

UNETHICAL CONDUCT IN PROFESSION BY THE CORPORATE WORLD

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UNETHICAL CONDUCT IN PROFESSION BY THE CORPORATE WORLD- WHITE COLLAR CRIME

White collar crimes, as the name suggests, talks about the crimes that are committed unethically by the business world members for monetary gains. These are nonbelligerent crimes performed through deceitful practices for some or the other pecuniary benefits.

The literal term “White collar crime” was propounded by Criminologist Edwin Sutherland, a professor of sociology, of the 29th President American Sociological society. Sutherland described such crimes as crimes that are performed by persons of high dignity and money worth along with reputed social status in the course of their occupation.

These white collar crimes are extended over a wide range of activities but are generally the crimes that are perpetrated by the crowd who is engaged in the lawful reputed business. The Legislature relating to white collar crimes may vary, inclining towards the accurate and reasonable nature of the subjected crime executed, though majority of it may incline towards federal authority. There is a common misapprehension that the white-collar crimes do not include the involvement of criminal victim, and thus they are not so perilous in comparison. Indeed these crimes are executed without the involvement of weapons or ultimatum of physical violence, but it strictly does not constitute that they are harmless. According to a survey done by the Federal Bureau of Investigation, United Status, a majority of white collar crimes steal away more than \$300 billion in a year (Gottschalk, 2011). All varieties of white collar crimes are taking a room in our society nowadays. The most core ranged crimes included in it are fraud,

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bribery, computer fraud, counterfeiting, and securities, perjury, tax evasion, artificial price bubble, etc

Although various forms and ways of bribery, fraud, misappropriation and even monopolistic practices of fixing the prices in the economy surely govern the recorded ancient history of our country and the world out there, the case of white collar crimes date backwards to the ancient 15th century, in England. The law, that realistically enacted and enforced in 1473, was an acknowledgement to embezzlement in reference to the famous Carriers case, which was a situation where the agent himself endowed to transport a quantity of wool and ended up stealing some of it for himself.

However, white-collar crime still did not accumulate much public and society's attention, till the moment it became a more limelight involving crime. It became more under eyeing and widespread after its involvement in the Industrial Revolution in Western Industrial Societies.

Essentiality for a commodity is not always the sole purpose behind the commission of any crime. One cannot restrict crime to be performed by people who belong to a low status, but crime is even taken to a high level of attention in the world by some very concrete socio-economic background people too.

A fact which cannot be ignored is that there are certain professions in this today's world which provide a person remunerative opportunities for the immoral and criminal omission and which is highly neglected by the common mass of our very own society. Highly reputed business people and workers of other professions too, indulge in all sorts of illegal and unethical practices just to satisfy their hunger and thirst of gaining more and more profit in return of rendering not so much. These money inclined people have least consideration for genuine moral values and ethical conducts while engaging into business practices, and hence, they continue their illegal trade work without the fear of defamation and loss in prestige or dignity. These crimes known as White-collar crimes are spreading like a rapid fire in every nook and corner of our society.

White collar crimes are brought into action by the people who have high net worth along with goodwill. White collar crimes may include:

1. Fraud:

The first and the core crime that is included in white collar crime is Fraud. Fraud may be defined as a false statement which includes some material fact or the person who is committing fraud has full knowledge of the facts that they are untrue and is performing it with the intention to deceive the opposite party.

It further includes:-

- Computer Fraud: It involves the unlawful use of credit cards of others without their knowledge or other confidential or relevant information from the computer.
- Insurance Fraud.

2. Theft:

Theft includes taking the possessed property of another person without his/her consent and knowledge. White collar crimes may even include theft of goods or money by an employee.

It may also further include cyber crimes, embezzlement, crimes related to infringement of copyrights, etc.

Due to the rapid increase in the amount of White Collar crimes, the Government of India has instigated various laws, which shall constitute white collar crime if breached. Some of these regulatory legislations include:

- The Essential Commodities Act, 1955
- The Industrial(Development and Regulation) Act, 1951
- The Import and Exports (Control) Act, 1947
- The Foreign Exchange (Regulation) Act, 1974
- The Companies Act. 1956 and 2013
- Prevention of Money Laundering Act, 2002.

The Indian Penal Code, 1860 has certain provisions to check the increasing rate of Insurance, Bank and credit card frauds.

Not only this, the Government of India has also taken multiple steps to slow down the increasing rate of money laundering.

One major aspect of it was the KYC (Know Your Customer) guidelines which have been implemented strictly by the Apex Bank, i.e. The Reserve Bank of India to slow down the fraud rate. All the financial institutions and even banks are in today's date required to keep a record of all the transactions that have been performed for a period of ten years.

Not only the above, Sections 43 and 44 of the Information Technology Act, 2000 imposes high penalty on the White- Collar crimes which involve electronic media.

There are certain measures implicated to be dealt with White Collar Crimes. Few of them are Creating Awareness among the public and society through the medium of media/press and the other audio-visual aids regarding the wrong done and the perpetration of a number of legal literary programs. White Collar Crimes even amounted to special tribunals to sentence the offenders to at least 5 Years of imprisonment and conviction of heavy fines rather than arrest and their detention.

Thus, the constitution of white collar crimes is a pure result of advancement of science and technology. Many white-collar crimes are typically not so easy to be determined as the executors use innovatory means to conceal their unethical conduct. A steady growth has been seen in the increase of such crimes by the Securities and Exchange Commission since the year 2015 as 3,923 tips were received involving corruption, bribes and other such crimes. According to a research by Federal Bureau of Investigation (FBI), white collar crimes have been calculated to cost more than \$300 billion annually to the United States. White collar crimes have not yet been defined in any of the followed codes in India, but the Indian Penal Code, 1860 includes a small portion of the offences under white collar crimes.