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White Collar Crimes: Sociological Perspective

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ABSTRACT

The phrase "white-collar crime" refers to a broad range of nonviolent crimes that are frequently committed for financial gain in formal settings. The assumption that organisations play special roles in the social organisation of illegality links many of the ideas of white-collar crime that can be found in the literature. However, many white-collar crimes are extremely difficult to prosecute due to the sophisticated techniques utilised by the criminals to conceal their activities through a series of intricate transactions. Whistleblowers are especially beneficial to prosecutors of white-collar offences because they show internal misbehaviour. White collar crimes, characterized by deceptive practices committed by individuals in positions of power and privilege, have far-reaching societal implications. Understanding these crimes from a sociological perspective allows for a comprehensive analysis of their causes, consequences, and the broader social structures that facilitate their occurrence. This abstract provides an overview of the sociological perspective on white collar crimes, highlighting key concepts, theoretical frameworks, and empirical findings. This abstract also discusses the consequences of white collar crimes, which extend beyond immediate financial losses. These crimes erode public trust, undermine social cohesion, and perpetuate inequality. Sociologists have examined the impact of white collar crimes on victims, communities, and society at large, emphasizing the need for regulatory frameworks and social policies that address the root causes and minimize the harm caused by such offenses. Additionally, this abstract highlights empirical research on white collar crimes, including case studies, statistical analyses, and qualitative investigations. Sociologists have explored various forms of white collar crimes, such as corporate fraud, embezzlement, bribery, and insider trading, examining the organizational contexts, cultural norms, and individual motivations that contribute to their occurrence. We shall attempt to study a variety of facets of white-collar crime in this project, as well as its effects on society. Title: White Collar Crimes: A Sociological Perspective.

Keywords: organisations, misbehaviour, crimes, corporate fraud, embezzlement, bribery, insider trading.

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I. INTRODUCTION

"White-collar crime" is generally a term that refers to the illicit use of a significant position of authority that results in victims suffering financial loss, physical pain, or damage to the community's moral climate. Most analysts agree that compared to other types of crime, white-collar crime has a far higher impact on the economy. White-collar crime can hurt consumers by selling dangerous goods, put workers in danger through unsafe workplace conditions, and damage a society. Sociologists have emphasised that white-collar crimes are particularly harmful to society because they are committed by people in positions of authority who are expected to set a positive example and conduct responsibly. Although Edwin H. Sutherland, a criminologist and sociologist, first used the term "white collar crime," it was not in a vacuum; rather, it was based on the "criminaloid notion," which was first used by E.A. Ross (1907) in *Sin and Society*. Ross made use of this concept by drawing attention back to businessmen who engaged in such harmful acts while feigning respectability. According to Ross, the "criminaloids" pose possibly the greatest threat to society, causing enormous loss while professing to be morally upright. Marshall Clinard defined white-collar crime as "a violation of the law primarily by groups such as businessmen, professional men, and politicians in connection with their occupations," while Sutherland preferred to define it as "crime committed by a person of respectability and high social status in the course of his occupation." It involves actual criminal offences committed consistently or repeatedly by office workers, corporate professionals, and professionals in other fields.

II. TYPES OF WHITE-COLLAR CRIMES

Bank Fraud: Fraud is a crime committed with the intent to deceive and gain unfair advantages. Financial con games include bank fraud. It is produced through deceptive claims made by dishonest businesses. Additionally, handling negotiable instruments like bouncing checks, securities, bank deposits, etc., is involved. Due to the trusted relationship that exists between banks and governments, bank fraud worries the general population. It is the most typical form of corporate crime as well as a white-collar crime. Not only the populace but also the government of the nation is impacted by this.

Bribery: A frequent kind of white-collar crime is bribery. Bribery is when we offer someone cash or commodities in return for a favour. Bribery is, to put it simply, when a man offers money to someone else in a position of power. It is carried out in order to demand something or prevent something from occurring.

Cyber-crime: The crime of "computer networks" is known as cybercrime. Technology-related

crime is rising quickly along with the speed at which technology is developing. Using the internet and other technical resources to harm the victim's reputation physically or psychologically, it is either committed directly against the victim or indirectly. Cybercrime is viewed as posing a risk to personal finances and national security. The Information Technology Act of 2000 is the sole law in India that addresses cybercrime offences.

Money Laundering: Money laundering is a crime in which offenders attempt to conceal the source of the stolen funds. Criminals in such crimes make an effort to hide the fact that the money was obtained unlawfully in the first place as well as its source. Money laundering is the act of passing off unlawful funds as legitimate. According to Section 3 of the 2002 Money Laundering Act, money laundering is defined.

Tax Evasion: The deliberate failure to pay taxes that are owed is referred to as tax evasion or tax fraud. The phrase refers to somebody who receives income, does not disclose it, or hides the income by fabricating tax returns or other supporting documentation. It is true that no one wants to pay more in taxes than is necessary, thus people frequently look for ways to lower the amount of money they owe the government in taxes. This can take many different forms and refers to willfully underpaying or without paying your fair share of taxes. One frequent practise connected to the informal sector is tax avoidance. According to Chapter XXII of the Income Tax Act of 1961, the tax evasion infraction carries a harsh fine or perhaps a prison sentence as a possible punishment.

Forgery: "Imitation is the most sincere kind of flattery," Oscar Wilde once stated. Forgery, however, is what happens when a creator tries to pass off an imitation as the genuine article. The term "forgery" describes the deliberate counterfeiting of securities or checks with the intent to defraud the other person. It also includes the use of a fake document, signature, or other imitation of a valuable object to deceive someone else. It is particularly common in the accounting section of the company, where the clerks and employees fabricate reports and flee with the money, costing the business money.

Counterfeiting: The Indian Penal Code, 1860, defines counterfeiting as an illegal conduct when something actual is imitated in order to take, harm, or replace someone's original work. It makes it simpler to profit from shady business dealings and to deceive someone who thinks the portrayal is accurate and the imitation work is more valuable. Fake brand names and logos can be found on counterfeit goods, and some of them may also include dangerous compounds that can be fatal to consumers.

III. RISKS POSED BY WHITE-COLLAR CRIMES

Given that a person who is ready to take a chance on committing a white collar crime will still do so regardless of the number of laws or restrictions in his environment, white collar crimes might be seen as residual risks as opposed to inherent risks. A person who is willing to commit a white collar crime will do so as long as he possesses a degree of risk-taking willingness, regardless of how strict the level of control in the environment is. Even after significant efforts have been made to enforce the law, criminals continue to commit crimes everywhere. In fact, data reveals that, in some sectors where the laws and regulations are stricter, crime rates also rise.

White collar crimes are conducted possessing the intent to obtain personal advantage, and the firm that becomes a victim of one runs a significant risk. The company may experience short-term financial hardship due to the loss of profits and fines, but over the long run, these factors could hurt the business and perhaps cause its closure. The availability of communication makes it possible for information about a corporation to circulate swiftly, becoming public awareness if it is accused of white collar crime. White collar crime effects on a firm can range from fines to the emergence of a corporate scandal, and over time, these effects can harm a company's reputation.

Most experts agree that compared to other types of crime, white-collar crime has a significantly higher economic impact. White-collar crime can hurt consumers by selling dangerous goods, put workers in danger through unsafe working conditions, and pollute a community. Sociologists have emphasized that white-collar crimes are particularly harmful to society because they are committed by people in positions of authority who are expected to set a positive example and conduct responsibly.

According to a common view expressed in government papers and professional writings, the public does not view white-collar crime as serious, but few empirical research have actually supported this assumption. On the other hand, most studies on the perceived seriousness of crime show that white-collar offences, especially embezzlement and activities that result in human death or injury, are frequently regarded by the public as serious crimes.

(A) Who are involved in white-collar crimes?

A "crime committed by a person of respectability and high social status in the course of their work" is what Edwin Sutherland refers to as a "white collar crime." According to this definition, a person who commits a white collar crime must be someone belonging to a high social level and receiving respect from others. Even if top management is clearly to blame in the

aforementioned remark, they cannot be classified as white collar criminals. based solely on their position inside a corporation. In fact, a study of a group of white collar criminals by Hazel Croall in the book "The British Journal of Criminology" titled "Who is the white collar criminal" revealed that the offenders were primarily small business owners and employees, leading us to believe that mid-level supervisors or members of the ground staff can potentially be white collar criminals.

Regarding the answer to this query, I respectfully submit that any employees of a firm, regardless of their level within the corporation, could be considered white collar criminals if they conduct the crime while performing their job duties.

IV. ANALYSIS AND SOCIOLOGICAL RELEVANCE OF THE TOPIC

Additionally, white-collar crimes have a large financial influence on society. When a corporation shuts down or is the focus of any form of inquiry due to illegal activities, there are job losses at all levels, a decrease in stock prices that erodes the capital of its investors, and a loss of confidence in the financial system. All crimes—white collar, corporate, professional, or blue collar—are committed for financial gain. Contrary to white collar and blue collar crimes, which are committed by people acting in their personal capacities with the intention of achieving personal profit, corporate crimes are those committed for or on behalf of the company you work for with the specific intent of financially profiting the company or its shareholders, compared to crimes done by individuals acting of their own accord for personal or financial benefit, such as white collar and blue collar crimes.

Less than 2% of people who are admitted to prison in a given year are from the top class, according to the criminal statistics, which clearly demonstrate that crime, as it is commonly seen and officially assessed, is more common in the lower class. These data cover criminals dealt with by the police, criminal and juvenile courts, and prisons, and include offences including murder, assault, burglary, robbery, larceny, sex offences, and intoxication, but they do not include traffic violations. Even while the money loss from white-collar crime is substantial, the harm to social interactions is more significant. White-collar crimes undermine confidence and engender mistrust, which weakens social morale and leads to widespread societal disarray. Other crimes have a negligible impact on societal structures or organizations. The organizations must take specific steps to instill fear in potential white-collar criminals, preventing them from acting out and carrying out their malicious acts. Such acts could prove to be highly effective in discouraging everyone. Most employees view corporate transparency as a critical element in the development of moral business practises and a long-term ethical

framework for the entire organisation. A transparent company approach can also help to eliminate toxic cultures and reflect the laws that are in place to stop crimes like tax evasion, money laundering, and other financial crimes.

V. CONCLUSION

It is obvious that a new type of crime known as "white-collar crime" has emerged as a result of scientific and technological advances. There is no definition of "white-collar crime" in the code. However, the scope of white-collar crime is so broad that after examining the Indian Penal Code 1860's provisions, we can get the conclusion that some offences are closely related to white collar crimes like bribery, corruption, food adulteration, forgery, etc. The Indian Penal Code's sections pertaining to white-collar crimes should be revised to strengthen punishment in line with evolving socioeconomic situations. To control the issue, the provisions of the Indian Penal Code and the special Acts dealing with white collar crimes should be harmoniously interpreted.

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