# White collar crime

Law

FOUNDATIONS AND ENFORCEMENT OF WHITE-COLLAR CRIMES Presented By goes here] To [your goes here] [Your goes here]

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White-Collar Crimes

White-collar crimes are the crimes that authorized people commit to get personal favors. White-collar criminals include bank officers, bureaucrats, government servants, business people and politicians. According to Albanese (2012), white-collar criminals use their legitimate powers unlawfully. Some common types of white-collar crimes include embezzlement, bankruptcy fraud, corruption, black mailing, bribery, counterfeiting, pension fund crime, charity fund crime, financial crimes and occupational crimes. White-collar crimes are not violent, but their consequences are sometimes even more harmful than the violent crimes (Conklin, 2010, p. 214).

Laws for White-Collar Crimes

In the United States of America, the punishments for white-collar criminals include fines, imprisonment, probation, and other similar punishments. The law that regulates white-collar crimes in the United States is the Sarbanes-Oxley Act, which is a federal criminal law that protects public and shareholders from fraudulent practices (Green, 2004). There are three main rules, which regulate this law. Ge and McVay (2005) state, " The Sarbanes-Oxley Act (SOX) of 2002 requires the implementation of many new rules and procedures". The first rule prevents people from altering, destroying, or mutilating any financial record. The second rule holds accountants responsible for maintaining the audit reports for a period of 5 years. The third rule ensures the retention of all types of business records and electronic transaction records.

Although complete prevention of white-collar crimes is not possible, but the government of America has been successful in reducing the white-collar crime rate to some extent through implementing such policies that restrict higher officials from accessing the private records. Although this strategy has decreased in the United States of America over the last decade, but we cannot consider it a notable decrease. The reason is the rise of technology, which has made it easier for criminals to access the private records of banks, organizations, and other financial institutions.

Two other strategies, which have been successful in the reduction of white-collar crimes, are Crime Prevention through Environmental Design (CPTED) and Crime Prevention through Awareness and Procedural Design (CPTAPD). People commit white-collar crimes when they see that the chances of incarceration are less as compared to the benefits of crimes. The government of America has also achieved success in reducing the white-collar crimes by setting a corruption-free system. A corruption-free system includes such mechanisms, which hold managers and directors accountable for any white-collar crime. This system has helped the United States deal properly with the four main components of white-collar crimes, which include money, greed, trust and opportunity.

Impact of Laws on Society

Before the implementation of the Sarbanes-Oxley Act, the rise in white-collar crimes was prominent in the United States of America because there was no law to deal with the white-collar criminals. However, with the implementation of the Sarbanes-Oxley Act, people think twice before committing white-collar crimes. They know that the government has implemented a proper mechanism, which has made it difficult for the authorized people to do fraudulent activities. Therefore, we can say that the overall impact of the Sarbanes-Oxley Act is positive on the American society.

References

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