

The Impact of Cybercrimes on Global Trade and Commerce

Ajayi, EFG

Kenyatta University, School of Law, Nairobi, Kenya

ajayi.efg2000@gmail.com

Abstract

It is well settled and far beyond controversy, that the exchange of goods and services is an important aspect of human life; the trading activity dates back to history as attested by “trade by barter” during the stone ages; in this modern time, countries of the world are not equally endowed with human and natural resources, moreover, the economic principle espoused by comparative advantage on one hand, the free market economy and globalization on the other, has invariably made trade and commerce, as well as inter-governmental commercial transactions, an indispensable aspect of human life. Hitherto, trade and commerce were facilitated under cumbersome conditions, but with the advent of telecommunications via the cyberspace, the face and nomenclature of business transactions changed irreversibly for better as contracting partners need not meet one another physically, yet, commercial exchanges running into millions of Dollars could easily be effected through electronic commerce.

It is apparent that the telecommunications medium is the most economical way to transact businesses irrespective of the geographical separations between trading partners. The telecommunications industry could thus be aptly described as the gateway to the global economy, due to the phenomenal volume of transactions in goods and services facilitated between thereof between persons, corporate, organizations and sovereign states. Today, trade and commerce have surpassed the rudimentary realm and no longer localized as in the past; it has metamorphosed and become internationalized; unfortunately, cybercriminals capitalize on the advantages occasioned by speed and volume of electronic transactions, to wreak havoc thereby causing huge economic losses, as well as other setbacks which may not be quantifiable financially. This paper argues that losses arising out cybercrimes shall continue as extant laws in place, cannot possibly address the menace as the said laws are fragmented, national and regional. The purpose of this paper, is to attempt a comprehensive account of the impact of cybercrimes on E-Commerce so as to raise awareness and appreciation of the problem, in the hope that a global solution shall be found to the challenges posed by cybercrimes to E-Commerce and of course, global economy.

Index terms: Trade and commerce, E-Commerce, cybercrimes, cyber criminals, economic losses

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