

A study on entrepreneurial crime criminology essay

[Law](#), [Criminology](#)



Entrepreneurial Crime Muhammad K Shaikh Course number and title Instructor's name University Date Business activity is an important tool for the formation and development of market relations all over the globe because it allows to increase the efficiency of economic relations, to enlarge the economic potential of individual economic entities, and a country as a whole. So, currently gained international experience clearly shows that entrepreneurial activity in its civilized form acts as a good engine of social progress, and its public support is essential for the formation of an efficient economy of civil society. Of course, the entrepreneurial type of management offers a real opportunity to realize the creative potential of the individual in a competitive environment, and also helps to develop a mass people's desire for the initiative and innovation activity with a diversity of ownership during the formation of the society. But entrepreneurial crime closes the door of business before honest individuals persuading them that it is almost impossible to create prosperous companies in a legal way. In such a way, entrepreneurial crime is a negative phenomenon, encompassing not only the United States, but also many other countries, where entrepreneurial activity has its place. It has reached the level, threatening the national security of many countries. Therefore, a prevention of entrepreneurial crime should be considered as one of the most important activities of all law enforcement and regulatory authorities. Thus, the main aims of the assignment are to observe entrepreneurial crime from different perspectives, to classify entrepreneurial crimes, and to discuss a harm of entrepreneurial crimes. To start, it is necessary to mention that the concept of entrepreneurial crime has much more wider sense than we get accustomed to think about it, and

may be identical to the crime in the business. According to Halstead (1992), this is a purely market social phenomenon, which presents a set of socially dangerous highly intelligent criminal acts of selfish orientation in the business of production. Describing entrepreneurial crime in general features, we can say that this type of crime is distinguished by constant latency; moreover, they are very often associated with corruption. The offenses are committed by different people who are involved in the process of doing business, such as different groups of entrepreneurs (owners, managers (other representatives of legal entities) and individual entrepreneurs), state and municipal officials, officials of the organizations that have possibility to influence the business and actively regulate it by virtue of their authority, as well as all those who violate the criminal law in the field of entrepreneurship, while business entities or the state become innocent victims of such crimes in most cases. Thinking about the main features of entrepreneurial crime, it becomes obvious that it is not static. By its nature it is transformed in parallel with the change of social relations or the appearance of new ones. To date, the growth of this type of crime continues with unabated speed, but its latent character, late legislative changes and non-standardized accounting system of the crimes in this sphere does not allow to define the scale of the problem for exact. Unfortunately, in recent years, criminal acts that infringe the business as a kind of crimes in the sphere of economic activity occupied a significant place in the overall structure of crime in the United States. In addition, a large gap between the identified offenders and those offenders who were brought to trial to understand the level of criminal responsibility for the crime can mean a high risk of corrupt relations in this

sphere. Many criminal cases just "do not get" to trial for compelling "requests" of concerned persons, or these cases were never planned to be brought to trial (because sometimes it is enough to have a fact of a criminal case to gain access to all trade secrets and documents of the organization during the raider seizure). So, corruption plays a very important role in entrepreneurial crime because it helps offenders to escape criminal responsibility and to continue criminal activity again. Of course, it is possible to classify entrepreneurial crimes into different categories. According to Edwards & Gill (2003), it is possible to classify entrepreneurial crimes into three groups by the nature of the object of assault. The first group includes crimes, which create unequal conditions for market participants in realization of a legitimate business. The second group includes the crimes which generate illegal business activities by their meaning and content, while the third group consists of the crimes that violate the established order of tax deductions for business results and impact on levy of other fees and charges. Continuing the classification of entrepreneurial activity, we can note that relating to the subject who actually commits the crime, or who is involved in the crime's commission, entrepreneurial crime can be divided into: committed by individuals (owners, managers, and other representatives of legal entities) and individual entrepreneurs, as well as state or municipal employees and officials of the organizations; and committed by a legal entity (on behalf of the person or for the benefit of this person). Moreover, entrepreneurial crime can be divided into several groups by the way of their committing. For instance, there exist entrepreneurial crimes committed by a legal person who conduct legitimate business. In the future, the offender or

offenders is/ are not intended to eliminate the legal person. The next way to commit the crime is associated with the creation of one-day company. This legal entity is created or can be "bought" (it means to buy 100% of shares in authorized capital) only for committing one or more offenses of the same type. After the commission of the crime or a set of different crimes the legal entity ceases to exist. And the last way to commit crimes requires a criminal to have a high status in the society because these crimes are committed with abuse of office. And finally, according to the victim of the crime (although some business crime victims are not actually defined), entrepreneurial crimes are divided into: crimes that infringe on individuals (owners or managers of legal entities and individual entrepreneurs); crimes that infringe on the legal entities (their property, other assets and goodwill, as well as the freedom to conduct a business); crimes that infringe on the state (the speech is going about shortfall in taxes and other payments to the funds and other assets). Observing the nature of entrepreneurial crime, Gottschalk (2009) stated that a wide range of political and economic changes, social processes, including the change in demographic structure of the population, the number of businesses and organizations located in a particular area, as well as changes of criminal law, criminalization and decriminalization of certain acts relating to the business activity, cyclical crises, etc. influences on the dynamics of entrepreneurial crime. It is a well-known fact that all crimes are committed by people; so, exploring the personality of the person who commits entrepreneurial crime, it is necessary to remember that the identity of the criminal in business sphere not always contains negative characteristics, the same as ordinary criminals have.

These criminals are most approximate to "normal" citizens, their behavior outside of the criminal enterprise is usually can not be different from the usual behavior of any person, and their behavior in different historical periods was estimated as illegal or on the contrary, justified by the society during the constant criminalization and decriminalization of acts that are attributable to these kinds of crimes in business sphere. In conclusion, we have observed entrepreneurial crime from different perspectives, and have discussed several categories of entrepreneurial crimes for the purpose to plunge into the issue with more details. In addition, we have also proved that entrepreneurial criminals have, for the most part, outstanding abilities which they need because of the specific business activities where there is a share of risk, and these people need to accomplish complex and hard tasks to develop and implement intricate criminal schemes. So, thinking about entrepreneurial crime, it is always necessary to remember that identity of the perpetrator relating to external factors in the mechanism of individual criminal behavior plays the most active role, while accomplishment of entrepreneurial criminal act is a consequence of the implementation of criminal personality traits, coupled with the various contextual factors that arise in business activities.