

CORPORATE CRIMINE

CORPORATE VS. ORGANIZED CRIME
Corporate Crime



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Corporate crime refers to crimes committed either by a corporation or by an individual that may be identified with a corporation or any business entity.

In short, It is crime that takes place in the workplace.

Corporate crime occurs when corporate executives commit criminal acts to benefit their company .

It criminology refers to crimes committed either by a business entity having a separate legal responsibility from the natural persons that manage its activities or by individuals that may be identified with a corporation or business entity.

“ a crime committed by a person of respectability & high social status in the course of his occupation”

EXAMPLE:

- ✓ False statements
- ✓ Tax evasion
- ✓ Public corruption
- ✓ Insider trading
- ✓ Antitrust violations
- ✓ Frauds
- ✓ Damage to the environment
- ✓ Exploitation of labour
- ✓ In violation of labour , health & safety laws
- ✓ The failure to maintain a fiduciary responsibility towards stockholders.

CAUSES OF CORPORATE CRIME

There are some causes which creates major problems in the organization sector or corporations. They are ,

- Lack of oversight.
- Lack of social moral and ethics.
- Lack of implementing regulation.
- Economic disparity between employees and management.
- Shifting to monopolization.
- Desire of greeding.
- Bottom line mentality and power of authority.

TYPES OF CORPORATE CRIME

- White collar crime:



The majority of individuals who may act as or represent the interests of the corporation are employees or professionals of a higher social class.

White collar crime refers to financially motivated non-violent crime committed by business & government professionals.

EXAMPLES

- ✓ Bribery
- ✓ Bank fraud
- ✓ Black mail
- ✓ Computer & credit card fraud



Insurance fraud occurs when a person or entity makes false insurance claim in order to obtain compensation or benefits.



Computer Crimes



✓ Money laundering



✓ Tax evasion



✓ Embezzlement



✓ Insider trading



INSIDER TRADING

● Organized crime:

It has become a branch of big business and is simply the illegal sector of capital. The crimes can set up corporation either for the purposes of crime or as vehicles for launching the proceeds of crime.

It is a both a social system & a social world. The system is composed of relationship binding professional criminals.



EXAMPLES

✓ Gambling

Online gambling



✓ Narcotics distribution



✓ Illegal sales



✓ Kidnapping



✓ Bank robberies



Human Trafficking

✓ Human trafficking



✓ Money laundering



✓ Black mail



- State corporate crime:

The opportunity to commit crime emerges from the relationship between the corporation and the state. State crime is illegal or deviant activities perpetrated by or with permission of state agencies.



**STATE
CRIME**
Journal of the
International State Crime Initiative

EXAMPLES

✓ Political crime



✓ Social & cultural crime:-institution

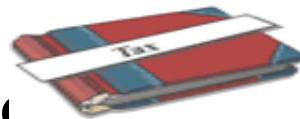


people smuggling



arms trafficking

✓ Economic crimes:- vic



tax evasion



theft



drug trafficking



corrupt practices

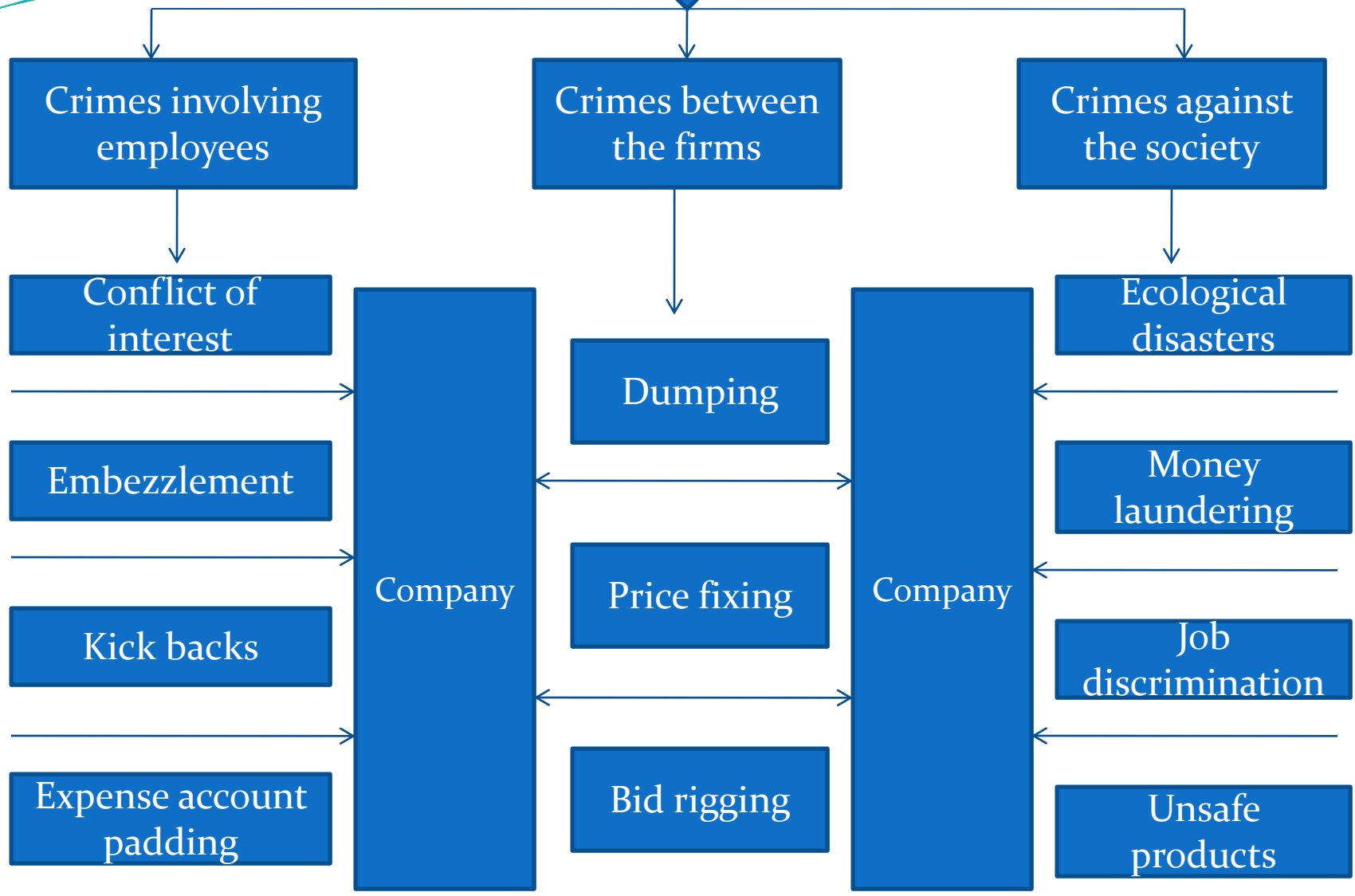


terrorism

✓ Crimes by security:- torture

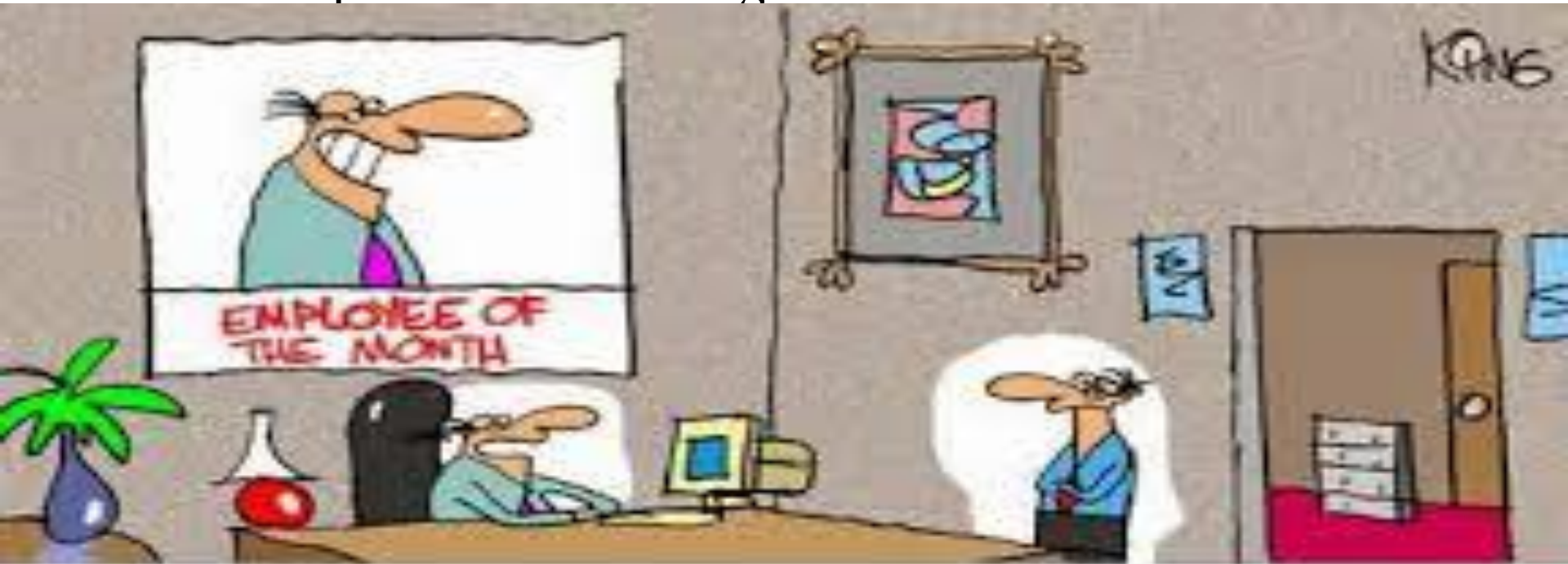


CLASSIFICATION OF CORPORATE CRIMES



CRIMES INVOLVING EMPLOYEES :

The crimes takes place within and between the employees in the organization. Many times , these crimes lead to heavy losses and serious problems to management.



"Yes, I am employee of the month again. And yes, I'm the one who chooses the employee of the month. And no, I don't see a conflict of interest."

Conflicts of interest-

It arises between human beings when there is a difference in their opinions. When the opinions of the supervisor are not accepted by the subordinates or by their lower level employees, conflicts arise leading to corporate crime.



Conflicts
of
Interest

Embezzlement



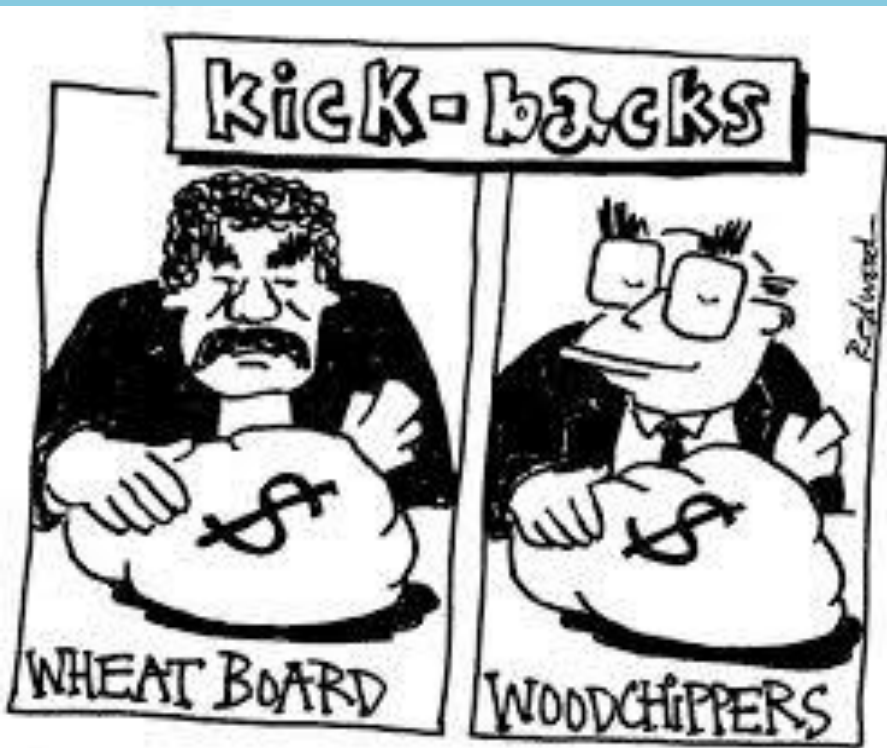
➤ Embezzlement-

Employees may be fraudulent which remains in the embezzlement of cash, products, stock etc.. Such fraudulency creates heavy losses to the organization. It is unlawfull of taking property by whom someone was entrusted.

Ex : Saytam computers, bank tellers who take money out of their drawer.

Embezzlement is the theft, misappropriation, or conversion of monies placed in one's trust, or which belong to an employer.





➤ Kick backs-

If the employees turn out to make strikes or lockouts it may result in crimes or mishaps. If they start violent procedures to boycott the works.



CRIMES BETWEEN FIRMS

Crimes between firms arises when the competition goes beyond limits and the firms have to strive hard to survive. In short, “cut throat competition in the markets” lead to corporate crimes between the firms.

DUMPED



➤ Dumping [sell at a low price]

Because of severe competition the firm may have to fix the price for their products at a lesser rates.



➤ Price fixing [price attention]

Due to the competitors , even though the price of the product may be higher, he committed the crimes.



➤ Bid rigging [invite/ offer/command on green track]

Bidding a project leads to conflict among firms price quoted by one firm will compete the other firm there by conflict arises leading the crimes.

Violent Crimes are Crimes against Society.

CRIMES AGAINST SOCIETY

The organization create problems not only in smaller groups, but to the whole society.



BIOLOGICAL DISASTER

➤ Ecological disasters –

Organizations committing hazardous chemicals in pollutants to the natural environment. It leads to serious health hazards which ultimately imbalance the ecology.

There are many incidents which have caused serious hazards to ecology. Ex: Bhopal gas tragedy.



➤ Money laundering –

This refers to profits ring or too much greed to make profit. In order to satisfy this objectives. The companies include themselves in the illegal activities leading to corporate crimes.

It is the process by which illegal funds & assets are converted into legitimate funds & assets

How Money Laundering Works



**Money from
illegal activities...**



**is deposited
in numerous
legitimate accounts...**



**making it
difficult to trace...**

**so the money can
be used freely.**

Unsafe Products



➤ Un safe products –

The companies producing un safe products hamper the health of people creating much problems in the society producing unsafe products is also a crime.



Please Read and spread to all the girls u know:

Guys: to all your friends, sisters, cousins etc. Please send it around A girl applied Mehndi called "Red Cone" before few months of her wedding, after applying that mehndi her hands n legs got seriously infected with some disease, so doctors suggested to cut off her hand n legs .. Instead her parents gave her poison...

Please pass it on! This cone is available everywhere with the name of "PARTY MEHNDI RED CONE**" Kindly don't apply it!!!**

Because it contains dangerous chemicals which can take your life! Don't think even for a minute not to forward it

RESPECT
DIFFERENCES



AGAINST DISCRIMINATION

Disabilities, Nationality, Gender, Language, Religion, Belief, Marital Status, Age, Sexual Orientation, Ethnic Origin, Social Origin or any other status;



➤ Job discrimination –

Society is a union of different classes of people who are occupied in cast, religion, qualification and experience . Job discrimination leads to a situation , ‘Right person in wrong place.’

