

# Social development theories of criminal behavior, crimes committed by executives ...



Running Head: ENRON October 29, The Enron Scandal occurred in 2002 when Enron disclosed losses of 618 million dollars during the third quarter financial disclosures (Kadlec, 2002). Enron executives Kenneth Lay, Jeffrey Skilling and Andrew Fastow were charged criminally. With the exception of Kenneth Lay executives including Skillings and Fastow were found guilty in a criminal court and received jail time for their crimes. Various sociological theories explain the actions taken by the Enron executives. Among these theories the social control theory, the containment theory and the social bonding theory provide an insight from a sociological perspective on how these men became corrupt.

The social control theory maybe used to explain the actions taken by Enron executives. The social control theory explains that individuals are born with a status quo. This status quo continues throughout the individual's life as he or she attempts to fulfill assumed requirements and social norms associated with status quo. The Enron executives manipulated and lied about the worth of Enron to make the company appear to be more successful. The actions of these men under the social control theory can be explained as the executives had a need to fulfill social norms associated with their status quo. For these men, producing and managing a successful company was associated with their social norms assigned by their status quo in the community. In order to do this the company needed to manipulate and lie about the worth/revenues the company was producing. For these men, living up to the expectations of their status quo placed stress on them.

Unfortunately, these men chose to lie about Enron hurting others. As

predicting by the social control theory anomie experienced by the Enron

executives caused the loss of social control (Williams, McShane & Marilyn, <https://assignbuster.com/social-development-theories-of-criminal-behavior-crimes-committed-by-executives-at-enron/>

2010). Instead of accepting this loss the executives did was they believed was necessary to maintain their status quo and social control over others. In doing so, the Enron executives further led to deterioration in relationships throughout society. These actions caused the anomie experienced by these men to extend into the many individual's that were financially harmed through the actions of these executives.

The containment theory focuses on two forms of control. This theory assumes that individuals have both internal and external control of themselves and in some situations others. Individual's exhibiting power over others may have an imbalanced perception of the power he or she exhibits (Williams, McShane & Marilyn, 2010). Moreover, this leads the individual to social deviance. Kenneth Lay, Jeffrey Skilling and Andrew Fastow all had significant power over the individual's they controlled. These individuals included employees but extended to market share-holders. The power over the actions of these men may have led them to deviance in their actions. In further, one can assume that the Enron executives enjoyed the power given to them over these men. From the containment theory Enron executives concealed the financial disclosures and lied about the company's successes in order to maintain power over the individuals that worked for them.

The social bonding theory explains the actions of Lay, Skilling and Fastow as a form of neutralization of societal norms. According to Williams, McShane & Marilyn (2010), " techniques of neutralization allow individuals to neutralize and temporarily suspend their commitment to societal values" The suspended commitments to societal values led these men to commit deviant acts. Enron executives may have believed that straying from societal norms would best benefit their own careers and Enron as a corporation. However, <https://assignbuster.com/social-development-theories-of-criminal-behavior-crimes-committed-by-executives-at-enron/>

the social bonding theory has been further expanded by Hirschi. Although the theory remains similar, Hirschi's social bonding theory emphasized the notion that individual's did not need one specific instance to stray from societal norms. Instead Hirschi believed that individual's stray from societal norms when the potential gains are significant (Hirschi & Gottfredsons, n. d.). Hirschi's social bonding theory would explain the actions taken by Enron's executives as their own beliefs for potential gains. From this perspective the executives at Enron focused solely on themselves when they fabricated their financial gains in order to conceal financial losses.

Sociological theories attempt to explain why and how individuals stray from societal norms to deviant behaviors. Sociological theories including the social control theory, the containment theory and the social bonding theory can be applied to the Enron executives that were involved in the 2002 scandal.

Regardless of which theory chosen to explain the actions of Skilling, Lay and Fastow, these individual's strayed from societal norms through their involvement in deviant behaviors.

#### References

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