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Assignment #4

White Collar Crime

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**Essay Questions**

1. Define enterprise crime and discuss the relation of syndicated and organized crime with governmental crime, White Collar Crime, and finance crime.
2. What is contrepreneurial crime, what are the main attributes of professional criminals who practice it, and what are the parallels between these professional criminals and white collar offenders?
3. List and discuss the specific facets of the modern technology/computer revolution which promote White Collar Crimes, and which facts impose constraints on such crime.
4. List and compare enterprise crime, contrepreneurial crime, and technocrime in terms of their basic attributes, then identify some of the key areas in which these different forms of crime intersect.

**QUESTION 1**

Enterprise crime is a type of white collar crime where the culprits act professionally compared to other forms of crime. (Friedrichs) Enterprise crimes are in two forms; organized crimes and syndicated crimes. Syndicated crimes involve a wide range of activities of a certain group. The US syndicated crimes originated in the 1800s as the criminal organizations called “mafia”. The group was later called the Italian crime organizations after some groups migrated to America from Italy. The group was known for its crime activities like running legitimate businesses, garbage collection, running night clubs and restaurants (Braithwaite, 2005). The group’s success was through bribing the police and corruption in court cases. Mafia was also associated with labor racketeering in America. This involves manipulating the labor movements in the aim of affecting the related businesses and companies. It also leads to contradiction of workers’ rights which leads to a great loss to the business and the workers. Labor unions are very much exposed to organized crime groups who plan to take advantage of the workers’ pension fund, their wealth and the allowances.

Organized crimes are broader crimes which involves associated crimes of different people for the purpose of making profit for example the business people, police and politicians. Syndicated crimes and organized crimes are used interchangeably. Different professionals can plan an illegal enterprise in order to gain profit or for their own benefit. The organized crime groups are made by a number of people mostly working under the same department in a company. These individuals mostly have similar characteristics (Shover, 2008). They are self-perpetuating. The group is resistant to change and they only want to live with the old styles this is because change would reduce the chances of carrying out their criminal activities. For instance if an accountant in a company has not been accounting for petty cash in an organization implementing petty cash record file will prevent him from using the company’s money for his own gain.

Organized crimes members of the group have limited members and hierarchal form of leadership. The organized crimes members are few in a group so that they are able to make quick decisions. Small groups are also easy to manage and divide the profit. The groups’ leadership is hierarchal to ensure that there are those with the commanding voice who dictates what the rest should do, when, how and where. Each member of the group has his or her own role to play in conducting the crime. The members are united with vows of secrecy to remain silent despite the threats by the organization or from the police department during crime investigation. For instance when one person is caught and taken for questioning, he or she is not supposed to give any information concerning the group. Leaking information is violating the vows. The group aims at controlling the illegal enterprise by use of force, aggression or bullying in order to acquire goals. The group’s success results from providing services where the demand is high but no legal means of acquisition (Shover, 2008). When the group is caught they tend to protect themselves by bribing the management or legal system. The group creates network to ensure communication among the members. Research has shown that many of the organized crimes groups practice similar activities like money lending but use different methods of gaining profit.

Government crimes involve illegal activities by the political body. The government despite being the law makers in the country is also involved in injustice practices like corruption and terrorism. Many government crimes are not publicly stated mostly due to secrecy entailed in the practices. White collar crimes are deceptions executed by business and government professionals. Most of these white collar crimes are characterized by violation of trust, deception or cover ups. The culprits are not involved in applying physical force. They aim at committing crimes secretly to avoid losing their jobs, money or property (Braithwaite, 2005). These culprits are investigated by the FBIs who use intelligence to critically analyze the crimes. Financial crimes are can be described in two forms; dishonest activities that are used to benefit the individuals and those activities which are not dishonest but facilitate the process of getting the benefit. Financial crimes are committed by two main groups of individuals; organized groups and the professionals in the company or an institution. These crimes be money laundering, terrorist financing, electronic fraud and information forgery. For instance a bank may be robed by either an organized group or the employees by use of accounts hacking. The four forms of crimes are interrelated that is the enterprise crimes, financial crimes and white collar crimes. The enterprise criminals are responsible for conducting the white collar crimes and financial crimes. Government crimes seem to be different in that the crimes involve the government officials but can still involve organized groups who plan to perform some illegal activities for their own benefits.

**QUESTION 2**

Contrepreneurial crimes are illegal activities committed by professionals outside their professions. There are crimes committed with disrespect of the law outside the occupational con text. These acts are related to the white collar crimes due to the fact that they are all committed by professionals. Some of the frauds include insurance deceptions, loan acquisition forgery among others. The contrepreneurial activities are conducted in a peaceful manner without physical violence. The culprits use deception and violation of trust in order to acquire benefit. These crimes are called crimes of trust as they violate the trust the individual has with the company which he or she is committing the crime from (Shover, 2008). These types of crimes are different from the street crimes which involve contact of the person and the person he or she is stealing from. For instance, when snatching someone’s purse it means that the person stealing the purse must be present to perform the act. Activities involved in street crimes mostly involve application of force to implement the crime. For instance robbery with violence where armed people invade a place to steal and use force to ask for whatever they intended to steal if the owner resists.

The participants of the contrepreneurial crime are always cautious of the offence to be identified. They are very much concerned of the detection of the offence than the executor. Other occupational crimes are also identified by the same characteristic where the executors of the crimes are very much concerned of their offences to be detected and not them being caught. Many of these activities are done by the professionals themselves who present their fake documents hoping that they will not be identified. For instance when forging insurance or loan documents the executor presents the documents individually in the normal procedures undertaken by the rest. The individual may start by greeting the insurance agency then present the documents. He or she seems to engage in a lot of communication and interaction with the insurance agency in the aim of gaining trust (Nelken & David, 2004). When there is trust it is very difficult to identify the forgery or any other form of mistrust. Additionally contrepreneurial crimes do not incur force or any form of pressure to the company or the organization one is stealing from. All their activities are peaceful orderly. No one can detect from physical observation that a person is intending or has committed a crime. They do not create public attention. In case the culprit is caught he is questioned individually and separately in order to have a clear observation on the documents that have been presented.

Professional criminals are very similar to the white collar criminals. This is due to the fact that both are committed by professionals who are qualified in different occupations. Both crimes do not involve force or any form of physical manipulation by the perpetrators. They all use trust violation and deception to get their benefits (Quinney & Richard, 2007). Both types of criminals are concerned with large companies and organizations where the professional criminals tend to assume legitimate on some of the services like insurances and loans and have a need to acquire the fund illegally. White collar offenders perform their crimes within the occupations which may be very easy to acquire the money because the individual works within the company but on the other hand the person is risking his or her job.

**QUESTION 3**

Technology in the modern world has developed in a very high rate. Every activity is now being carried electronically. Technology advancement has lead to improvement of various ways of carrying out different activities. There have also been faster methods of producing bulk quantities of goods. Trade and marketing has also been of beneficiary due to introduction of online marketing; e-business. Communication systems have been developed to make communication very fast and effective to all people. Introduction of computers in the world has been of advantages and disadvantages (Gilbert Geis, and Colin Goff, 2005). In the good side of computers everyone is enjoying its services most especially the companies and different institutions. Many companies install software into their computers so that they can be able to execute the activities of their choice. For example accounting software can help the company to perform its calculations and keeping financial records.

There are different challenges of white collar crimes in the technology development stages. White collar crimes are deceptions executed by business and government experts. Most of these white collar crimes are characterized by violation of trust, deception or cover ups. The culprits are not involved in applying physical force. They aim at committing crimes secretly to avoid losing their jobs, money or property. White collar crimes are the crimes committed by professionals of a particular company or an organization. These crimes do not involve violence. The professionals have their way of carrying out the activities. They use deceptions and cover ups to commit their crimes. They may also engage in activities that violates the trust between them and the company. The white collar crimes are mostly related to the company’s activities like frauds in accounting, trade and marketing. The main crimes include money laundering, corporate fraud and security deception. Many cases of white collar crimes are investigated the FBIs who are well trained to use their intelligence to detect all kinds of crimes in companies. The white collar crimes are a great risk of the individual’s job and property (Shover, 2008). This is because in most cases when one is caught engaging in such illegal activities, private investigations starts immediately. The FBIs investigate all the records within the company so that they identify the crime. They then investigate the role of the culprit and the relationship of the company with the culprit. If the individual is found guilty he or she is charged in a court of law. The FBI must have the right information and evidence to accuse anyone of any crime.

Introduction of computer software exposes the company to a lot of frauds. There are many computer specialists who are able to hack the systems and control the different operations undertaken by the company. For instance there are very many crimes of hacking bank systems and stealing very large amounts of money from the accounts. Other challenges include cyber crimes where people interfere with other people’s documents which may interfere with critical information for instance tampering with case evidences (Gilbert Geis, and Colin Goff, 2005). An individual may want to win a case in court that he fears there are evidences against him and opt to commit another computer crime. Introduction of mobile phones introduced a crime of cyber-bullying. This includes harassments of an individual by another with private identity. The individual who is harassed does not know the sender who may be calling or sending threatening messages. This crime that is punishable by the law. Some people use the social media to abuse others mostly the powerful heads in a country like the politicians. If the matter is reported in country it is punishable by the law. Most of the computer crimes are very challenging to curb this is because the technology is very advanced and some people are also very skilled in that it is hard to detect the culprits.

**QUESTION 4**

Enterprise crime involves crimes that major on small scale and are mostly concerned with day to day dealings. Some of the crimes involved are trafficking, snatching items among others. They are mainly divided into organized and syndicated crimes that interchange due to their similarities. Enterprise crime is a type of white collar crime where the culprits act professionally compared to other forms of crime (Shover, 2008). Enterprise crimes are in two forms; organized crimes and syndicated crimes. Syndicated crimes involve a wide range of activities of a certain group. Organized criminals have various characteristics. One of them is that they have organized network. These groups of people need coordination in their activities so that they may have constructive plans of getting benefits from their activities. They also have hierarchical form of leadership with divided roles for every individual member of the group. This is crucial in ensuring that the group is successful in the illegal engagements.

Techno crimes involve the illegal activities that are mostly carried out through the computers. These can also be defined as white collar crimes which are developed due to technology advancement. Some of these crimes involve hacking; spam, spyware, cyber bullying and cyber crime among others. These crimes developed due to technological advancement. Innovation of computers has very advantages which help in production and marketing but on the other hand there are various challenges which have become a great threat to businesses and organizations (Ngai, 2001). Cyber bullying involves aggression of people through calls, messages and emails. Some people send messages to people claiming they will kill someone if a certain deal is not accomplished. Others send messages asking people to deposit some amounts of money in to their accounts otherwise they will destroy their property. These messages have scaring messages which makes people to send the required money. Most people who practice cybercrimes have their identification hidden in that they cannot be traced.

All the crimes despite the level of stealing are punishable by the law. The FBI is on their toes to investigate the culprits of all the registered crimes (Gilbert Geis, and Colin Goff, 2005). The profession of an individual or the position the person holds in the government cannot be an excuse to charge a culprit in a court. If a person is identified by crime he or she should be charged according to the crime committed. There should be no discrimination where common people are charged while the people in the government are not. Many of the government crimes are not fully investigated. This is because of lack of enough evidence. Many government officials temper with the evidences making investigation process to give up on the matter.

White collar crimes are difficult to identify compared to the street theft. Use of trust violation and deception by the professions requires a lot of intelligence. The professionals take risks of being caught in the act of deceit. When they are performing their illegal activities their main worry is that the act may not be identified and that they may not be caught; professionals carryout crimes openly. The only thing that they ensure is to maintain a high interaction with the server. This creates trust between them and the server. The white collar criminals also need to familiarize themselves with their companies’ systems in order to identify the best ways to get benefit and how to get it (Ngai, 2001). All the crimes need self giving individuals. Participating in crimes requires one to risk all that he or she has in order to fight to get more. It is a risk because a person can be caught and the court rules against all his wealth, job and freedom. Finally, crimes are called crimes due to violation of the law. Therefore all the crimes violate the law and if any person is fixed there should be penalty to be taken.

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