

English Summary

From major swindles to minor fiddles—themes in international white-collar crime research

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This report presents and discusses international research into economic crime. The presentation includes concrete research findings as well as both attendant theoretical perspectives and other prominent themes. The principle focus is directed at internationally recognised, empirically based research, primarily produced in the Anglo-Saxon countries.

Terms and definitions

The first chapter examines definitional and terminological issues. Concepts such as white-collar crime, corporate crime, occupational crime, organisational crime, economic crime and so forth suggest that this is a multi-faceted area of research. Besides the history of such conceptualisations, the chapter discusses a number of contentious questions concerning:

- Actor status—are economic offences committed by individuals (physical persons) or organisations (legal persons) or both?
- The crime concept—should research and counter measures be limited purely to acts that contravene the criminal law, or should acts that are sanctioned in accordance with civil and administrative legislation also be included?

- The distinction between white-collar (economic) crime and organised crime —is it theoretically or empirically meaningful to separate these phenomena given the complex nature of the world we live in?
- The relationship between definitions and research objectives and traditions —is it reasonable to talk of “definitional confusion” without taking into consideration the way different questions and interests are rooted in differing disciplinary traditions, philosophical perspectives, theoretical assumptions and favoured methodologies?

Who is the economic offender?

The first point to be made is that economic offences are not solely committed by high status (white-collar) individuals in the course of their occupation. A considerable number of such offences are committed by individuals with a middle class background as well as by persons from the lower (blue-collar) classes. The perpetrators are most commonly men. The gender pattern of economic crime is very similar to that characteristic of what is often termed traditional offending. It should nonetheless be noted that economic crime is generally unlike conventional street crime. The proportion of perpetrators drawn from ethnic minorities, the poor or the unemployed, for example, are considerably smaller among economic offenders. One of the fundamental questions relating to the assessment of research into the character of economic offending is that of the research data and methodology employed. As a rule of thumb, the greater the proportion of court data and material from registers maintained by state agencies, the greater the proportion of unqualified economic offences, and the smaller the proportion of perpetrators conforming to the classical (white-collar) definitions.

Causes and conditions

Causality is one of the most widespread and fertile themes to be found in international research into economic crime. Causal relations are demonstrated at the levels of the individual, the organisation and society at large. Reference is often made to personality characteristics, social learning and rational choice. At the level of the organisation, the factors deemed to be of interest in this context include the size of an organisation, the existence of subcultures, sector-specific modes of conduct and the interplay between organisations and supervisory agencies etc. Conditions referred to at the societal level relate to structural and cultural factors such as social class divisions, social desorganisation, attitudes based on gender roles, and the principles of profit and competition inherent in the economic system. There is a lack of integrated theories combining factors from different analytical levels in a more holistic model. Up to now, the ambition to explain the causes of economic crime has been dominated by the search for a single fundamental and decisive factor.

Victims and harm

The issues of the victims of economic crime and the harm caused by this type of offence have long been accorded a secondary role in economic crime research. It wasn't until the 1980s and 1990s that interest in victimological issues finally began to gain ground. The term victimology refers to studies where the situation of the victim before, during and after the criminal act forms the basis for different problem formulations and approaches. In order to differentiate categories of victims and different sorts of victimization at the analytical level, distinctions are made between direct and indirect victims and between primary, secondary and tertiary harm (affecting individuals, affecting companies and institutions or affecting more complex and diffuse phenomena such as the physical environment or the welfare state). The victimological discussion contains elements and arguments reminiscent of those formulated in the debate on the limits of the economic crime concept. Is one a victim of economic crime only where one has been exposed to the intentional acts of individuals? One counter argument contends that harm is harm, irrespective of whether it is caused by accident, neglect or a premeditated criminal act, irrespective of whether it is of a physical, sexual, psychological or economic nature, and irrespective of whether it is caused by individuals, organisations, companies, governments or by society at large.

Counter measures to reduce economic crime

The term counter measures covers many different activities whose objective is to prevent, reduce or do away with economic crime. The questions addressed in relation to this theme have been and remain the object of deep differences of opinion and conflicting perceptions. The demands and arguments of the actors involved are as a rule based on the principle either of effectiveness or of justice. But opinions also differ when it comes to the interpretation of findings from empirically based research. A summary of the state of the research in relation to a number of current issues finds that:

- There is evidence in support of the thesis that businesses occupy a privileged legal position in relation to private individuals, but this does not mean that all economic crimes are met with only mild sanctions.
- Research that has tested hypotheses relating to the class-based partiality of the judicial system has produced contradictory findings. Some results indicate the existence of a positive correlation between high social status and mild sanctions, while other results show quite the reverse, i.e. the probability of receiving a more punitive sanction increases with the professional status of the accused. Other findings indicate that that the courts deal with economic offenders on the basis of the same criteria that are applied in the context of more traditional crime.

- The view taken of economic crime has become more serious since the mid 1970s (post-Watergate), and the 1980s and 1990s provide several concrete examples of both more stringent intervention practices and more punitive sentencing.
- A number of researchers contend that proceeding through the civil courts and making use of administrative sanctions are preferable to the employment of criminal sanctions—arguments and models favouring a “self-regulatory” logic have become increasingly prominent during the 1980s and 1990s.
- Several studies have shown that negative publicity constitutes a much feared form of sanction among the owners and directors of businesses.
- Two lines of reasoning have evolved to counter the theoretical and ideological shift towards arguments for deregulation, the ideal of self-regulation and service focused agency supervision as witnessed over the last decades. The first of these arguments emphasises the political-ideological basis for the shift as well as providing information on the shortcomings and imperfections of the neo-liberal strategy. The other is based on the idea of “just deserts” and contends that punitive sanctions are a legitimate means (even in relation to corporate offending) of demonstrating the moral censure of society.

The need for interdisciplinary research

The report concludes with a number of reflections. One conclusion is that an already complex research object is not made any less heterogeneous by a research community which approaches this complexity using differing assumptions and employing distinctive theoretical perspectives and conceptualisations. At the same time, the point is made that this variation in the use of conceptualisations and the choice of perspectives is not unique to the study of economic crime. Instead it mirrors the state of contemporary social science research. With regard to current lines of development within research, the continued strength of the Sutherland tradition is noted, despite the existence of research findings which contradict the classical definitions and hypotheses in important respects, and despite the fact that the business community of today is quite different from that which existed when these hypotheses were first formulated during the 1940s. It is further noted that the field still lacks genuinely interdisciplinary research efforts. The Yale Studies on White-Collar Crime are presented as a good example of a productive research environment characterised by a certain degree of interdisciplinary cooperation. In conclusion, attention is called to the need to replicate classical studies and for interdisciplinary, comparative research at the national level.