

White-Collar Crime: Contemporary View

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The article touches upon the problem of white collar criminality and presents a contemporary view of the phenomenon. The concept of white-collar crime, first introduced by Edwin H. Sutherland in 1939, immediately became the driving force behind the discussion undertaken by criminologists and sociologists of that time. Since then, many studies have been conducted in order to answer the question about who actually is a “white collar” – why do respectable, well-situated individuals decide to enter the path of crime? The author contrasts two types of definitions – the subjective white-collar crime definition developed in Anglo-Saxon culture and objective definition of economic crime functioning in Europe. It is significant that the crime of white collars has never really been systematized in the Polish legal system (and most of European legal systems), in contrast to economic types of crime.

The author compares recent literature, presents characteristics of white-collar criminals and comes to the conclusion that in this specific group of criminals the ties between the perpetrator and the community in which they live are very weak. Finally, the article touches on a problem of possible beneficial consequences of attempting to investigate the scale of crimes committed by white collars.

Keywords: criminality, economic crime, criminal behavior, white-collar crime, criminal law.

The best way to rob a bank is to own one –
W. Crawford (Crawford, 1989, p. 318)

Introduction

The concept of white-collar crime was first presented in 1939 in Philadelphia by Edwin H. Sutherland, an American sociologist, who gave a speech at the 34th annual meeting of the American Sociological Association entitled “White – Collar Criminal” (Sutherland, 1940, p. 1–12). The next 10 years Sutherland devoted to the detailed preparation of a publication on his concept, in which he presented not only theoretical considerations concerning the specificity of white-collar crime, but also detailed research on a defined phenomenon, conducted among 70 largest American corporations (Sutherland, 1983, p. 13–25).

In his publication published in 1949 by Dryden Press, *White Collar Crime*, Sutherland understood the crime to be committed by a person of respectability and high social status in the course of his occupation (Sutherland, 1983, p. 7).

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The high contrast between the sphere of stereotypical perpetrators of traditional crime and the crime of white collars defined by Sutherland immediately became the driving force behind the discussion undertaken by criminologists and sociologists of that time. In 1953, D. Cressey published a work titled *Others People Money* devoted to research on 133 prisoners in three federal prisons who have been convicted of misappropriation – pointing out that the abuse of trust and misappropriation is a consequence of problems related to the financial situation of the perpetrator, which they cannot share with others and decide to resolve in a way that, on the face of it, is regarded as consistent with normal standards of conduct, but in reality, by means of criminal misappropriation of assets (Schuessler, 1954, p. 604). At the same time, in 1950, F. E. Hartung published a study on the white-collar fraud scheme in the Detroit wholesale and meat industry during the food rationing period of the war (1950, p. 25–32), and in 1952 M. Clinard published a paper on the study of violations of the law by the Office of Price Administration during the Second World War.

Nowadays, in spite of disputes arising in the literature concerning the definition of the phenomenon in question¹, the issue is still of interest to contemporary criminologists and researchers of related sciences.

The aim of this article is to present problems concerning the definition of white-collar crime, introduce the current view of white-collar criminality, and point out possible beneficial consequences of attempting to investigate the scale of crimes committed by white collars – regarding the specificity of perpetrators of these crimes.

1. Subjective and objective definitions of crime – as a source of miscomprehensions in understanding the phenomenon of white-collar crime

When Yale University published the second, supplemented edition of Sutherland's book in 1983 (Sutherland, 1983), the scientific community already had a large amount of research and publications devoted to his groundbreaking concept (vide: Ermann, Lundman, 1982; Geis, Meier, 1977; Johnson, Douglas, 1978). Especially flattering reviews were received by J. W. Coleman in relation to his research on the crime of white collars (Coleman, 1987, p. 408), which focused on two conditions – the motivation of the perpetrator and opportunity to commit the crime (Chorbot, 2009, p. 270). He considered the motivation for white-collar actions to be the desire to earn more money, regardless of the current material status (Meier, Geis, 1979, p. 441), while the opportunity to enter the path of crime was presented from four levels. The first one concerned the significant benefits that person can achieve, the second – the sanction that threatens to commit an act, the third – a comparison of the opportunity with rational ideas for the execution of a planned crime, and the fourth – a comparison of this opportunity to others, which the person is aware of (Coleman, 1987, p. 424).

Edwin Sutherland in his definition of white-collar crime used the argument of the perpetrators' high social status. He contrasted it with the stereotypical image of a criminal – a deviant from the fringes of society – in which it is difficult to determine whether his low social position is caused by the choice of a criminal career or whether the choice of a criminal career was determined by his social position (Zieliński, 2015, p. 277).

¹ H. Edelhertz pointed out that white collar crime is “illegal conduct or conduct committed without the use of physical means, characterized by a covert or deceptive act for the purpose of obtaining money or business benefits”, vide: Green, 2004–2005, p. 19; The U.S. Department of Justice points out that this term is to be understood as “types of non-violent, profit-making crimes committed fraudulently by persons who have the status of a professional or semi-professional entrepreneur, exploiting their particular professional characteristics and circumstances; and types of non-violent, profit-making crimes committed by anyone with technical or professional expertise in business and management, regardless of their professional position”, vide: Bureau of Justice Statistic..., 1981, p. 215.

The subjective nature of the white collar definition, which then developed in Anglo-Saxon culture, must be contrasted with the definition of economic crime in Europe, which refers to the nature of goods violated by a crime (vide: Ciszewska, 2016, p. 168–172).

It should be pointed out that the notion of white-collar crime, referring to the perpetrator of a prohibited act, should not be identified with the notion of economic crime – the numerous objective definitions of which, from the beginning of their formulation,² focus mainly on the attempt to define a group of violated goods (vide: Żółtek, 2009, p. 24–34).

Thus, the views found in literature should be critically evaluated, as they attempt to formulate the thesis that Sutherland's definition is currently outdated due to the contemporary recruitment of economic crime perpetrators mainly from the middle and low social classes (Weisburd, Warring, 2001, p. 10). In the subject literature, there is a view that was initiated by the research of a group of Swiss experts who questioned the notion of white-collar crime, according to which there is no single type of criminal. Therefore, in principle, anyone under the influence of certain circumstances would be able to commit such a criminal offence (Wilk, 2012, p. 15). Similarly, a critical reference should be made to the position presented in the literature by E.J. Lampe, who actually states that in Sutherland's classical definition, "economic crime identifies with the so-called white collar – crime," which according to the author is to argue "with the commonly used criminal law approach to the act," and moreover, that Sutherland's definition "from the criminological point of view [...] on the one hand is too broad, because it covers any fraud by an offender in a socially important position and, on the other hand, too narrow, because it excludes from the scope of economic crime, for example, serial fraud committed by travelling sales representatives" (Lampe, 1998, p. 113–114).

It should be noted that the authors of the abovementioned views did not see that Sutherland's intention was not to formulate a definition of economic crime at all. An American criminologist has defined his contemporary phenomenon by distinguishing people of high social status, who despite their financial success decide to enter the path of crime related to their profession. Therefore, Sutherland's merit was first and foremost to show that the offences were committed not only by people from the lowest social classes, as was generally accepted. At the same time, he pointed out that the penalization of criminal behavior is focused mainly on the acts of violating the law committed by people from the lowest classes, ignoring crimes of the middle and upper classes.³ It is also worth noting, once again by emphasizing the difference between white-collar crime and economic crime, that although the crimes committed today by white collars are most often economic crimes, only a certain part of the economic crimes committed today are committed by perpetrators of high social classes in relation to their profession. The majority of economic crime is probably committed by middle-class individuals.

Despite the contemporary confusion concerning the definition formulated by Sutherland, there are also statements in literature postulating the separation of the discussed notion from the notion of economic crime. Their authors rightly point out that the crime of white collars has never really been systematized in the Polish legal system (Chorbot, 2009, p. 273).

² Vide: Lindemann, 1932, p. 19 (he writes that an economic tort is "any punishable behavior which is directed against the whole economy or against its functionally important branches and devices"), similarly: Tiedemann, 1976, p. 50 et seq.

³ American sociologist C. W. Mills in his 1951 publication entitled "White Collar. The American Middle Classes" presents the concept that "white collars" belong to the so-called "new middle class" of American society and, in particular, stand out from the working class in terms of their social prestige. According to Mills, the main component of the social consciousness of the "new middle classes" is concern for the greatness of this prestige, fear of its loss or even reduction – vide: Mucha, 1985, p. 133–134.

Thus, referring to the subjective concept of white-collar crime proposed by E. Sutherland, it is important to bear in mind that the effect of the described phenomenon is manifested primarily in the contrast between the stereotypical perpetrators of traditional crime and the perpetrators of white-collar crime. Neither a high social status nor occupying high positions is, at first glance, associated with crime (Zieliński, 2015, p. 277). It is just these differences that make the crime of white collars an especially interesting area of research.

2. Contemporary view of white-collar crimes

Since Sutherland presented the concept of white-collar crime in 1939, the scientific debate centered on the question of how the perpetrators of this type of crime should be characterized (Vide: Onna, Denkers, 2018, p. 2) – who is a person that despite their relatively high position in the social hierarchy and high earnings decide to enter the path of crime?

Regardless of the ongoing discussion regarding the correctness of the phenomenon's definition, researchers generally pointed out that white collars seem to be “socialized” people (Piquero, Exum, Simpson, 2005, p. 252), achieving significant educational, social and professional successes (Friedrichs, 2010; quoted from: Onna, Denkers, 2018, p. 2). M. Benson pointed out that because of their senior positions, these criminals tend to have much more to lose than the so-called “street criminals” (Benson, 2016, p. 253).

Initial studies usually led to the conclusion that as compared to “ordinary criminals,” white collars are much more likely to have objectively good jobs, be married, have ownership of their places of residence, and often participate in social life (Wheeler, Weisburd, Waring, Bode, 1988, p. 57; vide: Weisburd, Wheeler, Waring, Bode, 1991). However, today's researchers point out that they are not as integrated into society as they seem at first glance, and that a significant number of them are characterized by a lack of stability due to the place of commotion and unstable employment history (Benson, Kent, 2001, p. 36).

Researchers dealing with the phenomenon of white-collar crime argue that an important aspect of research into this phenomenon, which is necessary to understand who the majority of these perpetrators are, are the aspects of informal social control – especially marriage (Weisburd, Waring, 2001, p. 146). Recent studies of the same sample of criminals have shown that higher social capital – understood as stability in marriage and employment – prevents criminal patterns from being adopted (N. Piquero, A. Piquero, Weisburd, 2016, p. 27).

R. Sampson and J. Laub, on the basis of their research, drew the following conclusions:

1. white-collar criminals are characterized by weaker social ties than the research control sample of similar sociodemographic origin,
2. those holding managerial positions have relatively strong social ties to those who do not hold such positions,
3. white-collar criminals that hold managerial positions are characterized by much weaker social ties as compared to the control sample, which holds similar managerial positions (Sampson, Laub, 1993; quoted from: Onna, Denkers, 2018, p. 4–5).

Therefore, it should be noted that recent research on white collar perpetrators has highlighted their much lesser involvement in social life, unstable careers, marital instability, unstable housing, and weak ties between the perpetrator and the community which they live in.

3. Contemporary problems related to the study of the phenomenon of white-collar crime

The basic problem concerning the attempt to investigate the scope of white-collar crime is probably the low detectability of such phenomena. The concept of the “dark number of crimes” is related to this type of crime to such an extent that some literatures even renounce providing any statistics, claiming that there is no consistent procedure or way to obtain comparable data (Shover, Tonry, 2000, p. 139).

The definition of white-collar crime, as well as the research on this phenomenon, has its roots in the United States of America, hence the first attempts to determine the extent of this phenomenon. In 1974, the American Chamber of Commerce estimated the economic losses resulting from this type of crime at no less than \$40 billion per year (Meier, 1989, p. 267). Similar data came from a study by the Joint Economic Committee of the U.S. Congress, which indicated that the number is about 44 billion dollars (Meier, 1989, p. 267). In 1987, the FBI estimated the total loss to the US economy resulting from such acts at USD 100–200 billion per year (Meier, 1989, p. 267).

At the same time, in Poland – according to the militia and prosecutorial statistics – there was an increase in economic crime, while in the years 1970–1985 the rate of such crimes increased by about 54 percent (Błachut, Gaberle, Krajewski, 2007, p. 299). However, it should be noted immediately that this is only the so-called “clear number of crimes,” while the “dark number of crimes” can be much higher due to the anonymity and ignorance of the victims (Zieliński, 2015, p. 273).

According to police statistics, the detection rate of economic crimes in Poland in 2017 was about 87.6% (Statistical data of the Police..., 2019). However, as H. Fedevich and P. Kisiel rightly pointed out, when investigating cases from the 1980s, “the ratio of losses caused by economic crimes was estimated at 1:168, which in 1985 gave the value of losses caused by seizures of social property at the amount of PLN 350 billion, compared to PLN 2.1 billion in officially declared crimes” (Fedewicz, Kisiel, 2007, p. 41). Consequently, it should be stated that the actual scale of white-collar crime is many times greater than the numbers indicated in the statistics, while attempts to estimate its amount may be made on the basis of data concerning calculated losses (Zieliński, 2015, p. 273).

Unfortunately, due to the fact that the subjective concept of crime in terms of Sutherland’s classic approach has not yet been adopted in Poland, there are no statistics showing only the approximate number of crimes committed by white-collar criminals, while statistics showing the dimension of economic crime committed in Poland are often mistakenly referred to interchangeably as white-collar crime.

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S u m m a r y

The concept of white-collar crime, first introduced by Edwin H. Sutherland in 1939, immediately sparked a discussion by criminologists and sociologists that continues to this day. Since the big speech given by Sutherland, many studies were conducted in order to answer the question about who actually is a white collar – why do respectable, well-off individuals decide to pursue a path of crime?

It is significant to realize the difference between two types of definitions connected with white-collar crime – the subjective white-collar crime definition that developed in Anglo-Saxon culture and the objective definition of economic crime functioning in Europe. Sutherland's intention was not to formulate a definition of economic crime, but rather to define the discovered phenomenon by distinguishing people of high social status, who despite being financially successful decide to commit crimes related to their professions. An important problem emphasized by Sutherland was that the penalization of criminal behavior is focused mainly on the acts of violating the law committed by people from the lowest classes – ignoring the crimes of the middle and upper classes. As white-collar crime has never really been systematized in the Polish legal system, in contrast to economic types of crime, the two different types of crime are very often mistakenly identified.

The contemporary view of white-collar crimes, recreated primarily from the conclusions of modern research and literature, shows that compared to “ordinary criminals,” white collars are much more likely to have objectively good jobs, be married, have ownership of their places of residence, and often participate in social life. However, they are not as integrated into the society as they seem at first glance, and a significant number of them are characterized by a lack of stability due to the place of commotion and unstable employment history. Recent research on white-collar perpetrators has highlighted their much lesser involvement in social life, unstable careers, marital instability, unstable housing, and weak ties between the perpetrator and the community which they live in.

By identifying, in Poland and other European countries, the two abovementioned definitions – white-collar crime and economy crime – results in no statistics showing the number of crimes committed by white-collar criminals, while statistics showing the dimension of economic crime committed in Poland are often mistakenly referred to interchangeably as white-collar crime. The other problems connected with the phenomenon are the low detectability of such phenomena, the obscure figures for this type of crime, and the fact that the subjective concept of crime, in Sutherland's classic approach, has not yet been adopted in Europe.

It is important to point out the possible beneficial consequences of attempting to investigate the scale of crimes committed by white collars in Poland and other European countries. The specificity of perpetrators of these crimes may result in clarifying certain motives characteristic of this group for pursuing crime, the characteristic circumstances of such a phenomenon; what is more, the effective ways of preventing it may turn out to be different from the ways of preventing economic crime in general. Current research in this area suggests that white collars stand out from those in similar positions and at a similar level of social hierarchy, especially through their weak social ties that link the perpetrators to the surrounding environment in which they operate. These perpetrators are much less involved in social life and have relatively unstable career paths, unstable marital and housing situations.

It is advisable to undertake further research on the causes of the crimes in question, as well as on white-collar criminals, taking into account the possible impact that the nature of their social ties with the environment in which they operate has on their decision to enter crime.

Aleksandra Szaploneczay has completed her Master's Degree of Law at Andrzej Frycz Modrzewski Kraków University in 2014. In 2016, she began doctoral studies at her Alma Mater in the field of criminology under the scientific supervision of Professor Jan Widacki.

In 2018 Aleksandra started working as a Prosecutor Assistant at the Regional Prosecutor Office in Kraków, developing her interests in the field of criminal law and criminology.

Her current scientific research focuses on defining the differences between Polish white-collar criminals and other categories of perpetrators.