

**Course – LL.B sem 4**  
**Penology (unit -2)**  
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# WHITE COLLAR CRIMES

# WHITE-COLLAR CRIME



# DEFINITION

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**White-collar crime** refers to financially motivated **nonviolent crime** committed by business and government professionals.





## BRIEF HISTORY

Within criminology, it was first defined by sociologist **Edwin Sutherland** in 1939 as "a crime committed by a person of respectability and high social status in the course of his occupation".

- ✓ He used it to set a line between white-collar crimes and regular street crimes
- ✓ White-collar crime is generally new and it came about around the time following the Great Depression.
- ✓ People wanted to gain their money and social status back. Also many people were angry at the economy status and felt they were underpaid.

*This led to the development of white-collar crime*

It is typically dealt with in terms of civil law instead of criminal law.

NOW....

What is the criminal law and civil law?

AND

How they are different from each other?



# CRIMINAL LAW

- Criminal law is a set of rules and regulations that describe behaviors that are prohibited by the government.
- The behaviors generally involve things that would affect public safety and the welfare of society as a whole.
- Examples of criminal acts are:
  - ❖ Murder
  - ❖ Theft
  - ❖ Robbery
  - ❖ Bribery
  - ❖ Embezzlement





# CIVIL LAW



Civil law deals with disputes between private parties, or negligent acts that cause harm to others

Family law cases involving divorce, parental responsibility for children, spousal support, child support and division of property between spouses or common law couples represent a large portion of the civil law cases presented to the courts.

**I**t is estimated that the harm done to society by white-collar crime is greater than street crime, yet most people are not concerned about this form of deviance.

# CAUSE

- Most people do not start out as criminals. Most white-collar crimes involve normal people who are struggling financially. It is just as common in bigger corporations as stealing is in a poor community.
- Greed is another influence on this crime. Many people with high ranking jobs tend to desire wealth and will do anything to obtain it.
- Also, more people are beginning to think that committing these crimes is acceptable because they have been around the corruption for long

# TYPES OF WHITE-COLLAR CRIMES

- Insurance Fraud:
- Investment Schemes:
- Kickback:
- Larceny/Theft:
- Money Laundering:
- Racketeering:
- Securities Fraud:
- Welfare Fraud:
- **Tax Evasion:**
- **Unfair trade practices:**
- Weights and Measures:
- Insider Trading:

It occurs when crimes are committed to promote personal interests. An example would be, altering records.

(Ex. **Tax evasion**)



# DEFINATION: TAX EVASION

❖ An illegal practice where a person, organization , corporation intentionally avoids paying his/her/its true tax liability.

❖ Those caught evading taxes are generally subject to criminal charges and substantial penalties.

# CAUSES :

- Weak Surveillance System
- Rampant Corruption in Tax Department
- Complicated Tax Laws and Filing Mechanism
- Tax Deductions offering loopholes to Tax Evaders
- Absence of Social security system
- Tax rates are too high
- Lack of Transparency in Government

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Thank you !!!

