

Public Apathy Towards White Collar Crime And Its Comparative Study With Ordinary Crime

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Abstract

The study of white-collar crime places a significant emphasis on three distinct theories: the labelling theory, the deterrence theory, and the conflict theory. The success of the Labeling Theory may be attributed to the fact that white-collar offenders are unmistakably identified as belonging to a separate category from that of a typical violent offender. White offenders are likelier to be intelligent, well-educated, and wealthy than criminals of other races and ethnicities. It is not possible for one individual to commit these offences since they are difficult to discover. On the other hand, normal crimes are easy to understand and are very personal. Methods that include violence, such as abusing one's authority to perpetrate crimes, are also included in this category. The victim of the vast majority of crimes that take place on the street is not hard to locate. On the other hand, white-collar crime is most often committed by those working in industry and government (who often wear button-up shirts with white collars). Crimes of this kind do not involve physical conflict and might be challenging to identify. The distinction between white-collar crime and organised crime lies in the fact that white-collar crime does not entail illicit operations such as smuggling or drug trafficking. White-collar crime may also include the practice of manipulating prices. Some of the most prevalent types of white-collar crimes include identity theft, insurance fraud, tax evasion, embezzlement, and money laundering. Securities fraud is another prominent kind. People will tell lies and conceal information in order to conduct fraud or get an edge in business when they commit these types of crimes. White-collar crime is another term that may be used to refer to the category of criminal activity known as social-economic crimes. White-collar crimes, also known as financial fraud, embezzlement,

bribery, insider trading, and other similar offences, are often committed by individuals working in organisations who have positions of authority, trust, and responsibility.

Keywords: *White Collar Crime, Ordinary Crime, Criminal Justice System, Legislative*

Introduction

Traditional law has been a concern for criminologists, sociologists, law enforcement officers, and other professionals working in the sector for a while now. The phrase "white-collar crime" is often used to refer to certain illegal behaviours. For a considerable amount of time, these tactics were regarded as standard business strategies that any knowledgeable professional would be expected to use. According to E. H. Sutherland, a "white-collar criminal" is a member of the upper class who commits a crime while doing their job or carrying out their line of business. Because of the more significant financial losses and the harm done to public morals, white-collar crime constituted a greater danger to society than other types of criminality. This was because it was more prevalent. The rate at which white-collar criminals breach the law is already unacceptable. White-collar offences have a considerably greater frequency than other types of crime that are more widespread, such as theft and burglary. According to the Latin View, the yearly cost of this kind of criminal activity has been estimated to reach close to two hundred billion dollars. The same factor that makes corruption so pervasive in India also contributes to the rise in the number of crimes in the country. This offence and the consequences of it have been recognised for a very long time, and they are used as criteria for the classification of other offences. Because of the frequency with which these crimes occur, the security staff is developing novel approaches to stop them and deal with their aftermath—the focus of investigative efforts within the criminal justice system on perpetrators of low-level offences. When held to the same legal norms as the state, the transgressions of those in high positions are harder to spot. Theft, fraud, and other offences that violate the law but do not include the use of physical force or the threat of such action are examples of white-collar crimes. White-collar crimes also include breaches of trust and confidence. Most persons who engage in these types of illegal financial activity do it for their financial gain. Even if the people who commit these

crimes don't do anything out of the usual, the economic harm they do to businesses and investors might be significant. **(Thiollet)**

Methodology Adopted For This Work

- Articles, reports, journals, magazines, legislative and judicial proclamations, declarations, conventions, treaties, and internet data are only some of the written and oral sources considered in this well-reasoned inquiry.
- I visited many university libraries to check out academic journals and books by famous authors. I also conducted some newspaper and magazine reading on the subject.

Contextual History (white-collar crime)

E.H. Sutherland is the first individual who comes to the minds of the majority of people when they think of the term "white-collar crime." Because of the outstanding work that Sutherland accomplished in this field, criminologists are now aware of the demoralising impact that white-collar crime has on the overall criminal image. This is because of the work that Sutherland did. The point that was made by Sutherland was that in addition to traditional crimes such as assault, robbery, deceit, murder, rape, and other acts involving violence, there are certain anti-social activities that the people of upper strata engage in while going about their occupation of running a business. Sutherland made this point by pointing out that the people of upper strata engage in certain anti-social activities while going about their occupation of running a business. These behaviours include of stealing from other people, lying to them, and even murdering them. Assaults of a sexual nature and kidnappings are two examples of these despicable deeds. In 1934, Morris brought to light the need of adopting a new point of view with regard to the commission of criminal acts. He suggested that anti-social behaviours carried out by persons of high status during their work should be considered criminal acts and subject to punishment. This would bring such actions under the category of crimes. He stated that this may be accomplished by include them in the legal classification of a criminal offence. By calling emphasis to the requirement of changing one's viewpoint in connection to illegal behaviour, Morris paid attention to the need of doing so and drew attention to

the need for it. Conventional crimes, which E.H. Sutherland referred to as "blue-collar crimes," need to be renamed "white-collar crimes" in order to separate them from "upper world" crimes, as stated by Sutherland. He used the term "blue-collar crimes." (**Simon and Hagan**)

Classification of White Collar Crimes

- Theoretically, there are four main types of white-collar crimes:
 1. Ad hoc crimes are also called "personal crimes" because the person who commits them is after their own goal and doesn't have to deal with the victim face-to-face. White-collar crimes like hacking computers, credit card fraud, tax evasion, etc., always happen.
 2. White-collar crimes involve a breach of trust or faith that a person or institution put in the person who did the crime. Insider trading, stealing money, and misusing money are all illegal. Examples of this kind of white-collar crime include making up payrolls and other things like that.
 3. People in powerful positions or with high prestige may commit this form of white-collar crime when they engage in illicit activity as part of their work responsibilities or in order to assist their organisation. People in high places do these things not because it's their main goal but because they find a way to use their power or influence to make quick money or get an unfair advantage at work. These crimes include fraudulent medical bill claims, making up schools, giving out fake mark sheets or certificates, etc
 4. White-collar crimes can also happen as a normal part of the business. Trademark or copyright violations, patent law or competition law violations, etc. This type of white-collar crime also includes the theft of a domain name and other business crimes. (**Shapiro**)

Why White Collar Crime Is on The Rise In India

The ineffectiveness of the law and the agencies in charge of enforcing it, which don't do enough to ensure that different people's opinions are considered, is an apparent cause of the rise in economic criminals and offenders. "Imperfect Sympathies" is a phrase used to describe criminals. When someone is caught stealing, robbing, or

killing another person, society reacts angrily and calls for the law to be harshly enforced against the suspect. People often think that the suspect and the offender will be treated with methods similar to those used in the third degree. Because of his situation, he is shunned as a respectable member of society, and people look at him with pity and condescension. Humanists act by signing petitions and making programmes to help people get better and return to the community. People react differently to financial wrongdoing, no matter how horrible or cruel the acts are.

(Newman and Clarke)

The money that can be made by stealing or robbing is not nearly as much as that economic criminals can make. Racketeers hurt and kill many more people because they keep the poor from getting what they need, unlike a typical murderer or violent criminal. When a medical officer gets fake or low-quality drugs, racketeers are responsible for obtaining them for those needing them. When regulated sugar gets into the hands of black marketeers and is sold to consumers for much more than the legal price, this is theft. This is because, in this situation, our minds are not fully aware of the consequences of committing a crime. When these kinds of crimes happen, they are done in ways that make it hard to find proof. Quietly, debts are paid off. Few people understand why people break this law, which lets them do things like fix connections that are used to steal electricity. Most economic criminals' hands and most of their crimes have stayed hidden. Whoever did it is well-known and has a lot of money, power, and influence. **(Leap)**

People who have been tied to these power centres in the past can be paid their price in the future. It takes months to realise that these things are just out of the ordinary and not clear signs of corruption. Most likely, the top economic criminals won't share much information beyond laying the groundwork. Financial crimes don't get much attention because they aren't as obvious, can't be caught immediately, are newer, and often don't have apparent victims. It's long past time to see economic offenders for who they are, to rip off their masks of social respectability, high status, and legal invulnerability, and to show them for who they are: the worst and most dangerous people who don't just break moral and legal rules on their own, but who are also enemies of society and pose severe threats to national security. Civilised people need

to shut up and see them for what they are. **(Koller)**

People who have broken the law financially and those who work in the criminal justice system need to get rid of these wrong ideas. People want stricter and stricter laws because there is a lot of pain and suffering, and they can see how dangerous economic crimes can be. But it's not always enough to add more punishments. If the legal system isn't fair and doesn't work well, harsh laws can punish criminals and help those who break the law in business. Two examples might be sufficient. Some people believe that laws that make it unlawful to sell alcohol result in increased profit for bootleggers, as well as for the numerous police and excise agents who enforce these laws. Price Sugar control has made it so that people who make money and people who sell sugar illegally have more money in their pockets. The government needs units for the departments most affected by economic ties. These units can closely monitor economic ties and crack down on policy planners and programme implementers who work against the public interest. These people are in charge of the business world's resources and are at the top of the government in political and bureaucratic positions. To help the public understand their enemies, they must be found, captured, and convincingly shown to the public. All of the cells in the Food, Hydel, and Cooperative departments do some work, but what matters here is whether or not they are in good enough shape to deliver the goods. What needs to be done is as follows:

- To gather information about economic criminals through its offices, a network, and other sources. This includes information about the firms, their partners, their agents, and so on. Intelligence from different sources must be gathered, sorted, and compared. Ripe information must be shared and used to act effectively against economic offenders. This intelligence gathering must be thorough enough to ensure that the correct viewpoints are always kept.
- The intelligence-woven fabric should provide the essential context for dealing with individual complaints and the more extended and more important area where there may not be any individual complaints. Still, the interests of the people and the slate are at stake and must be protected. **(O'Grady)**

Emerging Tenders And Preventive Principles In Law In India

When pursued with the appropriate amount of enthusiasm, white-collar crimes and their prevailing public views serve as both an indication of and a catalyst for social and legal change. This was previously covered.

Modified Crime Definition

According to the discussion that came before, "White Collar Crimes" and "Social and Economic Crimes" have proliferated at an alarming rate in Indian society, inflicting more harm to public health and fostering widespread apathy toward the State's law and enforcement apparatus. [Crimes] have proliferated at an alarming rate in Indian society, inflicting more harm to public health. Because of this, the frequency of "White Collar Crimes", in particular, has increased in recent years. On the other hand, persons who are entangled in these crimes are not regarded as conventional criminals and are not subjected to hefty penalties; rather, they are permitted to freely move about society as respectable and great citizens despite having been involved in these crimes. It's conceivable that something was missed throughout the process that needed to be done. A lack of awareness on the part of society about the nature of the crimes, as well as a bias against social class on the part of individuals who perpetrate the crimes, in conjunction with fundamental legal and enforcement processes.

(Salinger)

It will have significant implications that will be felt all across the board. It has been harmful to the country's economy, progress, health and happiness, and the morale of its citizens, and it has produced a feeling of contempt for the law and its enforcement systems. As a direct result, many of our long-held ideas about criminals' actions need to be re-examined. The term "crime" needs to be expanded to more adequately capture "all anti-social and illegal behaviours conducted by persons in the middle and upper socioeconomic categories, regardless of whether the result is criminal, civil, or administrative."

Tacking the white-collar crime

Even while it is hard to eliminate fraud from occurring entirely, the risks connected with it may be considerably mitigated. Banks and other financial institutions are increasingly looking into methods to employ fraud investigation tools and processes to prevent and detect corporate fraud before it causes significant harm to the organisation. This is the case because banks and other financial institutions are

increasingly concerned about the prevalence of corporate fraud. An organisation may have the world's most effective fraud risk management plan to lower its exposure to fraud. Yet, its most valuable resource, employees, may simultaneously be its greatest vulnerability. It is essential to remember that even if a company could use one or more methods to detect fraud, these systems still have to be completely implemented for them to succeed. **(Clarke)**

Judicial attitude towards white Collar crimes in India

In India, white-collar crimes encompass everything that goes against the government's rules and regulations. To name just a few, in 1955, we got the Essential Commodities Act; in 1951, the Industrial (Development and Regulation) Act; in 1947, the Import and Exports (Control) Act; in 1974, the Foreign Exchange (Regulation) Act; in 1956, we got the Companies Act, and in 2002 we got the Prevention of Money Laundering Act. The three arms of government are the legislature, the executive, and the judiciary. Each part has a specific function. When laws are disregarded, they become meaningless. This is why our Constitution created a system of courts, with the Supreme Court at the very top. When the Indian government's Executive Branch did nothing and the Legislative Branch could not do anything, the Indian Judiciary stepped in to fill the void. Lawsuits filed in the name of the public interest have been shown time and time again to be an effective and formidable deterrence against white-collar offences. **(Appelbaum and Chambliss)**

Contributing Factors:

Several factors, including those of an economic, social, and political character, have been hypothesised to contribute to the prevalence of white-collar crime. Political ideology may also inspire white-collar crime. The second problem is that the proliferation of white-collar crime is mainly attributable to globalisation and liberalisation. Some of them include the following examples: Due to the changing socioeconomic environment of society and the accompanying increase in income and prosperity, new opportunities for such crimes have developed. Increases in white-collar crime have been seen in recent years, and one possible cause is the growth of international businesses and industries in recent decades. Examining India's White-Collar Crime Crisis in Depth, The Law Commission of India addressed the

increasing prevalence of white-collar crime in India in its 29th Report. The panel found that the number of white-collar crime cases has skyrocketed due to the combination of new scientific and technological advances and monopolistic economic practices. With India's independence came a new era of welfare operations, and with it came the need for the government to regulate the economy so that it could continue to exert its authority over the means of production and distribution for the benefit of the populace as a whole. Most instances of white-collar crime may be linked to some compliance issue. Marshal B. Clinard said that the problem of white-collar crime stems from the cutthroat character of the corporate world, which seeks to destroy competitors to maximise profits at any cost. It's plausible that people might sometimes resort to such criminal behaviour in a cutthroat field. For instance, despite the existence of a clearly articulated code of ethics for practising attorneys, lawyers frequently resort to unethical methods such as the concealment or falsification of information. This is because the very nature of their work requires them to be combative and competitive with one another. For the sake of continuing their operations, several private schools in India that receive public financing could, for instance, fabricate student enrolment numbers and other financial data in order to do so. In a similar vein, individuals from the industrial and commercial classes who have attained a high social status have a propensity to lie about their income and assets in order to get tax benefits or to avoid paying excessive taxes. They do so in order to lower the amount of tax they are required to pay. In general, those who commit white-collar crimes come from wealthy families, which may be one factor contributing to the expansion of this kind of criminal activity. They are a member of a powerful collective that has the ability to influence the nature of their job, making it such that the victim is seldom conscious that they are a victim of their actions. The public's apathy toward white-collar crime also presents challenges when investigating, prosecuting, and punishing those guilty of such offences. White-collar criminals often face the assumption that individuals in power within the criminal justice system, such as judges and administrators, are biased in their favour. However, the evidence presented so far provides no support for this claim. If this accusation is founded on the high rate of white-collar criminals acquitted by white

judges, it may be refuted by noting the differences between white-collar crime and other types of crime. At the very least, white-collar crime has been given new dimensions by the recent developments in information technology, notably those that occurred in the later years of the 20th century. There has been a phenomenal increase in the variety of computer-based white-collar crimes, often referred to as cybercrimes. Since the turn of the millennium, these crimes have become a significant cause for alarm and a challenge for authorities trying to preserve peace and order. Because of the nature of these crimes, they are often committed covertly when the victim is absent or at a significant distance. Furthermore, cybercriminals have a substantial advantage in utilising computer technology to do illegal acts without worrying about being discovered or apprehended. It was predicted that the proliferation of new websites would coincide with a corresponding surge in cybercrime. Cybercrime may affect any industry, including the banking and financial sector, the energy and telecommunications sector, the transportation sector, enterprises, etc. (**Shover and Wright**)

White-Collar Crime/ Conventional Crime

High-ranking corporate professionals often commit these types of crimes. This is a nonviolent offence that nonetheless has serious repercussions. These atrocities occur when the invading army is in control of the territory. White-collar crimes are those committed by persons in powerful corporate positions while dressed in business attire. The harm done by this crime is substantial even if no weapons were used. This kind of crime usually happens during work hours. Compared to other forms of crime, white-collar crimes often cause greater financial damage and have more far-reaching effects. The consequences of this kind of offence can't be taken lightly. Embezzlement, copyright theft, and corporate fraud are all examples of white-collar crimes committed against the rich. The transfer or use of money is a crime. The only motivation for engaging in such abnormal behaviour is financial gain.

These wrongdoings are as old as the hills, and the individuals who do them are much like you and me. Cybercrime may include high-tech computer equipment and methods, but it is fundamentally no different from other types of criminal activity.

Probably, the ordinary criminal does not have an impressive job or a college diploma. Covered are robberies, break-ins, rapes, and other acts of street violence. Putting yourself in such a position might result in significant injury. This criminal act might impact a single individual or a large group. Criminal activity like this isn't always motivated by monetary gain, therefore, it's normal for people to be terrified of it. The only evidence of this crime is often the offender's fingerprints or other identifying marks.

Recent White-Collar/ Economic Offence Cases

- The firm was accused of being unable to pay its obligations and its investors in the case SEBI v. Burman Plantation and Ors.10. Furthermore, the amount of money invested by the investors was not mentioned. The Allahabad High Court found the defendant guilty under SEBI Section 24(1).
- Allegations of the company's insolvency and inability to pay its creditors were raised in SEBI v. Burman Plantation and Ors.10. In addition, the total amount of money invested was not mentioned. According to Section 24(1) of the SEBI Act, the Allahabad HC found the defendants guilty.
- Binod Kumar v. State of Jharkhand and Ors.12 is a recent case in this area. The Chief Minister of Jharkhand was accused of misappropriating funds, and the case against him was handed over to the Central Bureau of Investigation. The more thorough inquiry was launched when no proof could be identified. The court ruled that the white-collar offence was committed in violation of the Indian Penal Code (IPC) and the Penal Code Act (1988).
- Justice Katju and G.S. Misra ruled in Kanwarjit Singh Kakkar v. State of Punjab & Anr.13 that Kakkar committed misconduct under the Indian Penal Code and the Pakistan Penal Code, and so was disqualified from engaging in private practise outside of his official capacity.

Conclusion

The purpose of punishment is not only to deter the offender from repeat offences but also to purge the criminal element from the ranks of others who share similar traits with the offender. Penal laws for people who commit crimes against the economy or

money should not be too simplistic. Numerous issues seem to emerge when people drink liquor that is not nationally distributed. Problems of this kind are costly in terms of both money and human life. A modest fine is all in store for someone who breaks this legislation. This fact alone means that WCC must also face the maximum penalties. The sentence might be increased to the ultimate punishment of death or life in prison without parole. Given present circumstances, economic crimes must be held to the same strict legal standards as other crimes. The principle of *actus non-facet reum, nisi*, states that the focus of menswear must be ignored. The Indian Evidence Act (IEA) should also be changed so that the burden of proof rests on the defendant rather than the prosecution. The accused should bear the consequences for breaking such laws unless they can prove their innocence. The identities of those who break the rules should be published and widely disseminated in the local newspaper and other social media platforms as part of a framework for public reprimand. If the typical Indian person does not know much about specific types of crime, they need to be educated as soon as possible. It is necessary to set up specialised tribunals with the authority to imprison WCC offenders for up to 10 years.

In a country like India, where many people are hungry, don't know how to read or write, and don't know much about the world, white-collar crimes will surely rise. Getting a handle on these crimes is a critical issue for the criminal justice system in this country. Some of the things that can be done to stop white-collar crime are, however, as follows:

1. making people aware of these crimes using the press, the platform, and other audiovisual tools. Intensive programmes to teach people about the law could help cut down on white-collar crime to a great extent, maybe.
2. Special courts that have the power to put people in jail should be set up.
3. White-collar criminals should face strict rules and harsh punishments.
4. The Indian penal code should be changed to create a separate chapter for white-collar and socio-economic crimes.
5. White-collar criminals should get harsher punishments because their crimes hurt society.

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