

# VU Research Portal

## Blurred Lines

van Onna, J.

2018

### **document version**

Publisher's PDF, also known as Version of record

[Link to publication in VU Research Portal](#)

### **citation for published version (APA)**

van Onna, J. (2018). *Blurred Lines: A Study of White-Collar Crime Involvement*. [PhD-Thesis - Research and graduation internal, Vrije Universiteit Amsterdam].

### **General rights**

Copyright and moral rights for the publications made accessible in the public portal are retained by the authors and/or other copyright owners and it is a condition of accessing publications that users recognise and abide by the legal requirements associated with these rights.

- Users may download and print one copy of any publication from the public portal for the purpose of private study or research.
- You may not further distribute the material or use it for any profit-making activity or commercial gain
- You may freely distribute the URL identifying the publication in the public portal ?

### **Take down policy**

If you believe that this document breaches copyright please contact us providing details, and we will remove access to the work immediately and investigate your claim.

### **E-mail address:**

[vuresearchportal.ub@vu.nl](mailto:vuresearchportal.ub@vu.nl)

## Chapter 6

### General discussion

The central aim of this thesis was to examine the criminal development of white-collar offenders, and to understand how and why they engage in white-collar crime. These research questions were examined from different perspectives and by using distinct research methods, data sources and samples across four empirical studies.

This final chapter first provides a summary of the main results of the four empirical studies and outlines how the findings of each study contribute to the overall research questions (§ 6.1). It then offers a critical reflection on the sample selection, methodology and data (§ 6.2). The next section elaborates on how the findings relate to current conceptions in white-collar and life-course criminological research and theory (§ 6.3). The last three sections propose avenues for future research (§ 6.4), discuss policy recommendations (§ 6.5) and formulate the conclusion of the thesis (§ 6.6).

#### 6.1 Summary of main results

##### 6.1.1 Variations within the group of white-collar offenders

The first empirical chapter 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.

Overall, the first empirical study contributed to the research goals of this thesis in three ways. First, it showed that, in contemporary Western society such as the Netherlands, white-collar offenders are a heterogeneous group of individuals in terms of criminal behavior, sociodemographic profile and types of white-collar offences. Second, it demonstrated that the criminal development of white-collar offenders takes on different forms: while a small minority has a long history of offending going back to their youth, the vast majority of white-collar offenders started offending as adults. Lastly, the different ways in which their criminal behavior developed suggested that distinct crime causation mechanisms underlie white-collar crime involvement. The fact that a minority of offenders displayed continuity in offending from an early age suggests that early-emerging individual characteristics play a role in their white-collar crime involvement. The absence of such continuous misconduct and the adult start in crime in the majority of offenders indicate that criminogenic changes later in life have contributed to their white-collar crime involvement.

### **6.1.2 Criminogenic individual-level factors in white-collar offenders**

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 in Chapter 3 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 showed that white-collar offenders, including offenders who only had one offence registered to their name, were indeed overinvolved in both income tax and traffic violations compared to matched controls. Moreover, 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.

Overall, the second empirical study contributed three key points to the research goals. Firstly, it showed that white-collar offenders display criminogenic behavior beyond the immediate work-related context, regardless of whether they are defined by their organizational position or their fraudulent behavior and irrespective of whether they had just one offence registered to their name or more. Secondly, though the rule-violating behavior was restricted to regulatory violations outside the organizational and occupational context, the tendency to break rules is likely to contribute to deviant and criminal behavior in work-related settings. Individuals who have a tendency to break rules may be more willing to take advantage of criminal opportunity structures, be more receptive to unethical business or industry cultures or align their personal goals more easily with criminogenic corporate goals. Lastly, as the study pertained to two different types of unrelated rule-violating behavior, the behavioral consistency in rule-violating behavior suggests that factors that remain stable across different contexts, such as offender characteristics, explain the identified rule-violating behavior.

### **6.1.3 Weakened social bonds and white-collar crime involvement**

Chapter 4 elaborated on 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 of two studies 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 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 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.

Taken as a whole, Chapter 4 contributed to the overall research goals in three significant ways. First, the study provided a new perspective on white-collar offenders' bond to society and their role in white-collar crime involvement, based on the notion of lowered commitment to and stability of social bonds in distinct life domains, and by comparing the level of social embeddedness of white-collar offenders to individuals with similar backgrounds and opportunity structures for white-collar crime. Second, the studies supported the notion that white-collar offenders, including those in executive positions, have relatively weak social bonds across distinct life domains, indicating that in both groups, at least part of their white-collar crime involvement can be explained through a weakening of social control mechanisms. Lastly, the study indicates that weakened social bonds may be crime-causation mechanisms in white-collar offenders with a delinquent youth, as well as in those with an adult onset in crime, which suggests that factors early in life but also in adulthood can weaken social bonds.

#### **6.1.4 Criminogenic contexts, bonds and morality in white-collar crime involvement**

The previous three chapters used quantitative research designs to examine white-collar crime involvement but did not examine the role of *human agency* in that process. Chapter 5 therefore provided a description of the process of white-collar crime involvement on a personal level, drawing on interviews with 26 convicted white-collar offenders. Building on concepts from white-collar criminology, social control theory and moral psychology, the study examined the dynamics of a white-collar offence, and the social and psychological mechanisms that explain how and why individuals become attracted to criminogenic environments in the first place, and/or how and why persons eventually fold under pressure or take advantage of criminal opportunities.

The study added to our understanding of white-collar crime involvement in four ways. First, 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. Second, 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 weakened bonds and led to an adjustment in moral considerations, more commonly bonds were weakened and moral ideas adjusted earlier in adulthood. This made white-collar offenders more likely to end up in criminogenic circumstances and affected the way they responded to pressures and criminal opportunities. Third, 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).

## 6.2 Data selection, methodology and limitations

The samples, research methodologies and data have several positive features but they are not without limitations. The offender sample is the outcome of a selection process in which offenders typically passed several selection rounds where regulatory bodies, law enforcement agencies and the prosecution service narrowed down the selection of cases.<sup>59</sup> In order to limit this selection effect and because research suggests that certain white-collar offenders may be better able than others to avoid conviction because of the resources available to them and the vagaries of particular laws and regulations in the financial-economic realm, the current thesis used prosecution, rather than conviction, as a measure of individuals' white-collar offending (see Benson & Cullen, 2016; Friedrichs,

---

59 Of course, the offender sample only consists of perpetrators who have come to the attention of the authorities in the first place. The difficulty of drawing conclusions about crime based on those who are caught is a central problem in criminology (see e.g., Weisburd et al., 1991). Possibly, the sample is not representative of undetected offenders.

2010, see Chapter 11; Pontell, 2016; Weisburd et al., 1991; Weisburd & Waring, 2001). As such, the sample may not be representative of convicted white-collar offenders. However, most white-collar offenders in the sample are likely to eventually be convicted.<sup>60</sup> Furthermore, the prosecution guidelines set the criteria for the amount of defrauded money to be selected for prosecution at a high level, skewing the sample toward white-collar offenders who engaged in more serious white-collar offences. The sample may therefore not be representative of offenders who are involved in minor white-collar offences. Lastly, as some white-collar offences were not included in the sample (e.g., corruption) or only in small numbers (e.g., insider trading), the sample may not be representative of the population of offenders who engage in these offences. However, the variety and nature of white-collar offence types in the current sample is similar to those identified in earlier studies in the Netherlands (Functioneel Parket, 2012, 2014; Kabki, 2014; Nationale Politie, 2012, 2017).

The representativeness of the interview sample in Chapter 5 is a potential weakness. However, the study includes directors and owners of a broad range of small- to medium-sized companies that also make up the large majority of companies in the Netherlands (Centraal Bureau voor de Statistiek, 2017). Importantly, a response analysis (see footnote 61) shows that the interview sample is similar to the overall sample in terms of prosecuted selection offences, sociodemographic and organizational profile and the ratio of early-onset and adult-onset offenders.<sup>61</sup>

---

60 Data provided by the Prosecution Service for Serious Fraud, Environmental Crime and Asset Confiscation shows that around 85 percent of offenders who are brought to court by this section of the Netherlands Prosecution Service is convicted at first instance (Functioneel Parket, 2012, personal correspondence with Prosecution Service for Serious Fraud, Environmental Crime and Asset Confiscation, 2017). However, even if the prosecution of the individual does not result in conviction, this does not necessarily mean that the person is fully 'acquitted'. For example, the prosecution service may prosecute the offender's legal person that was used in or was part of the white-collar offence rather than the individual. Alternatively, the case may be reverted to the regulatory agencies for administrative sanctioning (personal correspondence with Prosecution Service for Serious Fraud, Environmental Crime and Asset Confiscation, 2017).

61 A comparison between the interview sample (IS) and the overall offender sample (OS) shows the following similarities. In both samples, the most prevalent selection offences are tax crimes; both samples consist mainly of middle-aged men (IS: most prevalent age category: 40-49; 92 percent male; OS: average age: 42; 85 percent male); both samples contain a comparable percentage of offenders who occupied a high-trust position in organizations (IS: 77 percent; OS: 74 percent); and both samples are similar in the ratio between adult-onset and early-onset offenders (IS: 80 percent adult-onset offenders; OS: 85 percent).

When interpreting the findings with respect to the control samples, it is important to bear in mind that they may not be representative of the general population or of the population of individuals in high-trust and executive positions in the Netherlands (Chapter 3 and 4). Rather than random sampling, we used a matched sampling procedure to establish a control sample that is similar to the sample of prosecuted white-collar offenders. This sampling method has the potential drawback of decreasing the external validity of the results, but has the significant advantage of increasing internal validity (see e.g., Elffers, 2017). The design allowed us to make informed comparisons (e.g., in terms of equal access to criminal opportunities in high-end organizational positions) and rule out the effect of potentially confounding variables (e.g., sociodemographic background). Besides a handful of studies that contrasted white-collar offenders with control samples of businessmen to investigate differences in psychological make-up (e.g., Blickle et al., 2006; Collins & Schmidt, 1993), the studies presented here are the only ones that have conducted comparative analyses with a control group that resembles the white-collar offender population with regard to a number of key characteristics (despite calls for such analyses by e.g., Gottfredson & Hirschi, 1990; Herbert et al., 1998).

Regarding the use of group-based trajectory modeling in Chapter 2, it is important to note that the identified trajectories do not necessarily represent a ‘true’ number of offender groups (Skardhamar, 2010). Group-based trajectory modeling will always identify a number of latent classes in a heterogeneous group (Nagin, 2005; Skardhamar, 2010). As such, the trajectories should be seen as an approximation of a more complex underlying reality (Nagin, 2005; Nagin & Tremblay, 2005; Piquero & Weisburd, 2009). However, the group-based trajectory model proved to be useful to estimate the underlying continuous distribution of criminal development in a discrete number of trajectory groups and to explore the association between sociodemographic characteristics, crime and selection offences and trajectory group membership.

The correlational research designs of the studies presented in Chapter 3 and 4 have limitations. These studies establish a clear link between white-collar offending and rule-violating behavior outside a work context, and white-collar offending and weakened bonds, but studies with a correlational research design are limited in the sense that they can never provide indisputable evidence of a causal relationship. For example, we cannot fully rule out the possibility that weak bonds were the result, rather than the cause, of prosecution. However, an inverse relationship would be unlikely given the predictions of social control theory and is inconsistent with earlier research (e.g., Benson, 1984; Kerley & Copes, 2004). Rather, the results in Chapter 5, that illustrated that most white-collar offenders experienced a weakened bond prior to their selection offence,

support the notion that weak bonds in fact contributed to white-collar crime involvement.

Lastly, the thesis included both officially registered and self-report data – each with their pros and cons. While the register data obtained from different government agencies constituted a rich source that enabled us to examine different aspects of white-collar crime involvement, it also has potential weaknesses. The officially registered criminal offences (Chapter 2) and rule violations (Chapter 3) may not reflect actual misbehavior (see e.g., Beckley et al., 2016; Reed & Yeager, 1996; Sutherland, 1940). However, while the narratives do suggest that not all misconduct comes to the authorities' attention, we have no reason to assume that a possible underestimation of criminal offences would meaningfully affect our conclusions.<sup>62</sup> And the data on rule violation was used for comparative analyses, not to assess the 'true' level of misconduct. Moreover, register data may be limited in measuring underlying concepts, such as the bond to society (Study 1 in Chapter 4). However, we closely followed Sampson and Laub's theory and used multiple indicators across distinct life domains over an extensive observation period to assess key elements of their theory. Moreover, the findings from Study 2 in Chapter 4 that used different data, operationalizations and collection methods to gauge the bond to society were in line with the findings from Study 1, which strengthens our belief that we found a valid method for measuring social bonds.

An important strength of this thesis is that it combines register data with self-report data. The self-report data provided an in-depth understanding of white-collar crime involvement on a personal level, which cannot be established using quantitative register data. However, self-report data also has potential weaknesses. Respondents may have wanted to create a certain impression or make excuses instead of explaining what happened. However, we have no indications that impression management was an important objective for participants in the study. Not only did respondents' grounds for participating in the study indicate otherwise; most of them also recognized their misconduct and typically spoke openly about their intention to engage in the offence, referred repeatedly to earlier transgressions and crimes, and expressed deviant attitudes and norms – all matters which respondents would arguably not have revealed if they had been making excuses or managing impressions. Rather than excuses

---

62 See also white-collar crime studies that use self-report data. For example, drawing on self-reported white-collar offending data, Morris and El Sayed (2013) found higher rates of offending but comparable criminal development patterns, compared to studies that use officially registered criminal offences.

or impression management, the narratives appear to offer a unique and rich source for understanding the psychological process behind white-collar crime involvement.

In sum, the unique samples, the distinct and rarely used research designs and the richness of the data allowed for the exploration of white-collar crime involvement from different perspectives. While the samples, methods and data that were used in the empirical chapters all have their own strengths and weaknesses, the combination of studies provides a consistent view and an in-depth understanding of the process of crime involvement in white-collar offenders.

## **6.3 Discussion and implications**

To understand criminal development in white-collar offenders, this thesis built on two research traditions that are usually far removed from each other and sometimes fundamentally different in approach: white-collar and life-course criminology. The findings and conclusions add to the literature in both fields of research in five respects.

### **6.3.1 A three-factor framework to understand white-collar crime involvement**

The thesis started out with the notion that a commonly held view in white-collar criminology is that individual involvement in white-collar crime results primarily from differential exposure to criminogenic conditions within organizations or industries (e.g., Sutherland, 1949). The current findings suggest that this dominant view may be one-sided, as individual-level factors play a significant role in white-collar crime involvement of white-collar offenders in this sample. The thesis identifies a three-factor framework that helps explain how and why the white-collar offenders engaged in white-collar crime: a combination of weakened social bonds, adjusted moral considerations and exposure to criminogenic circumstances. The findings indicate that, while exposure to criminal opportunities and criminogenic pressures make white-collar crime possible and more likely, the two individual-level factors help explain how and why offenders select into criminogenic positions, organizations, industries or other criminogenic circumstances (Apel & Paternoster, 2009); how and why they themselves may create and contribute to criminogenic circumstances (Schwartz et al., 2005); and how and why they may take advantage of criminal opportunities or fold under criminogenic pressures, while others in similar criminogenic conditions may refrain from doing so (Benson & Manchak, 2014).

Between-individual differences in the duration and degree of weakened bonds and adjusted moral considerations on the one hand, and differential exposure to criminogenic circumstances on the other, help explain the identified variation in the duration and extent of (white-collar) offending.<sup>63</sup> A minority of white-collar offenders started out in crime early in life. Their narratives illustrated how poor parenting, street life and institutionalization broke down social bonds and kick-started their crime involvement. Through a continuous process of weak bonds and offending, they appear to have remained poorly bonded into adulthood (Sampson & Laub, 1993, p. 124, 142). The narratives also illustrated that these white-collar offenders live unstable social lives, consider they have little to lose and feel far removed from significant others as well as from the standards and norms of conventional society. In line with these narratives and Sampson and Laub's hypotheses (1993, p.142), the findings in Chapter 4 showed that white-collar offenders with delinquent youths have relatively weak bonds, particularly in the social life domain. All in all, the fact that these white-collar offenders have experienced comparatively weak social bonds from an early age is consistent with their long record of non-specialized and high-frequency offending (Chapter 2) (compare Piquero et al., 2016; Weisburd & Waring, 2001).

By contrast, the majority of white-collar offenders started offending in adulthood. The narratives of adult-onset offenders showed how they successfully adopted adult social roles, but that socialization processes in organizations and industries, social interactions or more abrupt events later in life weakened formerly strong bonds to society (Sampson & Laub, 2005, p. 167; Hirschi, 1969, p. 19; see also Engdahl, 2011, 2015; Blokland & Nieuwebeerta, 2005). Sometimes social bonds were weakened as a result of a personal crisis or during a transitional phase leading up to a white-collar crime, but bonds were more commonly weakened earlier in their professional career. The degree to which bonds were attenuated also varied between adult-onset offenders. The narratives showed that some white-collar offenders were loosely bonded to their companies, partners or economic sector and had an ambivalent commitment to the standards of conventional society, while other adult-onset offenders experienced a total severing of the bond to their surroundings and the standards and norms of conventional society. In line with the narratives and theory (Sampson & Laub, 1993, p. 142), the findings in Chapter 4 showed that adult-onset white-collar offenders had less stable and less committed social bonds

---

63 The identified variety in white-collar offending patterns is consistent with studies that used register and self-report data in the United States and the Netherlands (Benson & Kerley, 2001; Benson & Moore, 1992; Menard et al., 2011; Morris & El Sayed, 2013; Kabki, 2014; Lewis, 2002; Piquero & Weisburd, 2009; Van der Geest et al., 2016; Weisburd & Waring, 2001).

across the social and economic life domain, compared to matched members of the general population with similar sociodemographic and organizational backgrounds. All in all, the finding that these adult onset offenders have less severely weakened bonds from adulthood onwards corresponds to the identified specialized low-frequency to intermittent white-collar offending that starts in adulthood (Chapter 2) (compare Piquero et al., 2016).

Similarly, the duration and degree to which moral ideas have been adjusted varies between white-collar offenders. The narratives of those with a delinquent youth illustrated how problematic socialization processes in families and the ‘code of the street’ affected moral ideas negatively early on. These white-collar offenders typically used several moral mechanisms that appear to have significantly contributed to their choice for crime, in particular *moral blockade* and *adapted moral self*. However, the narratives showed that in most instances moral considerations were not adjusted during youth, but later in life. Sometimes white-collar offenders adjusted their moral considerations in response to a specific criminogenic situation, allowing them to act in ways they would not normally have acted. However, more commonly, criminogenic attitudes and norms about what is permissible in the financial-economic realm seem to have been part of their longer-term views on life, self and business practice. The adult-onset offenders typically expressed less and more ‘moderate’ moral mechanisms that appear to have allowed or facilitated intermittent misconduct, such as *moral nonchalance* and *moral supreme judgement*. Still, the interviews also revealed that some adult-onset white-collar offenders had blatantly deviant ideas that seem to have contributed to extensive criminal careers. Taken as a whole, the findings suggest that both individual-level factors – weak bonds and adjusted moral considerations – apply to all white-collar offenders in the sample, and that the individual differences between the white-collar offenders are differences in degree.<sup>64</sup>

Finally, differential exposure to fraud opportunities and criminogenic pressures, strains and temptations is also likely to affect the extent of white-collar offending. External changes throughout life, such as a string of bad luck or new business opportunities, can expose offenders to new fraud opportunities and criminogenic pressures, strains and temptations. However, the extent to which they are exposed to criminogenic circumstances also depends in important ways on the extent to which they are drawn to or seek out such circumstances. The findings suggest that white-collar offenders who are either poorly bonded or have deviant moral ideas, or both, are not just likely to rapidly turn to crime when exposed to criminogenic

---

64 We contrasted early- and adult-onset white-collar offenders in this section to present the findings in a comprehensive way, not because we consider them to be a specific kind of offender (compare Eggleston & Laub, 2002; Sampson & Laub, 1993).

circumstances, but also likely to actively seek out fraud opportunities and engage with other deviants.<sup>65</sup> By contrast, white-collar offenders who are more committed and have less deviant ideas are less likely to actively seek out fraud opportunities and engage with other deviants. However, compared to similar members of society and the business community, they are more likely to select into criminogenic circumstances, be receptive to criminogenic pressures and willing to take advantage of criminal opportunities. This helps explain why they have engaged in white-collar crime, while others in similar positions may not do so.

### **6.3.2 White-collar crime involvement: a dynamic process that typically starts in adulthood**

The introductory chapter of this thesis proposed that a crime perspective that considers crime as the result of within-individual change throughout life, i.e. life-course criminology, may offer a comprehensive framework for understanding how and why white-collar offenders engage in their misconduct (Benson, 2013; Piquero & Benson, 2004). In line with central notions in life-course criminology, the findings of the thesis show that white-collar crime involvement is best understood as the result of a dynamic process throughout white-collar offenders' lives (e.g., Farrington, 2003). In this process, white-collar offenders are not passive slaves to internal stability and external change. Rather, the narratives illustrated how *human agency*, i.e. the thoughts and actions that direct offenders' lives, plays a central role (Elder, 1994; Laub & Sampson, 2003; Ulmer, 2014). White-collar offenders' interpretation of their own lives, as well as their subjective reaction to life-events, socialization and social interaction has a significant effect on whether and how they become involved in white-collar crime. However, unlike most studies in life-course criminology that find that the process of criminal development starts early in life (Farrington, 2003), the findings presented here show that the process of white-collar crime involvement typically starts in adulthood (see also Benson & Kerley, 2001; Weisburd & Waring, 2001).

The findings presented here provide robust evidence for the commonly held view in white-collar criminology that white-collar offenders generally do not start out in crime in their youth, as expressed, for example, by Sutherland (1940: 10): "That the criminal of today was the problem child of yesterday is seldom true of white-collar criminals. The idea that the causes of criminality are to be found almost exclusively in childhood similarly is fallacious." Unlike the white-

---

65 In many instances, the degrees to which bonds were weakened and moral ideas adjusted show parallels, but this is not necessarily the case. Chapter 5 illustrated how white-collar offenders who appeared to live stable and committed lives, nonetheless expressed deviant norms and attitudes.

collar crime involvement of the minority of early-onset white-collar offenders, the white-collar crime involvement of the majority of adult-onset white-collar offenders is not easily traced back to their youth, nor is it easily explained by early-emerging individual characteristics or criminogenic family influences, as expected by Gottfredson and Hirschi (1990) and Moffitt (1993; Moffitt et al., 2001; see also Piquero & Moffitt, 2014). Rather, the results suggest that it is changes in bonds, moral considerations and criminogenic circumstances that drive persons who live apparently conventional lives and occupy responsible positions in organizations away from conformity (compare Benson & Kerley, 2001, p. 134). However, while change in adulthood is important, once their lives have changed, the findings show there can be considerable continuity in criminogenic behavior, in terms of intermittent criminal behavior and sometimes extensive criminal careers, prolonged states of ‘unrest’ and adjusted moral ideas that become a part of white-collar offenders’ view on the world, professional life or self.

However, although the results presented here highlight the importance of dynamic rather than static factors for understanding adult-crime onset among the majority of white-collar offenders, we cannot fully rule out the role of preexisting individual characteristics. One possibility is that individual characteristics influenced the development of social relationships, moral considerations and criminal behavior (selection effect). Gottfredson and Hirschi’s *General theory of crime* (1990; see also Hirschi, 2004) proposes, for example, that the relation between weak bonds and crime is spurious, rather than causal, as they are both the effect of a common cause: low self-control. However, the theory expects weak bonds and deviant and criminal behavior from early stages of life onwards and negates that changes (in adulthood) can have a significant effect on the risk of crime, which are all in contrast to the findings presented here. Moreover, as the theory claims that low self-control is “*the* [sic] individual-level cause of crime” (Gottfredson & Hirschi, 1990, p. 232), it does not easily account for the important role of personal moral considerations for crime involvement (compare Wikström & Treiber, 2007).<sup>66</sup>

Another possibility, which is perhaps more likely given the presented findings, is that changing circumstances in adulthood somehow interacted with

---

66 However, self-control may have contributed *in part* to white-collar crime involvement (compare Blickle et al., 2006; Collins & Schmidt, 1993). It is important to note that Gottfredson and Hirschi (1990; Hirschi & Gottfredson, 1987, 1989; see also Chapter 3) expect that the level of self-control among white-collar offenders is relatively high compared to street-crime offenders, but relatively low compared to business peers. White-collar offenders may thus not suffer the same consequences of low self-control in terms of transgressive and problematic behavior as street-crime offenders. Some scholars have even argued that low self-control may contribute to legitimate business success (Morselli & Tremblay, 2004; Morselli, Tremblay, & McCarthy, 2006).

preexisting individual characteristics (interaction effect). An event in a person's private life, such as the death of a significant other, or in professional life, such as reaching an executive position in which there is little (direct) supervision, may have triggered or freed up criminogenic traits that were previously controlled or repressed in a protective family or work setting (see e.g., Thornberry, 1987, 2005; Zara, 2012). The triggering of controlled or repressed traits may in turn have affected bonds, morality and the risk of crime involvement. Alternatively, changing circumstances may have altered the direction of a 'dual-natured' personal characteristic, that is a personal characteristic which, depending on the circumstances, may promote both legitimate and illegitimate success (compare Wheeler, 1992). Such 'dual-natured' traits may initially have helped white-collar offenders advance in an organization, attain an executive position and also have stimulated business success. Then, a change, such as an occupational frustration or an economic crisis, may have led them to use their capacities for the pursuit of illegitimate rather than legitimate goals (compare Wheeler et al., 1988, p. 356), which in turn may have affected bonds, morality and the risk of crime involvement. In sum, even though the findings highlight the role of dynamic rather than static factors in adult-crime onset among the majority of white-collar offenders, the possibility of selection and interaction effects cannot be fully excluded. In particular, personal characteristics that have been associated with illegitimate and legitimate business success, as well as to weakened bonds and adjusted moral ideas, may be relevant for understanding adult-crime onset of white-collar offenders, such as narcissism, psychopathy, self-control (see footnote 66) and morality-related traits (see e.g., Babiak & Hare, 2006; Blickle et al., 2006; Cohen et al., 2014; Collins & Schmidt, 1993; Huisman, 2017; Perri, 2011, 2013; Rijsenbelt, 2011).

### **6.3.3 The significance of social bonds and personal morality for white-collar criminology**

While the role of criminogenic circumstances in organizations and industries is discussed and examined at length in the white-collar crime literature, the influence of social bonds and personal morality is more rarely discussed and researched. The current findings regarding these two individual-level factors have significance for the study of white-collar crime in different ways.

First, by offering a comprehensive understanding of the criminogenic nature of weakened social bonds in white-collar offenders and by demonstrating that weak social bonds contribute to white-collar offending, the thesis adds empirical evidence to the controversial and much-debated question in white-collar criminology of whether a weakened bond to conventional society can explain white-collar crime (Benson, 2016; Box, 1981; Braithwaite, 1989; Engdahl,

2011, 2015; Friedrichs, 2010; Lasley, 1988; Piquero & Benson, 2004; Piquero et al., 2016; Simpson, 2002).<sup>67</sup> In line with central notions from the *Age-graded theory of informal social control* (Sampson & Laub, 1993), the findings in Chapter 4 showed that white-collar offenders had a weaker attachment to their living community and partner (the latter only among white-collar offenders in executive positions), and a less stable and less committed bond to economic institutions and executive positions, compared to matched individuals with similar sociodemographic backgrounds and organizational positions. The narratives from Chapter 5 added to the understanding of the nature of weak bonds and their association with white-collar offending by illustrating how offenders experienced psychological unrest, felt unrestrained or like they had little to lose. In line with central notions from other prominent social control theories (Durkheim, 1951; Hirschi, 1969), the narratives also illustrated that a weak bond has a clear moral component: white-collar offenders had a weakened commitment to the laws, rules and norms of conventional society. Overall, the findings presented here show that the bond to conventional society among white-collar offenders has social, psychological and moral components, and that when this bond is weakened the risk of white-collar crime increases significantly (see also Engdahl, 2011, 2015; Hollinger, 1986; Hollinger & Clark, 1982; Lasley, 1988; Sims, 2002).<sup>68</sup>

Second, the weak bonds identified in white-collar offenders in executive organizational positions (Chapter 4 and 5) and the narratives that showed that socialization processes in organizations and industries can weaken social bonds (Chapter 5), draw attention to the wider issue of the criminogenic role of weak bonds for *crime within organizations*, the focus of most of the white-collar crime and corporate-crime literature (e.g., Geis, 2007). That body of research often focuses on the cultural circumstances within organizations and industries to

---

67 The bond to *conventional society* refers to the bond to conventional members of society, conventional social and economic institutions and conventional cultural values in society, as opposed to the bond to deviant others, deviant institutions and deviant cultural values (compare Steffensmeier & Ulmer, 2005). However, it is important to note that scholars have argued that conventional institutions and conventional cultural values may have criminogenic effects (Benson & Cullen, 2016; Coleman, 1987; Karstedt & Farral, 2006; Messner & Rosenfield, 2007).

68 These three components of a weak bond to society were concisely summed up by Marc Dreier, the lawyer quoted in Chapter 4 (Bailey, Cantor, & Simon, 2011), who engaged in a multimillion investment fraud: "I was going through a divorce. I felt isolated. I really did not have any relationship with anybody personal or professional that could give a sort of moral grounding".

explain why executives, managers and white-collar workers engage in deviant behavior and crime (e.g., Sutherland, 1949). However, this research typically ignores the “other side of the coin” (Steffensmeier & Ulmer, 2005, p. 173), i.e. how the weakening of the commitment to conventional society among executives, managers or white-collar workers may contribute to a willingness to violate laws (compare Ulmer, 2000). For example, executives, managers and white-collar workers who have a lowered commitment to conventional society may be more easily selected into and more responsive to deviant corporate cultures than other, better-socialized individuals. Alternatively, in certain organizations it may also be the organizational culture itself that distances executives, managers and employees from conventional society. An organizational culture where adopting values that allow or even promote rule violation is part of doing business (e.g., Sutherland, 1949), is likely to create an atmosphere that distances executives, managers and white-collar workers from the standards of conventional society (Punch, 1996) and weaken “people’s allegiance to social standards” (Passas, 1990, p. 166; see also Braithwaite 1989, p. 145).

Similarly, one of the central questions in white-collar crime literature – why managers and executives in *positions of power* engage in misconduct (Coleman, 2005; Friedrichs, 2010; Geis, 2016; Pontell, 2016) – may be understood through the loosening of social bonds. From the time of Durkheim (1951, p. 254), social control theorists have argued that wealth and power may cause individuals to abandon restraints as they become less dependent on their social surroundings. This dynamic may be particularly relevant in organizational contexts. For example, Box (1983) argued that in the movement upwards or at the top of an organization, executives and managers may experience feelings of power that make them feel distanced from others. In psychology, the social distance theory (Magee & Smith, 2013) explains that power may cause individuals to perceive themselves as psychologically and socially distant from others (see also Lammers, Galinsky, Gordijn, & Otten, 2012; Lee & Tiedens, 2001). Thus, holding an organizational position with power and status that has typically been seen as offering a “stake in conformity” (Toby, 1957) and as a protective force against white-collar crime (e.g., Reed & Yeager, 1996) may in fact also be a risk factor. Overall, the current findings and the literature suggest that organizational conditions (culture, power) can contribute to a distancing from conventional standards and social surroundings in executives, managers and white-collar workers. When this happens, dishonesty, fraud and corruption are more likely within organizations, since a distancing prevents individuals from recognizing – or caring about – the broader implications of their dishonest actions (Blader & Yap, 2016; compare Durkheim, 1951, p. 209).

Third, a further significant outcome of this thesis for white-collar crime literature is the important and complex role of personal moral considerations in white-collar crime causation. The interviews showed that white-collar offenders are not *amoral calculators*, merely motivated by profit and opportunity, as sometimes portrayed in white-collar crime literature (see e.g., Kagan & Scholz, 1984; Vaughan, 1992, p. 131). The interviewed white-collar offenders expressed a complex mix of sometimes conflicting attitudes, beliefs and norms about what they consider right and fair in doing business. Importantly, the narratives showed that decisions to comply with or deviate from the law were both strongly influenced by moral considerations; a finding that corresponds with an extensive body of research that stresses the role of moral considerations in decision-making in the financial-economic realm (see e.g., Craft, 2014; Denkers et al., 2013; Gorsira, Denkers, & Huisman, 2016; Huisman & Beukelman, 2007; Kish-Gephart et al., 2010; O'Fallon & Butterfield, 2005; Paternoster & Simpson, 1996; Smith et al., 2007; Treviño, den Nieuwenboer, & Kish-Gephart, 2014; Tyler, 2006b, 2009; Tyler & Blader, 2005; Wenzel, 2004). The narratives illustrated how prosocial moral considerations can, on the one hand, inhibit misconduct, even in the case of abundant criminal opportunities, low risk of detection and exposure to criminogenic pressures (compare e.g., Kroneberg, Heintze, & Mehlkop, 2010; Paternoster & Simpson, 1996). On the other hand, the narratives showed that flexible and deviant moral considerations open up the possibility of crime (compare Wikström, 2004, 2006) and play an adverse role in the decision to engage in white-collar crime.

Fourth, the findings show that flexible and deviant moral considerations among white-collar offenders vary substantially in nature, degree and origins. In several regards, the moral considerations identified here are more heterogeneous than typically conceptualized in white-collar crime studies, particularly those that use neutralization theory (e.g., Cressey, 1953; Sykes & Matza, 1957). That theory is based on the premise that, despite their involvement in offending, (white-collar) offenders have similar stable and prosocial ideas about what is permissible behavior, and that therefore all offenders need to reduce psychological tension by normalizing or decriminalizing the criminal act (Benson, 1985a; Maruna & Copes, 2005; see also Fritsche, 2005; Minor, 1981).<sup>69</sup> The narratives did show that offenders, in particular those with outspoken prosocial norms, used pre-emptive self-talk to assuage anticipated

---

69 Despite the theory's popularity in white-collar criminology (for a comprehensive overview of studies, see Klenowski & Copes, 2014), scholars have pointed out that evidence for the causal and temporal link between neutralizations and misconduct is largely lacking (Fritsche, 2005).

guilt. However, in line with psychological literature, the findings also clearly illustrated that individuals may have specific ideas about what is fair or permissible in a particular moral domain (i.e. the financial-economic realm of doing business; compare Harré, 1983); that individuals may vary considerably in the nature of moral considerations (the four moral mechanisms); and that these considerations may be subject to substantial change throughout life. If a person thinks that a fraudulent act is permissible, if the person does not feel the moral consequences of a fraudulent act, or if a person has an adjusted moral self-image, there would be less or no need to neutralize or justify misconduct. In other words, the findings suggest that the use of neutralizations depends on an individual's norm acceptance or internalization, capacity to recognize and care about the moral consequences, and/or moral self-image (compare Fritsche, 2005; Minor, 1981; Nisan, 1991; Rest, 1986; Wenzel, 2005).<sup>70</sup>

Lastly, building on Rest's four-component model (1986), the thesis identified four moral mechanisms, *moral nonchalance*, *moral supreme judgement*, *moral blockade* and *adapted moral self*, that allow, enable or even stimulate white-collar crime involvement. The narratives illustrate how these moral mechanisms are intricately related to a person's life experiences, thinking and background, which highlights the need to take into account earlier life-course developments when examining moral considerations of white-collar offenders (compare Rest, 1986; Ulmer, 2014; for earlier inspiring study, see Zeitz, 1981). Although the four moral mechanisms are based on Rest's theory, one of the most prominent theories in the ethical decision-making literature (see Craft, 2014; O'Fallon & Butterfield, 2005), the moral mechanisms themselves are exploratory in nature and need to be examined in more detail and validated in future research.<sup>71</sup> The mechanisms do, however, provide a new perspective on the nature and role of personal moral considerations of executives, managers and white-collar workers in relation to crime and deviance within organizations and industries. For example, *moral nonchalance* may explain why certain executives, managers and white-collar workers are more prone than others to internalize the values favorable to law violations (Sutherland, 1949). Alternatively, *moral supreme judgement*, such as outspoken ideas about what is permissible behavior in

---

70 For example, Minor (1981) argued that the more an individual has accepted and internalized a specific norm (he is about to break), the more he or she should be dependent on the availability of a valid neutralization. However, the more a person does not accept or internalize a norm, the more he or she may engage in transgressive behavior without the need for neutralizations.

71 While Rest's theory is elaborately tested in experiments, findings from such studies are limited in terms of their external and ecological validity (De Poot, Van Prooijen, & De Keijser, 2017).

doing business, may help explain why certain managers and executives set a criminogenic tone at the top and actively contribute to deviant business cultures (Apel & Paternoster, 2009; Bryant & Shover, 1993; Schwartz et al., 2005).

#### **6.3.4 Parallels in crime-causation mechanisms and the dynamics of white-collar crime involvement in contemporary societies**

As mentioned in the introductory chapter, the issue of how to characterize white-collar offenders is a much-debated and divisive matter in white-collar criminology (Geis, 2016). The debate centers largely on whether the term should be used based on the nature of the fraudulent behavior (offence-based) or the characteristics of the white-collar offender (offender-based). As the studies presented here simultaneously examined white-collar offenders who fall within an offence- and an offender-based definition, the findings add to the white-collar crime literature, in two significant ways.

First, the findings provide new knowledge about the differences and similarities between the two subgroups of white-collar offenders regarding the mechanisms through which they engage in white-collar crime. In the past, white-collar crime scholars have suggested that both subgroups of white-collar offenders do not just reflect different groups of individuals in terms of organizational characteristics and offence types, but also with regards to individual characteristics (Braithwaite, 1985; Geis, 2000; Steffensmeier, 1989). However, due to a lack of comparative research, the question of how the two subgroups differ in the process of white-collar crime involvement and in underlying individual characteristics has remained largely unanswered. On the one hand, the findings show (e.g., Chapter 5) that white-collar offenders who occupy high-trust and executive organizational positions had access to different opportunity structures and engaged in other types of white-collar crime than those who did not occupy these positions. On the other hand, while the subgroups differed in some respects (the level of bonding and rule-violating behavior), the findings consistently showed important parallels in criminogenic individual-level characteristics across both subgroups. White-collar offenders from both subgroups showed intermittent offending patterns (Chapter 2 and 5), had a tendency to break regulatory rules (compared to matched controls, Chapter 3), exhibited a weakened bond to society (compared to matched controls, Chapter 4) and expressed deviant norms and attitudes (Chapter 5). The absence of a clear line between both subgroups of white-collar offenders corresponds to the finding in the only other study we were able to find that directly compared both subgroups of white-collar offenders. Ben-David (1991, p. 533) found no differences in traits between both subgroups of white-collar offenders and concluded that: “The absence of significant differences in personality make-up between white-collar

offenders [offender-based] and fraud offenders [offence-based] negate the idea that a separate crime-category exist for white-collar criminals of a particular social and economic background.” Congruently, the findings presented here suggest that a typological approach to subgroups of white-collar offenders *on an individual level* is not warranted, and that individual involvement in white-collar crime in both subgroups of white-collar offender can be understood from notions from general criminological and psychological theories.

Second, the present findings shed light on the issue to what extent the (offence-based and offender-based) approaches to white-collar offenders are able to comprehensively capture the dynamics of white-collar crime in contemporary society. On the one hand, the outcomes suggest that an approach that does not take into account the important role of high-end organizational positions in white-collar crime involvement will miss out on a key element of white-collar crime. The mere fact that most white-collar offenders in this thesis occupied high-trust and executive positions is significant. The narratives showed that these positions offered them high levels of delegated or implied trust and provided them with ample criminal opportunities for white-collar crime and ways to hide their transgressions from authorities (see also Functioneel Parket [2012] that showed that in the majority of prosecuted white-collar crime cases the offenders held organizational positions of trust at the time of the offence). A further finding that stresses the significance of organizational positions is the finding in Chapter 3 that individuals, both offender and control, who occupy a high-trust organizational position exhibited a heightened tendency for rule-violating behavior. This association either means that individuals with criminogenic or ‘dual-natured’ characteristics are selected into these organizational positions (Friedrichs, 2010; Wheeler, 1992), or, alternatively, that these positions induce criminogenic behavior in those who hold them. For example, as mentioned previously, the power, status or influence that come with these positions may distance individuals from others and contribute to a tendency to violate rules (e.g., Box, 1983), or the normative environment of high-end positions may promote such conduct (e.g., Reed & Yeager, 1996; Sutherland, 1949). While the rule-violating behavior examined in this thesis was purposefully restricted to regulatory violations outside the organizational and occupational context, it is likely that a tendency to violate rules affects deviant and criminal behavior in a work-related context as well (for research that suggests this, see Davidson et al., 2015, 2016). A final important reason to give weight to organizational positions is that according to the interviews and earlier studies (e.g., Functioneel Parket, 2014; Pontell, 2016) white-collar crimes that are carried out from high-end organizational positions have a comparatively large impact in terms of financial losses. In other words, though we have argued that we see no grounds to differentiate on an individual

level between an executive and a low-level employee who engages in accounting fraud or tax evasion (see also Gottfredson & Hirschi, 1990, p. 189), the monetary (and non-monetary) damage is likely to differ vastly.

On the other hand, the thesis suggests that an approach to white-collar crime and its offenders that is restricted to the crimes of individuals of high social status does not reveal the full picture of white-collar crime involvement in present-day societies. The results show that a mixed group of individuals with distinct social, economic and criminal backgrounds engaged in a wide variety of white-collar offences, such as tax fraud, bankruptcy fraud, subsidy fraud, embezzlement, credit and mortgage fraud and market abuse fraud. The large number of white-collar positions and the numerous companies in contemporary societies (Hochstetler & Mackay, 2016; Huisman & Beukelman, 2007; Karstedt, 2016), as well as the extensive welfare state, the credit economy and the Internet have created many opportunities for white-collar crime that are open to a mixed group of people, many of who are not necessarily high-status individuals (compare Karstedt, 2016; Menard et al., 2011; Weisburd et al., 1991; Weisburd & Waring, 2001). Sutherland's emphasis on the high status of white-collar offenders should, in our view, in part be understood in its historical context, with different opportunity structures for white-collar crime in the 1920s and 1930s compared to today. It was obvious for Sutherland to focus on high-status businessmen in high positions, because relatively few persons, except these elite men, had the opportunity to commit white-collar crime at that time (compare Menard et al., 2011; Weisburd et al., 1991; Weisburd & Waring, 2001). The findings presented here show that in contemporary society this is not the case anymore: white-collar crime is highly 'democratic' (Edelhertz, 1970, p. 3-4; Functioneel Parket, 2017). Nonetheless, some white-collar researchers argue that a restrictive approach is called for: "Separating status from the offence (...) results in the a priori *operational trivialization* [in original] of white-collar crime and more easily allows researchers – and others – to focus downward in assessing the nature of white-collar criminality" (Pontell, 2016, p. 45). However, based on the findings presented here and elsewhere, we would instead argue that a *a priori* discounting of white-collar offenders (and their companies), who make up the largest part of the actual and potential white-collar crime problem in contemporary societies (see also Weisburd & Waring, 2001, p. 10), would not just limit our understanding of white-collar crime but also greatly reduce its relevance for law-enforcement practice and policy makers.<sup>72</sup>

---

72 For example, in the Netherlands, the large majority of companies are medium or small-sized (Centraal Bureau voor de Statistiek, 2017) and it is medium or small-sized companies that are responsible for most of the registered rule violations (Beckers, 2017; Van de Bunt & Huisman, 2007).

### **6.3.5 White-collar crime, criminal development in adulthood and the significance for life-course criminology**

The four empirical chapters and the previous sections of this concluding chapter prove that life-course theory and methodology offer a comprehensive approach to studying crime involvement of white-collar offenders. In turn, the data gathered about an offender group that is characterized by crime involvement in adulthood provide new knowledge for life-course criminology. The thesis offers detailed information on relatively unexplored phenomena in life-course criminology, such as the role of weakened bonds as a crime-causation mechanism in (late) adulthood, and the process through which persons without a delinquent youth may start offending in adulthood (see Eggleston & Laub, 2002; Kempf, 1993; Lilly et al., 2014; Van Koppen et al., 2014). In this last section of the general discussion, we address two more outcomes, regarding the relationship between age and crime, that have significance for life-course criminology (Piquero & Piquero, 2016).

A major finding of this thesis is the sharp increase in (white-collar) offending in adulthood and the large number of adult-onset offenders. Both the criminal behavior of the early-onset white-collar offenders who continued (white-collar) offending until an advanced age, as well as the large share of adult-onset offenders (see also Benson & Kerley, 2001; Weisburd & Waring, 2001) challenge the widely accepted notion that the onset of anti-social and criminal behavior occurs early in life and that, after a relatively short period of versatile criminal activity, offenders desist in early adulthood (Farrington, 2003). This inconsistency draws attention to the wider criminological question of whether the age-crime curve accurately describes the relationship between age and crime in all offenders or, alternatively, whether the age-crime curve is an artefact of the offences and offenders that are being studied and of the observation periods that are used (Piquero & Benson, 2004; Piquero & Piquero, 2016). As mentioned previously, life-course criminology overwhelmingly focuses on high-volume (street) crime and youths (Delisi & Piquero, 2011), which may not be representative for other offenders (Benson, 2016). Similarly, life-course studies predominantly use observation periods that span early childhood to early adulthood and that therefore cannot register a continuation in offending or an onset in crime in later stages of life.<sup>73</sup>

Studies that do include data on later stages of life show that a continuation in offending and an onset in crime in adulthood are not uncommon (see Eggleston

---

73 For example, Piquero (2008) showed that out of 50 samples used in criminal career research between 1993-2006, only half included information on individuals over the age of 18, and only a fifth had data available over the age of 30.

& Laub, 2002; Van Koppen et al., 2014). This body of research shows, among other things, that the relationship between age and crime takes a different shape in samples of individuals from the general population and in samples of specialized offender groups, such as organized crime offenders (Van Koppen et al., 2010). For example, a total of 80 percent of all first-time offenders in the Netherlands in 2010 were adults (over the age of 18), while more than half were over the age of 25 (Van Koppen, 2013). In line with this body of research, the current findings suggest that crime in adulthood, particularly adult onset crime, merits more attention in the field of life-course criminology. Life-course criminologists should consider using more samples that go beyond traditionally studied offender groups, and extending observation periods beyond early adulthood, as scholars warn that life-course research may otherwise “inevitably lead to a biased and incomplete understanding of trajectories in crime” (Piquero & Benson 2004, p. 149).

Lastly, the finding that individuals who are typically described as conventional members of the general population engage in white-collar crime (Friedrichs & Schwartz, 2008; Wheeler et al., 1988), as well as former street-crime offenders who switch to white-collar crime, raises the question of whether adult members of the general population and street-crime offenders more in general are likely to engage in white-collar offending. As noted previously, most adult members of society occupy jobs and white-collar positions, where they have access to ample fraud opportunities while experiencing little supervision (compare Cohen & Felson, 1979). When tempted, strained or otherwise pressured, the moral ambiguity surrounding transgressive behavior in the financial-economic realm (see Benson & Cullen, 2016; Elffers, 2008; Friedrichs, 2010; Huisman, 2001; Van den Berg, 2002), as well as the criminogenic cultural conditions surrounding the work- or marketplace (see Karstedt 2016; Karstedt & Farral, 2006, 2007), may make it relatively easy to deviate in the financial-economic realm (compared to street crimes). Empirical support for this notion comes from self-report studies, which show that the ‘law-abiding majority’ of adult members of society are likely to engage in misconduct related to the work- and marketplace, such as tax avoidance and stealing from work (Gabor, 1994; Karstedt, 2016; Karstedt & Farral 2006, 2007). In line with such findings, other studies show that adults with a non-delinquent youth – who are arguably in many ways ordinary members of society – predominantly engage in fraud and theft from work, rather than in street crime (Beckley et al., 2016; McGee & Farrington, 2010).

However, also individuals who have been involved in crime throughout their lives may be drawn to crime in the work- and marketplace in adulthood, like the early-onset white-collar offenders in this thesis, who started out in street

crime, but later switched to or added white-collar offending to their repertoire. As street-crime offenders grow older, the physical risk, risk of detection and strain of burglary, robbery or drug trafficking may make it less appealing compared to fraudulent activities that are less risky and less physically taxing (see e.g., Steffensmeier & Ulmer, 2005). Moreover, changes in society may contribute to a shift towards white-collar offending in street-crime offenders. While better preventive measures against street crime may make those forms of property crime increasingly unattractive, the availability of fraud opportunities, the potential high gains and the low (perceived) risk of detection may make white-collar crime more attractive to street-crime offenders in contemporary society (compare e.g., National Gang Assessment Centre, 2011). For example, the low barriers to starting a company, the Internet and the modern welfare state all provide appealing criminal alternatives, such as swindles, credit-card fraud and subsidy fraud.<sup>74</sup> Taken as a whole, the above suggests that while work and other forms of economic activity may be protective forces against crime in young adulthood and encourage desistance among youths and young adults (e.g., Sampson & Laub, 1993; Van der Geest, 2011), the work- and marketplace may be criminogenic environments for both conventional adults and street-crime offenders in later stages of life.

## 6.4 Future research

The findings of this thesis call for further research in six areas. First, while the three-factor framework provides a comprehensive perspective for understanding white-collar crime involvement and the variations in white-collar offending pathways, it is a novel approach. The elements and interactions need to be examined in more detail. An important finding of this thesis is that the two individual-level factors that contribute to white-collar crime involvement – weak bonds and adjusted morality – are associated.<sup>75</sup> Given the significance of both factors for white-collar crime, future research should examine the (causal and temporal) relationship between both factors and their effect on white-collar crime

---

74 Note that Chapter 2 showed that a small but considerable share of white-collar offenders who were involved in in street crime before engaging in white-collar crime occupied white-collar positions.

75 Scholars from criminology and psychology have theorized about the association between bonds and morality in divergent and sometimes opposing ways (see Baumeister & Exline, 1999; Copes, 2003; Durkheim, 1951; Hirschi, 1969; Minor, 1981; Nisan, 1991; Rest, 1986; Sampson & Laub 1993, 2005; Sykes & Matza, 1957; Ulmer, 2000).

more closely. It is vital that future studies include experimental research designs to establish the causal order and to disentangle interaction effects between the three components in the framework.<sup>76</sup>

Second, the finding that the life-course perspective provides a comprehensive framework for understanding white-collar crime involvement, calls for more research that examines life-course developments, personal backgrounds and criminal development patterns among white-collar offenders. Future quantitative studies should include samples from other jurisdictions than the United States and the Netherlands (the only two countries to date where life-course studies in white-collar offender samples have been conducted), and based on other white-collar offences (e.g., corruption offences) to broaden our view. As the thesis highlights the important but complex role of *human agency*, future research should also advance our understanding of the psychology of white-collar offending, with the aid of more interviews with white-collar offenders. The findings presented here call for a focus on two specific research areas. As the thesis shows that the bond to society and personal morality are characterized by considerable within-individual change, future interview studies should more systematically examine the circumstances that can damage social bonds and affect moral considerations. Moreover, while the findings show that circumstances in organizations, industries and social life affect white-collar offenders' crime involvement, the thesis did not systematically assess *how* these surroundings affected white-collar offenders' thinking and actions. Therefore, future studies should consider examining the group-dynamic processes that contribute to white-collar crime involvement in more detail.

And third, the current findings in combination with the presented literature call for more research into the role of weakened social bonds and adjusted personal moral considerations in crime and deviance in organizational settings. Future research should consider exploring in more detail how socialization processes and power structures in organizations may negatively affect the social bonds of executives, managers and white-collar workers, and in turn influence

---

76 More generally, the thesis calls for a diversification of research designs to understand how and why individuals engage in white-collar crime. White-collar criminology has historically relied heavily on case-study analysis (see e.g., Dabney, 2016; Friedrichs, 2010). While this research tradition has provided a rich understanding of the complexities of white-collar crime, the post-hoc analysis makes it difficult to identify the individual-level causes of crime. As a result, the role of individual-level factors may have been underestimated, which in turn led scholars in subsequent studies to focus on the criminogenic contexts rather than the perpetrators. To break through such vicious circles, future white-collar crime research should include more personality research, interviews with offenders, (natural) experiments and comparative analyses (compare De Poot et al., 2017).

the risk of white-collar crime. Moreover, future research ought to consider examining to what extent executives, managers and white-collar workers use the identified moral mechanisms, and explore how these mechanisms may affect the selection into, the receptiveness to, or the creating of criminogenic conditions in organizations.

Fourth, the thesis leaves open the possibility that certain traits contribute to weakened bonds, adjusted morality and the risk of white-collar crime involvement. Therefore, research is needed to examine whether white-collar offenders without delinquent youths and otherwise conventional lives may have criminogenic and ‘dual-natured’ traits, and if so, how these traits are triggered or redirected by developments across white-collar offenders’ lives.

And fifth, the large share of adult-onset offenders and the sharp increase in (white-collar) offending in adulthood, together with the literature that finds that crime in adulthood is not uncommon, call for more life-course research into crime in later stages of life. Given the theoretical grounds and empirical evidence that suggest that conventional adults as well as street-crime offenders may be likely to engage in crime in the work- and marketplace, future research should consider examining the role of crime in the work- and marketplace in samples of adult first-time offenders, but also exploring how traditional offender groups may branch out in, switch to or restart in white-collar offending in later stages of life.

Finally, the weakening of the social, psychological and moral commitment to conventional society as a cause of white-collar crime involvement, suggests that the reverse process, that is the strengthening of that commitment, may be a significant factor in preventing future transgressions (see also Braithwaite, 1989; Hunter, 2015; Laub & Sampson, 2001; Simpson, 2002). Future studies should therefore consider examining more closely how the strengthening of the social, psychological and moral commitment to conventional society increases the chance that white-collar offenders refrain from future misconduct. In particular, research should examine in more detail how the effectiveness of sanctioning and rehabilitation strategies by government agencies may be enhanced by the strengthening of the bond to society.

## **6.5 Policy recommendations**

The results of this thesis have practical implications 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: a sound selection at the gate; periodic preventive

monitoring of criminogenic behavior and attitudes; on-target detection tools and risk analyses; and sanctions and rehabilitative measures aimed at strengthening the bond to society. We elaborate below on how the findings relate to these four strategies.<sup>77</sup>

First, the finding that some of the white-collar offenders in the sample had a criminal record before entering an organizational position of trust, calls for improvements of the selection at the gate. The screening authority of the Department of Justice and Security, Justis, plays an important role here by issuing certificates of conduct, screening of executives (Track) and assessing the integrity of persons who apply for permissions and subsidies (BIBOB). Furthermore, the *director disqualification* and the withholding or revoking of permissions can be important tools in preventing white-collar offenders who have previously abused opportunities in executive positions from doing so again (compare Ayres & Braithwaite, 1992). Still, the findings also suggest that most white-collar offenders reached an organizational position of trust without criminal antecedents. Regulators and organizations (both private and public) that want to prevent those prone to white-collar crime from reaching positions with high levels of delegated or implied trust are therefore advised to not just check criminal antecedents, but to include into their screening instruments indicators of deviant attitudes and norms (see e.g., Brody, 2010). Similarly, regulators and human resources departments may consider instituting selection programs aimed at preventing individuals, who are more likely to commit white-collar offences due to a lower commitment to conventional society, from reaching these positions. Several findings presented here, such as the *moral mechanisms*, may be used to enrich and improve existing assessment and selection procedures, interviews and questionnaires.

Second, the finding that changes throughout life can cause formerly compliant individuals to engage in white-collar crime means that some executives, managers and white-collar workers may not initially be a fraud risk, but become a risk while already holding positions of trust in organizations. Therefore, selection at

---

77 It is important to make some introductory remarks regarding the policy recommendations. While the recommendations are derived from the findings, they must be weighed against other interests and concerns. For example, some recommendations may be costly or time consuming to implement. Moreover, the extent to which organizations and governments may want to invest in selection at the gate, preventive monitoring or risk analyses is dependent on the extent to which they consider trust central to their regulatory paradigms (for examples of the significance of trust in regulatory systems in the Netherlands, see Belastingdienst, 2017; Helderma & Honingh, 2009). Lastly, it is important to bear in mind that the execution of the recommendations may have unwanted side effects (e.g., people may take countermeasures).

the gate may not suffice and periodic monitoring programs may be needed. For organizations, this means that they should consider periodically assessing their employees', managers' and directors' moral ideas and the strength of social bonds in order to identify whether they have adopted flexible or deviant ideas or have become distanced from their work and social surroundings (for example, after an important event in their lives). In addition, as the findings suggest that cultural and structural conditions in organizations and industries themselves can negatively affect personal moral considerations and the strength of social bonds among executives, managers and white-collar workers, organizations should stimulate a healthy work climate and ensure that such criminogenic conditions are not created or maintained.<sup>78</sup>

Regulators and the Public Prosecution Service can also play an important role in this strategy. Regulatory bodies may consider instituting programs that monitor the behavior and culture within organizations under their supervision that may enable, facilitate or encourage adjusted moral ideas or weak bonds, and take appropriate steps if such criminogenic conditions occur.<sup>79</sup> The Public Prosecution Service can play a role in this strategy by selecting and prosecuting those white-collar crime cases where criminogenic moral and social conditions among executives, managers and white-collar workers in organizations or industries have contributed to white-collar offending. The prosecutors could consider exploring (legal) measures that ensure that organizations bolster a healthy work climate in order to prevent future misconduct. Alongside the prosecution of the cases, the Public Prosecution Service could consider employing a communication strategy, targeted at specific industries or at the society at large, stressing the importance of prosocial norms and healthy work climates for the proper functioning of the economy. Lastly, regarding the monitoring of legal entities and executives, Justis, the screening authority, and regulatory bodies, like the Netherlands Tax and Customs Administration,

---

78 Note that the policy recommendations concerning the role of social bonds and morality in the prevention of future white-collar crime as well as the rehabilitation of white-collar offenders show important parallels with the paradigm of restorative justice and responsive regulation (see Ayres & Braithwaite, 1992; Braithwaite, 1989, 2002; see also Benson, 1990; Simpson, 2002; Tyler, 2006b; Tyler & Blader, 2005).

79 The Dutch Authority for Financial Markets and the Dutch National Bank have several programs in place that are in line with the policy recommendations presented here. For example, they have programs that monitor the culture within financial institutions (see e.g., De Nederlandsche Bank, 2013). In line with the first two strategies, they have programs that screen executives of financial institutions and programs that can reassess the trustworthiness and fitness of executives once in office. Other regulatory bodies may consider instituting comparable programs in the sectors under their supervision.

may consider adding dynamic indicators, such as social bond measures, to their monitoring systems to periodically check whether individuals under their supervision may become at risk of misconduct.

And third, as prevention of white-collar crime is not always attainable, effective detection tools and risk analyses also form an important strategy to mitigate the risk of white-collar crime. On the one hand, the narratives indicate that the white-collar offences that eventually resulted in large financial damages often started small, with one fake invoice or an incorrect declaration. That first small step made the second step easier and as they were not caught, they continued what they had started. It therefore seems important to find ways to improve detection methods that can signal irregularities at an early stage, in order to limit the extent of the misconduct. On the other hand, the narratives show that some white-collar offenders repeatedly and professionally committed white-collar offences over prolonged periods without being detected. This finding suggests that risk analyses that specifically target such professional white-collar offenders are important tools in the fight against white-collar crime. Different findings presented in this thesis, such as patterns of rule-violating behavior, may be used to enrich and improve risk analyses (compare, for example, Platform Bijzondere Opsporingsdiensten, 2007, p. 80-90).

Lastly, the findings suggest that the effectiveness of sanctions and measures, in terms of preventing offenders from future misconduct, may improve when sanctions and measures are directed at reestablishing and strengthening the social, psychological and moral commitment to society. The judiciary could consider calling for and impose sanctions and measures – at an individual or organizational level - that strengthen the commitment to the standards, norms and rules of conventional society, and that improve the attachment to social and economic surroundings (see Braithwaite, 1989, p. 145). This can, for example, be done through community sentences or non-punitive measures, and by specifying particular conditions for a conditional sentencing. Finally, the finding that weakened informal social controls are not only characteristic for street-crime offenders, but also for white-collar offenders, indicates that the Dutch Probation Services, currently relatively uninvolved in the assessment, rehabilitation and aftercare of white-collar offenders in the Netherlands, could play an important role in promoting stronger bonds to society among white-collar offenders.

## 6.6 Conclusions

At the outset, this thesis observed that there is still a poor understanding of the process of white-collar crime involvement, and of how and why individuals engage in white-collar crimes. White-collar criminology has often ignored the individual perpetrator and the micro-level mechanisms that induce individuals to engage in white-collar crime. Moreover, the criminological discipline that does focus on individual offenders and their criminal development throughout life, life-course criminology, has paid little attention to white-collar crime and offenders.

Taking an interdisciplinary approach that incorporated theory and methodology from both fields of criminology and psychology, the thesis expanded the knowledge about the process of white-collar crime involvement and the micro-level mechanisms that induce individuals to engage in white-collar crime in five ways. 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.

In summary, the findings of the interdisciplinary approach that was used to understand the process of white-collar crime involvement blurred the line between two criminological disciplines that are typically far apart: white-collar and life-course criminology. The important finding from this integrated perspective is that changes in social bonds, moral considerations and criminogenic circumstances blurred the line between conformity and deviance among individuals who are in many ways conventional members of society. Or, as James put it: "It is human to have a certain vision, certain moral principles, but that external factors make you stray."