WHITE COLLAR CRIMES: A STUDY OF NON-VIOLENT FINANCIAL OFFENCES

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1. ABSTRACT

For thousands of years, people have been committing crimes. The types of crimes committed today differ significantly from those of past generations. People have a natural tendency to view marginalized and oppressed groups as criminals. This is due to the fact that they require the most funds and resources in order to satisfy their needs. India's economic prosperity has been significantly impacted by the recent rise in white-collar crime in the nation. White-collar crimes are defined as unlawful activities that do not entail the use or threat of physical force or violence and are typified by deceit, concealment, or breach of trust. India's economy is hindered by a number of frauds and economic threats. Personal financial gain is usually the motivation behind these financial crimes. White collar crime is one example of how crime has changed as a result of growing industry and socioeconomic progress. Robbery, rape, and murder are examples of crimes against society that people commonly assume can only be committed by members of the middle class or poor, but this is not the case. Regardless of their financial status, anyone can commit white-collar crime. However, it is usually linked to powerful and affluent people. Although these crimes lack any particular behavior, they are quite varied and have the potential to cause businesses and investors to suffer significant financial losses. In this regard, the Indian government needs to act swiftly to reduce the country's growing white-collar crime rate.

Keywords: White Collar Crimes, Unlawful Activities, Economy, Society, Criminals, Industrialization

2. INTRODUCTION

The term "white collar crime" refers to any illegal activity carried out by a company or its employees on its behalf. White collar crimes are therefore committed to harm another person or organization or for the benefit of the corporation. The environment in which these crimes are committed is silent. It is also believed that these kinds of white collar crimes are common. Corporate crimes are blameworthy or socially destructive actions that cause employees or the general public to suffer financial, physical, or environmental harm. Serious infractions with potentially dire consequences are known as white collar crimes.

- White Collar crimes are stigmatized, giving the impression that they are less dangerous or serious than more common ones. These offences could be just as dangerous as more conventional ones, particularly if a significant quantity of cash or other items have been lost. These Crimes describe offences that have a detrimental effect on the national economy.

- These are non-violent crimes committed by entrepreneurs who use deceptive tactics to obtain substantial sums of money for their own financial gain. White collar crimes include a wide range of behaviours committed by employees of otherwise lawful businesses. The offenders hold respectable positions in their communities until their crimes are exposed.

- White collar crimes are those that are committed in the course of a person's employment by someone with an excellent social status and reputation. It is a crime involving some form of financial deception or theft that is usually committed by paid professionals or businesspeople.

The term "white collar crime" was first used in 1939 by sociologist Edwin Sutherland. Definition of White Collar Crime. Edwin Sutherland described White Collar Crime as "a crime committed by a person of responsibility and high social status in the course of his occupation".

- **White-collar crime is a broad concept that usually encompasses the following five key elements:**

- Nonviolent nature: Neither direct physical force nor violence are used in these crimes.
- Performed by reputable, high-status individuals: Most offenders hold trusted positions in the government, business, or professions.
- Driven by financial or economic gain: Illicit enrichment or advantage is the main goal.
- Use of deceit, concealment, or breach of trust: Usually, manipulation and misrepresentation are used instead of force.
- Occurrence in the course of one's job: The crime is directly related to the offender's work or occupation.

3. GROWTH OF WHITE COLLAR CRIMES

The two World Wars had an enormous influence on white-collar crime. The scarcity of items and rising demand had a significant impact on traditional norms and ethical boundaries. India's independence and the establishment of a declared welfare state occurred nearly simultaneously with the end of World War II. In a welfare state, the government regulates many aspects of commodity production and distribution, including material services. If such restrictions and checks benefit the community, it is true that government checks provide a fertile ground for white-collar crime in a society plagued by chronic poverty, corruption, and persistent inefficiencies in state administration. These "white-collar crimes" are largely the result of the thriving economy of the mid-twentieth century.

4. TYPES OF WHITE COLLAR CRIMES

Certain occupations provide profitable possibilities for illegal activities and unethical practices, which go unnoticed by the public. Unethical behaviour is prevalent in business, professions, and public life. Individuals in schools, homes, and social institutions may engage in greed, profit-driven behaviour, or a desire for quick success, with little regard for honesty and ethical principles.

Types of white Collar Crimes are as follows:

- Credit card fraud refers to the unauthorised use of another person's credit card information for purchases or withdrawals.
- Bank fraud is the practice of using dishonest means to obtain assets, credit, or money from a bank.
- Computer fraud (cybercrime) is the manipulation of data, hacking, phishing, or the creation of phoney websites in order to steal money or information.

- Providing or receiving an unfair advantage in order to influence political, commercial, or governmental decisions is called bribery.
- Blackmail is the practice of threatening an individual or organisation to reveal personal information in return for money or favours.
- The illegal use of SIM cards and phoney or stolen mobile numbers is known as cellular phone fraud.
- The use of coercion or threats to obtain property or money. 8. Currency schemes: the illegal circulation of counterfeit currency or the manipulation of foreign exchange.
- The act of stealing is when someone in a position of trust, such as a manager or employee, embezzles money.
- Environmental schemes for violating environmental laws, such as illegal waste or dumping, in order to make money.
- The act of fabricating records, documents, or signatures in order to deceive and obtain illegal benefits.
- Insider trading is the unethical trading of stocks and securities using confidential company information.
- Filing false claims, billing for services that were never provided, or overcharging clients or insurance companies are all examples of health care fraud.
- Insurance fraud is the practice of filing false claims in order to obtain money from insurance companies.
- Ponzi schemes, pyramid schemes, and fraudulent investment offerings are examples of investment scams.
- Kickbacks: Unlawful payments made in exchange for favours, licences, or contracts.
- Securities fraud includes misrepresenting company finances, spreading false information, and manipulating stock markets.
- Money laundering is the practice of hiding the origin of funds obtained illegally by transferring them through respectable businesses or organizations.
- Theft (corporate theft): Theft of intellectual property, trade secrets, or company assets.
- Operating unlawful enterprises or schemes, sometimes with the assistance of organised crime gangs, is known as racketeering.
- Tax evasion is the practice of avoiding taxes by concealing income, inflating expenses, or exploiting unlawful loopholes.
- Welfare fraud is the misuse of government welfare programmes by giving false information in order to receive benefits.
- The practice of using phone calls to trick people into paying or disclosing personal information is known as telemarketing fraud.
- Measurements and weights Fraud is the act of manipulating weights, scales, or packaging in order to deceive customers in trade and commerce.

5. WHITE-COLLAR CRIMES AND TRADITIONAL CRIMES

- The perpetrators of white-collar crimes are often educated, professional, or business-class persons. Traditional crimes are more commonly perpetrated by people from various socioeconomic levels, and they frequently involve direct confrontation or physical violence.
- White-collar crime refers to non-violent, financially motivated offences perpetrated by persons in positions of trust, authority, or respectability. Examples include fraud, embezzlement, insider trading, money laundering, and cyber fraud. Traditional crimes are often violent or physical in character, including theft, murder, assault, robbery, and burglary.
- White-collar crimes are often hidden within legitimate business or bureaucratic operations, they are frequently more difficult to identify and call for forensic accounting and in-depth investigation. Fines, jail time, or professional bans are the most common forms of punishment. Conventional crimes are simpler to spot (such as obvious violence or stolen property), and they are typically punished with harsher sentences, such as incarceration or, in the worst situations, the death penalty for the offences.
- White-collar crimes are based on system exploitation, deceit, manipulation, and breach of trust. Conventional crimes entail the use of force, threats, or unlawful physical contact.
- Organizations, governments, financial institutions, or a sizable population are typically harmed indirectly by white-collar crimes (e.g., investors, consumers, taxpayers). Conventional crimes usually cause immediate and direct harm to people.
- Economic instability, significant financial losses, and a decline in public confidence can all result from white-collar crimes. Conventional crimes have a more direct impact on social order, personal security, and public safety. To put it briefly, traditional crimes involve force and violence, whereas white-collar crimes involve deceit and trust.

6. FACTORS OF WHITE COLLAR CRIMES

White collar crime organizations are becoming more active in the global marketplace as a result of changes in political, social, economic, and technological factors as well as variations in national laws and policies regarding cooperation in criminal cases. To further their illicit activities, criminal gangs of this kind are utilizing globalization, trade restrictions, liberal immigration laws, sophisticated electronic processes, and high-tech communication devices.

i. White collar criminals engage in a wide range of illegal activities, including credit card fraud, money laundering, tax evasion, medical fraud, cybercrime, false employment, and black marketing. Their enormous wealth encourages them to "legitimize" their illegal gains. Money has become the ultimate goal of human endeavour in this day and age. Actually, money started to matter to everyone. In many trades, industries, and professions, fraud, misappropriation, misrepresentation, corruption, and adulteration resulted from the pursuit of financial gain at the expense of moral principles and ethical standards. Crimes that wealthy people commit while conducting their regular business:

- ❖ Speculations: Taking advantage of one's position, some have expanded the definition to encompass "middle class" and "high-tech" criminal activity.

- ❖ Crimes: The distinctions between lawful and unlawful behaviour Both internal and external evaluations. Institutional crimes; opportunity structures; and secrecy.

ii. India's white-collar crimes. First and foremost are the monopolistic business practices and contemporary scientific and technological advancements. In the face of growing competition in the global economy and world, businessmen work hard to maintain their company's leadership position.

iii. Weak legislation often allows offenders to avoid their responsibilities, contributing to the problem. Since it becomes challenging to investigate and detect these crimes especially since the majority of them are made possible by the internet and electronic money transfers lawmakers are hesitant to punish these instances. Because they typically take place in the quiet of a Since there are no eyewitnesses at home or at work, it is challenging to follow them.

iv. The main cause of white collar crime is liberalization, as the changing socioeconomic structure of society and an increase in wealth and affluence have made room for these types of crimes.

v. The increased use of computers and systems without adequate security has resulted in cybercrimes and fraud. The final and most obvious reason is the ever-increasing greed of the People's desire to remain in the creamy layer, as well as their higher economic status and stratification.

vi. Global industrial and economic development may be the most likely cause of the recent spike in white-collar crime. The Law Commission stated in its 29th Report that white collar crime in India has significantly increased as a result of recent scientific and technological advancements as well as monopolistic practices in the corporate sector.

vii. White collar crimes differ from other types of crimes in their nature. The majority of people are unaware of this and do not recognize that they are the most egregious victims of criminal activity. Given that these crimes are typically committed by large organizations and that there may be little to no evidence to essentially make a criminal, victims often struggle to understand the type of crime, the particular act that was committed, and the person they should complain to or speak with.

7. CONCLUSION

White-collar crimes are executed differently than regular crimes, creating unique challenges for detection, investigation, prosecution, and conviction. To detect and punish future crimes, effective law enforcement and properly trained personnel are required. Due to the various challenges that arise in this area, there is currently a trend to separate the investigative and public prosecution agencies, rather than assigning both functions to the same agency. However, the best results can only be achieved if the two aforementioned agencies collaborate effectively. White-Collar Crimes present particular difficulties in terms of identification, investigation, prosecution, and conviction because they are different from ordinary crimes in both nature and execution. Strong law enforcement and specially trained personnel will be needed to detect and punish these crimes in the future. Rather than assigning both functions to the same agency, it is now standard practice to keep investigative and public prosecution agencies apart due to the variety of challenges that arise in this regard. However, close coordination between the two aforementioned agencies is necessary for this to yield the best results.

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