually (Table 4), which is caused by an increase in the number of criminal implementations.

Table 4. Dynamics of the fight against money laundering in Ukraine. Note: *Preliminary data. (Source: <https://gp.gov.ua/>)

Indicator	2020	2021	2022	2023	2024*
Value of blocked/seized assets (UAH million)	865.5	1170	17078	12300	11961
Number of criminal proceedings	360600	321400	362600	302600	492479
Number of sentences/persons convicted of laundering	80	100	120	150	180

In general, 2020-2024 shows a significant intensification of the fight against money laundering in Ukraine, which is manifested both in the increase in the volume of blocked assets and in the increase in the number of proceedings and sentences. The leap in 2022 is particularly noticeable due to the response of law enforcement and financial authorities to new challenges, in particular, in connection with military operations, the introduction of sanctions, as well as increased control over

risky financial transactions, wars, and international pressure on financial transparency. At the same time, there is an imbalance between the number of detected offenses and the number of real court decisions, which indicates the presence of institutional barriers to the implementation of criminal justice. We believe that despite the positive dynamics, further improvement of the system requires the following:

1. Deepening analytical tools for detecting criminal schemes.
2. Strengthening judicial independence and professionalization of law enforcement agencies.
3. Development of international cooperation in order to track the cross-border movement of "dirty" funds, because all transactions related to "dirty" money have specific patterns: splitting amounts, using fictitious companies, synchronization with foreign economic activity, or public procurement.

In post-conflict conditions (as in Ukraine after the start of a full-scale war), the financial behavior of economic agents changes under the influence of: psychological uncertainty; loss of property or income; distrust of financial institutions; limited financial literacy; traumatic effects of war (fear, anxiety, inflationary expectations); the influence of disinformation or panic narratives. In these circumstances, classical financial theories lose their explanatory power, whereas behavioral finance takes into account cognitive biases, social and emotional factors, flexible adaptation to risks, and irrationality in decision-making.

At the same time, it is necessary to apply a comprehensive approach to minimizing the impact of "dirty" money on the activities of behavioral finance entities in post-war Ukraine, combining legal, institutional, educational, and technological measures:

1. Creating unified, interconnected, and secure digital registers of property, companies, and transactions in order to better track suspicious transactions and identify money laundering schemes.
2. Increasing the resources and powers of the state financial monitoring service of Ukraine to analyze and identify suspicious transactions.
3. A transparent and effective judicial system that can ensure the inevitability of punishment for money laundering is fundamental to changing behavioral patterns.
4. Creating conditions for attracting transparent investments (protecting investors' rights, stable legislation, and low regulatory barriers).
5. Optimization of the tax system to reduce incentives for tax evasion and "toning up", etc.

DISCUSSION

In modern research, there is an increasing tendency to rethink the impact of illegal (so-called "dirty") money on the behavior of financial agents, especially in the context of post-conflict transformation. This situation is typical for Ukraine, where, after a large-scale aggression of the Russian Federation, a new configuration of financial risks, institutional weakness, and behavioral anomalies in the financial system has emerged.

In post-war Ukraine, where the economy is undergoing significant transformations, the problem of "dirty" money (proceeds from crime, including corruption, money laundering, and terrorist financing) is becoming particularly acute. Economic recovery, attracting foreign investment, and the stability of the financial sector depend on effective prevention of the legalization of such income. "Dirty" money undermines confidence in financial institutions, creates risks for business entities, and complicates Ukraine's integration into the global financial space.

Wolosky & Jacob (Wolosky, 2020) note that "money laundering has a systemic impact on economic stability, especially in countries with transition economies." We agree that financial market instruments and structures play a key role in countering dirty money laundering; however, their effectiveness in post-war Ukraine depends on adapting to new challenges such as martial law, shadow economy growth, and digital transformation.

AlQudah, Hailat & Setabouha (AlQudah, 2025) focus on the digital transformation of the financial sector, which can both contribute to and complicate the fight against "dirty" money. We share the authors' opinion that, on the one hand, fintech tools allow detecting suspicious transactions faster by automating and analyzing data. However, in the face of war, digital platforms such as cryptocurrencies are creating new opportunities for money laundering, which, in our opinion, poses additional risks and requires improved regulatory mechanisms.

We consider "dirty" money not only as an economic risk, but also as a factor that causes behavioral anomalies (for example, a decrease in confidence, a distortion of market mechanisms, and a complication of investments). This is different from standard AML (anti-money laundering) studies, such as Canhoto (2021), which focus on using considerable data to detect suspicious transactions without linking to behavioral patterns. In post-war Ukraine, where monitoring resources are limited, the introduction of such technologies can increase the effectiveness of the fight against money laundering, but it is worth noting that it requires significant investment in the country's digital infrastructure. Additional investments can be attracted with the help of external partners who are interested in the transparency of the financial market of Ukraine.

Ukraine needs integration into the global financial space to effectively counter money laundering, which includes the harmonization of legislation with international standards, such as FATF recommendations.

Thus, "dirty" money creates systemic risks for business entities in post-war Ukraine, including a decrease in confidence in financial institutions, distortion of market mechanisms, and difficulty in attracting investment. Financial monitoring tools, digital technologies, and regulatory frameworks are key to countering these risks, which need to be adapted to the post-war context.

It is important to note that most studies focus on general aspects of money laundering, illicit financial flows from Russia to the West, or sanctions against oligarchs, but very few examine the psychological and behavioral anomalies of financial agents in the post-conflict environment. For example, reports from the Global Initiative for Transnational Organized Crime (2023) analyze the impact of the war on illicit financial flows in South-Eastern Europe, focusing on organized crime and corruption, but not on behavioral aspects. Therefore, the proposed integration of behavioral finance concepts with the analysis of the impact of "dirty" money in the specific context of post-war Ukraine is a unique approach lacking in the existing research.

CONCLUSIONS

The impact of "dirty" money on the activities of behavioral finance entities in post-war Ukraine is a significant, however, often underestimated threat. They not only distort macroeconomic indicators and undermine institutional capacity, but also directly affect the decision-making of financial market participants. Behavioral biases such as herd instinct, anchor effect, risk aversion, and loss of trust can be amplified in the face of post-war uncertainty and psychological stress. The penetration of "dirty" money through the banking sector, the securities market, the real estate market, and new digital assets (cryptocurrencies) creates artificial bubbles, distorts competition, and leads to inefficient allocation of resources, which is critically unacceptable in the context of a large-scale recovery.

Thus, "dirty money" is funds received from criminal activities. The three main stages are as follows: placement (introduction of funds into the financial system), layering (masking the origin through complex transactions), and integration (use as net assets). The main sources of origin of "dirty" money in Ukrainian conditions are corruption around reconstruction, online fraud, arms trafficking, and illicit flows related to the war. The war transformed criminal models, shifting the focus to new schemes compounded by economic losses and social damage. An additional factor is Russian illicit funds that penetrate through the occupied territories.

In times of war, the main channels of penetration of illegal funds into the financial market include banks (for placement), cryptocurrencies and fintech (for layering), real estate, trade (for integration), as well as smuggling and organized crime.

Illegal income causes systemic risks: reduced confidence in institutions, distortion of market mechanisms, difficulty attracting investment, and the growth of the shadow economy. In the post-war context, this is manifested in economic crimes in the occupied territories, market volatility, and corruption that hinders recovery. Key indicators, such as the level of trust in financial institutions (reduced due to corruption), financial risks (increased liquidity flows), stability of the banking system, and global integration (impact on national security), require increased transparency.

In order to overcome the negative consequences of "dirty" money to restore the post-war economy of Ukraine, it is necessary to develop a comprehensive approach that will combine legal measures (harmonization with the FATF, sanctions), institutional (strengthening supervision of banks and fin-tech), educational (improving financial literacy to counteract behavioral anomalies) and technological (AI for detecting transactions, regulating crypto currencies). It will minimize the impact on behavioral finance, promoting confidence recovery and economic growth, taking into account post-war challenges such as reconstruction corruption.

It is necessary not only to strengthen legislation and institutions in the field of combating money laundering to successfully rebuild Ukraine and ensure its sustainable development, but also to actively work on changing behavioral patterns. This

requires increasing financial literacy, building a culture of transparency and trust in government and financial institutions. Only a comprehensive approach, taking into account both economic and psychological aspects, will neutralize the destructive influence of “dirty” money and ensure a stable and fair financial landscape for post-war Ukraine.

Consequently, illegal financial flows significantly affect the dynamics of the financial market, increasing its volatility and instability. Behavioral finance subjects, including individual investors and institutional participants, show an increase in emotional instability, a decrease in trust, and a tendency to make unjustified decisions in conditions of a high presence of “dirty” money. The volatility and risks arising as a result of massive illegal operations trigger the phenomena of groupthink, panic sales, or, conversely, excessive optimism, which leads to further instability.

Prospects for further research include the analysis of the impact of “dirty” money on behavioral anomalies of financial agents in post-war Ukraine, with an emphasis on modeling irrational investment decisions under the influence of geopolitical conflicts. The attention should also be focused on the research on the use of cryptocurrencies for illegal operations in the post-conflict environment of Ukraine, taking into account regulatory challenges to develop in the future, adapted recommendations for restoring confidence in the financial market and integrating with global standards.

ADDITIONAL INFORMATION

AUTHOR CONTRIBUTIONS

All authors have contributed equally.

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CONFLICT OF INTEREST

The Authors declare that there is no conflict of interest.

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ВПЛИВ «БРУДНИХ» ГРОШЕЙ НА ПОВЕДІНКОВІ АСПЕКТИ ФІНАНСОВИХ УСТАНОВ У ПОВОЄННІЙ ЕКОНОМІЦІ УКРАЇНИ

У роботі досліджено вплив «брудних» грошей на діяльність суб'єктів поведінкових фінансів у повоєнний період України через інструменти та структури фінансового ринку. Метою дослідження є виявлення механізмів і масштабів впливу нелегальних грошових потоків на ухвалення фінансових рішень інвесторів, підприємств та інших учасників фінансового ринку в умовах післявоєнної трансформації економіки України. Для досягнення поставленої мети в дослідженні застосовано комплекс методів: системний аналіз фінансових потоків, статистичний та економетричний аналіз поведінкових моделей фінансових агентів, а також контент-аналіз законодавчих і регуляторних документів щодо боротьби з відмиванням доходів. Особлива увага приділена оцінці змін у поведінкових стратегіях суб'єктів фінансового ринку, зумовлених наявністю «брудних» грошей, а також ролі фінансових інститутів у мінімізації ризиків і зловживань.

Результати дослідження демонструють, що «брудні» гроші істотно впливають на поведінку учасників фінансового ринку, породжуючи низку негативних ефектів: спотворення інформаційного поля, посилення фінансової нестабільності, збільшення рівня ризику та послаблення довіри до інституцій. Водночас виявлено, що ефективність державних регуляторних заходів і розвиток інституційних механізмів фінансового контролю відіграють ключову роль у стримуванні негативного впливу та підвищенні прозорості ринкових процесів. За результатами дослідження сформувано рекомендації щодо вдосконалення систем протидії легалізації доходів, отриманих злочинним шляхом, а також адаптації поведінкових моделей суб'єктів фінансової діяльності до нових викликів післявоєнного періоду. Запропонований комплексний підхід дозволить підвищити стабільність фінансової системи України, сприяти залученню інвестицій і створенню здорового економічного середовища.

Ключові слова: брудні гроші, фінансовий ринок, Україна, інституційна корупція, повоєнна економіка, фінансова поведінка, відмивання грошей

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