Summary

In contemporary Western societies, like the Netherlands, white-collar crime constitutes a diverse and serious problem, but there is still a poor understanding of how and why individual perpetrators engage in white-collar crime. On the one hand, white-collar crime research primarily focuses on the dynamics of criminogenic contexts within society and organizations to understand white-collar offending, thereby often neglecting the perpetrators. On the other hand, life-course criminology does focus on individual offenders and individual-level explanations but has paid relatively little attention to offenders who continue or start offending in later stages of life, such as white-collar offenders. Taking an interdisciplinary approach that incorporates theory and methodology from white-collar criminology, life-course criminology and psychology, the aim of this thesis is to examine the criminal development of white-collar offenders, and to understand how and why perpetrators engage in white-collar crime. After the introductory chapter that provides the theoretical, empirical and societal context for the thesis (Chapter 1), these research goals are addressed by four separate papers using distinct research methods, data sources and samples.

The first study (Chapter 2) examined longitudinal crime patterns, sociodemographic profiles and selection offences of a sample of 644 white-collar offenders from the Netherlands. The findings showed that white-collar offenders constitute a mixed group of individuals from different walks of life who are involved in a variety of white-collar offences, ranging from tax fraud to insurance fraud. The retrospective analysis of criminal histories from age 12 onwards revealed a flat bell-shaped age-crime curve. When breaking down the general age-crime curve, the findings showed that non-white-collar offending remains stable over time, while white-collar offending increases sharply in adulthood. Using group-based trajectory analysis, the study identified four distinct trajectory groups. Distinct and internally consistent offender profiles emerged for the trajectory groups on the basis of sociodemographic, crime and selection offence characteristics: stereotypical white-collar offenders, adult-onset offenders, adult persisters and stereotypical criminals. The first two groups, totaling four out of five offenders, had an adult-crime onset and were characterized by low-frequency and (moderate) specialized white-collar offending. These offenders from middle-class to higher social backgrounds often occupied high-end organizational positions, and were relatively often involved in crimes, such as tax fraud, bankruptcy fraud and market abuse fraud.
By contrast, the two other, considerably smaller, groups were criminally active from a young age, engaging in various types of offences. In adulthood they added white-collar offences, such as swindles and credit-card fraud, to their criminal repertoire. The results showed that they come from different walks of life and live less conventional lives.

The second study (Chapter 3) elaborated on the analysis of the criminal histories and personal background characteristics by examining whether criminogenic individual-level factors contribute to white-collar offenders’ crime involvement. The study examined whether white-collar offenders were more likely to violate rules outside an occupational and organizational context (regulatory income tax and traffic violations), taking into account offenders’ organizational position and the number of criminal offences. The sample was compared to a control group of individuals with matched sociodemographic backgrounds and in comparable high-trust organizational positions. If white-collar offenders were overrepresented in rule-violating behavior in different contexts outside an occupational and organizational context, this would point to a criminogenic propensity in white-collar offenders. The findings indeed showed that white-collar offenders, including offenders who only had one offence registered to their name, were overinvolved in both income tax and traffic violations compared to matched controls. In addition, the study revealed that holding a high-trust position, both in the offender and control group, was associated with a tendency to violate income tax and traffic rules. However, when white-collar offenders in high-trust positions were compared to control individuals in these high-trust positions, the findings demonstrated that white-collar offenders were overinvolved in both types of rule-violating behavior.

The third study (Chapter 4) further elaborated on explaining the findings in the previous two chapters by examining the role of weakened social bonds in white-collar crime involvement in the sample of white-collar offenders, taking into account offenders’ organizational position and age of crime onset (Sampson & Laub, 1993). The first part of the study in Chapter 4 drew on register data from the Netherlands Tax and Customs Administration. It used a total of 14 indicators over a seven-year observation period to gauge the commitment to and stability of social bonds across the social-life domain (bond to partner and community) and economic-life domain (bond to economic institution and executive position). The sample of white-collar offenders was compared to a control group of individuals with matched sociodemographic backgrounds and in similar executive positions. In the second part of the study, interview data gathered by the Dutch Probation Services was used to examine social bonds within a subsample of white-collar offenders from the first part of the study. The results showed that white-collar offenders, including those who occupy
executive organizational positions, have weakened bonds compared to matched (executive) control individuals. Moreover, when the study distinguished between white-collar offenders with an early-crime onset (before age 18) and adult-crime onset, the results showed that the former had relatively weak social bonds in adulthood compared to the latter (particularly in the social life domain). However, also white-collar offenders with a non-delinquent youth had an attenuated bond to society, when we compared them to controls with matched sociodemographic backgrounds.

The fourth and last study (Chapter 5) provided a description of the process of white-collar crime involvement on a personal level, drawing on interviews with 26 convicted white-collar offenders. The analysis of the circumstances surrounding the white-collar offences showed how white-collar offenders typically went through a three-step process: at the time of the selection offence they underwent some form of change in their lives that created criminogenic pressures (social pressure, strain or temptation). These were then resolved or taken advantage of by exploiting criminal opportunities open to them. Moreover, the narratives showed that, although these circumstances are important, white-collar offenders’ crime involvement cannot be fully understood without taking personal background (bonds) and cognition (morality) into account. While in some cases, situational changes leading up to the white-collar offence consequently led to weakened bonds as well as to an adjustment in moral considerations, more commonly these bonds were already weakened and the moral ideas already adjusted earlier in adulthood. In fact, these conditions made white-collar offenders more likely to end up in criminogenic circumstances and affected the way they responded to pressures and criminal opportunities. Furthermore, the narratives provided an in-depth view of the psychological component of a weak bond, i.e. offenders feel distanced from society, and the moral component of a weak bond, i.e. offenders are less committed to the laws, rules and norms of conventional society. Lastly, the study highlighted the important but complex role of morality in white-collar crime involvement and identified four moral mechanisms that allow, facilitate or encourage white-collar crime involvement, independent of the criminogenic context surrounding the white-collar offence: moral nonchalance (a flexible moral compass that does not preclude a fraudulent act on moral grounds), supreme moral judgement (personal beliefs that function as the ultimate arbiter of permissible and fair behavior in the financial-economic realm), moral blockade (emotional states that hinder or block a moral approach to a fraudulent act, and even encourage it) and adapted moral self (a lowered self-regulatory function of the moral self that allows fraudulent acts).
After a critical reflection on the sample selection, methodology and data, the general discussion chapter (Chapter 6) describes the five ways in which the findings and conclusions from the four studies about white-collar crime involvement and the micro-level mechanisms that induce individuals to engage in white-collar crime, relate to the literature in white-collar crime and life-course criminology. First, the thesis finds that a three-factor framework of weakened bonds, adjusted morality and criminogenic circumstances helps explain white-collar crime involvement and the variation in pathways into white-collar offending. Second, the thesis shows that white-collar crime involvement is typically the result of a dynamic process that starts in adulthood due to changes later in life. Third, it offers a novel understanding of the nature of weak social bonds and personal morality in white-collar offenders and the important role they play in white-collar crime causation. Fourth, the thesis demonstrates that similar individual-level crime causation mechanisms characterize white-collar offenders, irrespective of whether they are defined by their organizational position or fraudulent behavior alone, and argues that a focus on organizational position rather than social status is called for to understand white-collar crime involvement in contemporary society. Lastly, the thesis asserts that the identified increase in (white-collar) offending in adulthood and the large share of adult-onset offenders identified among white-collar offenders is not uncommon and may signal a distinct developmental process among offenders more in general.

After proposing six avenues for future research, the last section of Chapter 6 discusses the practical implications of the findings for professionals in the public and private sector who are involved in the prevention of and fight against white-collar crime. The findings call for four strategies that can mitigate the risk of white-collar crime. First, a sound selection at the gate to prevent individuals who pose a fraud risk from reaching positions of trust by regulators, companies and organizations. Second, periodic preventive monitoring to signal criminogenic behaviors and attitudes among individuals who already occupy positions of trust in companies and organizations (and taking appropriate countermeasures when called for) by regulators, companies and organizations. Third, on-target detection tools and risk analyses. Fourth and last, sanctions and rehabilitative measures aimed at strengthening the bond to society among white-collar offenders by the judiciary and the Probation Services. Chapter 6 elaborates on how the findings relate to and can improve these four strategies.