



## UNDERSTANDING ECONOMIC CRIMES: UNVEILING THE WORLD OF WHITE-COLLAR OFFENSES

Hamja

Universitas Wiralodra, Indramayu, Indonesia

[hamja.hamja904@gmail.com](mailto:hamja.hamja904@gmail.com)

### ARTICLE INFO

#### **Keywords:**

Economy, law, white-collar crime

### ABSTRACT

*White-collar crime encompasses a broad spectrum of illicit activities conducted within the boundaries of a legitimate profession or financial system. The purpose of this study is to critically examine and analyze the ethical dimensions of economic offenses, seeking to foster a deeper understanding of the moral responsibilities inherent in positions of power and influence. Normative and empirical-juridical research methods are used to comprehensively investigate the phenomenon of white-collar crime. The results of this study are that white-collar crimes are usually committed by individuals who hold positions of authority, respect, and expertise in society. High-ranking officials are entrusted with significant responsibilities by the public to lead and fulfill their duties in an ethical and legitimate manner. Officials abuse their power and privileges, acting in ways that undermine public trust and negatively impact the welfare of the state. In terms of criminal law enforcement, white-collar crime often manifests as malfeasance committed by individuals within the government bureaucracy or in collaboration with others. The consequences of such actions, especially in cases of corruption, can cause serious losses to the state's finances and are considered violations of the law, which are punishable under the provisions of the law governing the offense or crime.*

### A. INTRODUCTION

In the intricate landscape of criminal activity that permeates modern society, a category distinguished by its subtlety and financial sophistication emerges economic crimes, more commonly known as white-collar crimes.<sup>1</sup> Unlike crimes that shock with overt violence, economic offenses unfold discreetly in the corridors of power, financial institutions, and corporate boardrooms. Yet, despite their less visible nature, the ramifications of these crimes reverberate deeply, impacting economies, communities, and individual lives. At its essence, white-collar crime encompasses a broad

<sup>1</sup> Petter Gottschalk., Executive Positions Involved in White-Collar Crime, *Journal of Money Laundering Control* 14, No. 4 (2011): 300–312.

spectrum of illicit activities perpetrated within the confines of legitimate professions or financial systems.<sup>2</sup>

These crimes often involve intricate schemes of fraud, embezzlement, or financial manipulation, perpetrated by individuals adept at cloaking their actions with an aura of respectability. Unlike street crimes that capture immediate attention, white-collar offenses often operate under the radar, their detrimental effects hidden until they manifest in the form of financial crises or corporate collapses. Rooted in the convergence of opportunity and motive, economic crimes are committed by individuals entrusted with authority or access to financial resources, who exploit these privileges for personal gain.<sup>3</sup>

From corporate executives siphoning funds into offshore accounts to investment advisors orchestrating elaborate Ponzi schemes, the allure of illicit profit often leads individuals to transgress ethical and legal boundaries. Intriguingly, many perpetrators of white-collar crimes are not hardened criminals but rather esteemed members of society, their deceptive actions shielded by professional credentials and societal status. Understanding the complexities of economic crimes demands an exploration beyond surface appearances, delving into the intricate mechanisms of fraud, corruption, and financial manipulation.

These crimes are not mere isolated incidents but rather symptomatic of deep-rooted systemic vulnerabilities within regulatory frameworks, corporate cultures, and societal norms. In the increasingly interconnected global economy, where borders blur and financial transactions span continents in milliseconds, the opportunities for exploitation abound. The intricate interplay between regulatory loopholes, lax enforcement, and corporate incentives creates an environment ripe for illicit activities to thrive.<sup>4</sup> Moreover, the pressures of competition and profit maximization within corporate cultures can sometimes incentivize unethical behaviour, leading individuals and entities to prioritize short-term gains over long-term integrity.

As globalization and technological advancement continue to shape the economic landscape, the methods and avenues for committing white-collar crimes evolve in tandem. The advent of digital currencies, complex financial instruments, and online platforms has opened new frontiers for illicit financial activities, often outpacing the capacity of traditional regulatory mechanisms to keep pace. Moreover, the rise of virtual workspaces and remote operations has blurred the lines of accountability, providing anonymity and distance for perpetrators to carry out their schemes with impunity.

---

2 Henry N. Pontell and Gilbert Geis., Introduction: White-Collar and Corporate Crime in Asia, *Asian Journal of Criminology* 5, No. 2 (2010): 83-88.

3 Richard G. Brody and Robert Luo., Fraud and White-Collar Crime: A Chinese Perspective, *Cross Cultural Management: An International Journal* 16, No. 3 (2009): 317-326

4 Mark A. Cohen., Willingness to Pay to Reduce White-Collar and Corporate Crime, *Journal of Benefit-Cost Analysis* 6, No. 2 (2015): 305-324.

White-collar crime, as elucidated by Kempa,<sup>5</sup> is a form of profit-driven illicit activity that thrives under favourable economic conditions. It manifests through the illicit acquisition of property, facilitated either through legitimate market exchanges or fraudulent means, resulting in the redistribution of wealth and income. Fraud, a central component of white-collar crime, encompasses various forms such as misappropriation, balance manipulation, insolvency, and abuse of capital investment.

The perpetration of profit-driven crime is often catalysed by a combination of perceived threats and opportunities. Threats may arise from factors such as businesses operating at a loss, unique market structures, or coercive market forces. Particularly, concentrated industries may provide certain corporations with economic power inaccessible to others, thereby incentivizing illicit conduct.<sup>6</sup> The fear of losing what has been painstakingly built, as in the case of a struggling entrepreneur facing bankruptcy, can drive individuals to resort to illegal means to salvage their enterprises.

Moreover, monopolistic environments can create a breeding ground for white-collar crime, where potential competitors are coerced into either engaging in illicit activities or acquiescing to the monopoly. This underscores the intricate interplay between economic power dynamics and criminal behaviour within corporate settings. The overarching objective often remains the protection of corporate economic interests. In essence, the analysis highlights the multifaceted nature of white-collar crime, underscoring its reliance on economic circumstances and the complex interplay of threats and opportunities inherent in modern business environments.

Financial gain indeed serves as a fundamental imperative for survival across all market sectors, as emphasized by Holtfrete,<sup>7</sup> a notion further substantiated by Gottschalk & Glasø to mitigate economic strain. In the context of profit-driven crime facilitated by favourable circumstances, avenues for illicit enrichment abound, ranging from securing lucrative contracts and establishing overseas subsidiaries to obtaining personal bonuses and enhancing one's reputation.<sup>8</sup>

For instance, the bribery of foreign government officials can expedite the establishment of local operations in lucrative sectors such as oil and gas, while simultaneously enabling executives to reap personal rewards in the form of bonuses tied to goal achievement. Moreover, favourable circumstances extend beyond the professional realm to encompass personal

---

5 Michael Kempa., Combating White-Collar Crime in Canada: Serving Victim Needs and Market Integrity, *Journal of Financial Crime* 17, No. 2 (2010): 251–64.

6 Oskar Engdahl and Bengt Larsson., Duties to Distrust: The Decentring of Economic and White-Collar Crime Policing in Sweden, *British Journal of Criminology* 56, No. 3 (2016): 515–536.

7 Kristy Holtfreter, Is Occupational Fraud 'Typical' White-Collar Crime? A Comparison of Individual and Organizational Characteristics, *Journal of Criminal Justice* 33, No. 4 (2005): 353–365,

8 Petter Gottschalk and Lars Glasø, Corporate Crime Does Pay! The Relationship between Financial Crime and Imprisonment in White-Collar Crime, *International Letters of Social and Humanistic Sciences* 5, (September 2013): 63–78,

aspirations, enabling white-collar criminals to acquire assets such as summer houses and larger boats.

These favourable circumstances are delineated by opportunities to realize organizational or personal objectives, encapsulating the core tenets of the economic model of rational self-interest. This model underpins decision-making processes by weighing incentives against the perceived likelihood of detection, as highlighted by Heni et al. Rational actors engage in cost-benefit analyses, considering the potential gains against the risks involved, including the probability of being caught and facing legal consequences.<sup>9</sup>

Fundamentally, the pursuit of financial gain within the framework of profit-driven crime is deeply ingrained in the rational pursuit of self-interest, wherein individuals exploit favourable circumstances to achieve their objectives, whether organizational or personal. This underscores the nuanced interplay between economic incentives, opportunities, and the calculus of risk in the perpetration of white-collar crime.

According to Ani et al. greed can be understood as socially constructed needs and desires that are insatiable, perpetually driving individuals to seek more. In this context, participation in criminal activities is viewed as a rational choice, wherein individuals weigh potential gains against the likelihood of facing consequences. Rational actors are inclined to choose criminal behaviour when favourable circumstances align with their desires and objectives.<sup>10</sup>

The rational choice perspective posits that crime rates are lower in environments where punishment is perceived as certain and severe. However, Aulia & Harahap argue that affective states also influence individuals' decision-making processes and utility functions. Thus, emotions and affect play a role in mediating cognitive processes within the framework of rational choice theory.<sup>11</sup>

The concept of convenience further elucidates the decision-making calculus behind white-collar crime. If individuals perceive favourable criminal circumstances as offering immediate gains (profit) with minimal future costs (punishment) and prefer to avoid investing additional time and effort into alternative solutions, then the convenience of committing white-collar crime becomes apparent.

White-collar crime typically lacks the impulsive nature associated with crimes of passion. Instead, it tends to be methodically planned and executed by rational actors seeking convenient solutions to challenges or problems. While the economic model of rational self-interest emphasizes incentives and the likelihood of detection, Agnew's theory of social concern and crime introduces an additional dimension. According to this theory, individuals may

---

9 Heni (et. al.), Upaya Pencegahan White Collar Crime, *Jurnal Riset Rumpun Ilmu Sosial* 3, No. 1 (2024): 101-110.

10 Desi Putri Ani, Maimunah Br Harahap, and Nur Sahyani Lubis., Penyebab Tindak Pidana White Collar Crime, *Inspirasi Dunia: Jurnal Riset Pendidikan Dan Bahasa* 3, No. 1 (2024): 1-10.

11 Cyndy Aulia and Hotmarina Sari Harahap., Penyebab Tindak Pidana White Collar Crime, *Khidmat* 1, No. 2 (2023): 124-129.

engage in criminal behaviour not solely out of self-interest, but also due to considerations for others. Profit-driven crime is particularly prevalent in organizations driven by ambitious economic goals, as noted by Tan et al. The pursuit of such lofty goals can lead individuals to justify a broader range of methods to achieve them, including financial crime.<sup>12</sup>

The achievement of goals through financial crime can manifest in various forms, encompassing both corporate crime and occupational crime. In some cases, individuals perpetrating financial crimes may even be rewarded with promotions and bonuses following successful goal attainment. This blurring of lines between legitimate and illicit practices underscores the complexities inherent in the pursuit of organizational objectives within certain contexts.<sup>13</sup>

Previous research by Hafizza Azahra and Umami Hayati Sinaga found that "White collar crime, with its characteristics involving high-status individuals, economic motives, covert tactics, and broad socioeconomic impacts, poses a serious challenge to law enforcement. The perpetrators' motives, such as financial gain, opportunity, and low perception of risk, provide insight into the motivating factors of this crime."<sup>14</sup> Individuals often perceive crime as the most efficient means of achieving their objectives, with fraud offering a particularly enticing avenue due to its perceived ease, simplicity, speed, excitement, and certainty compared to alternative methods.<sup>15</sup>

The aim of this research is to examine and critically analyze the ethical dimensions of economic misconduct, we seek to foster a deeper understanding of the moral responsibility inherent in positions of power and influence.

## B. RESEARCHES METHODS

In this research, the author employs normative juridical and empirical juridical research methodologies to comprehensively investigate the phenomenon of white-collar crime. The normative juridical method, as utilized in this study, is characterized by its focus on elucidating and analysing problems, situations, or events through a meticulous examination of legal principles and rules within the framework of legal science. This approach entails conducting a thorough assessment that delves into the intricacies of applicable legal frameworks, aiming to provide a comprehensive understanding of the legal aspects relevant to white-collar crime. Furthermore, empirical juridical research complements the normative approach by incorporating empirical data and evidence to validate and contextualize legal findings. This method involves the collection, analysis,

---

12 Kendry Tan et al., Tinjauan Kriminologis Terhadap White Collar Crime di Indonesia, *Indonesia Journal of Criminal Law* 4, No. 1 (2022): 133-143.

13 Dinda Nabilla Syahputri and Saripah Haribulan Nasution., Dampak White Collar Crime Bagi Pemerintah dan Masyarakat, *Khidmat* 1, No. 2 (2023): 115-118.

14 Hafizza Azahra and Umami Hayati Sinaga., Aspek Kriminologi White Collar Crime, *Khidmat* 1, No. 2 (2023): 130-35

15 Azi Shohi Sitorus and Nabilla Rahmadani., Dampak White Collar Crime Bagi Pemerintah Dan Masyarakat, *Jispendiora: Jurnal Ilmu Sosial* 2, No. 3 (2023): 226-233.

and interpretation of real-world data, such as case studies, court decisions, legislative records, and regulatory enforcement actions, to empirically examine the prevalence, patterns, and impacts of white-collar crime.

### C. RESULTS AND DISCUSSION

White-collar crime, as defined by the Federal Bureau of Investigation (FBI),<sup>16</sup> encompasses a spectrum of deceitful activities perpetrated by individuals holding positions of authority and influence within governmental or private sectors. Coined in 1939 by Edwin H. Sutherland, this term has evolved to encapsulate a broad range of fraudulent behaviours committed by professionals in business and government realms. These illicit actions often involve deception, manipulation, and exploitation for personal gain or to advance organizational interests. White-collar criminals leverage their positions and access to sensitive information to engage in activities such as embezzlement, insider trading, bribery, and securities fraud, among others.

The term "white-collar crime" has undergone conceptual expansion over the years, leading to various interpretations and classifications within academic discourse. Some scholars prefer to categorize such offenses under labels like organizational crime, corporate crime, or business crime<sup>17</sup>. Alternatively, terms such as occupational deviance and illegal corporate behaviour highlight the deviant nature of these actions within professional settings. Understanding and combating white-collar crime require interdisciplinary approaches that encompass law, economics, sociology, and psychology. Effective prevention and detection strategies involve regulatory frameworks, ethical leadership, transparency measures, and robust enforcement mechanisms.<sup>18</sup>

Furthermore, advancements in technology have introduced new dimensions to white-collar crime, such as cyber fraud and identity theft, necessitating continuous adaptation and innovation in regulatory and investigative efforts.<sup>19</sup> Expanding one's knowledge in this field involves staying abreast of emerging trends, case studies, and regulatory updates. Engaging in academic research, attending conferences, and seeking mentorship from experts can further enhance expertise in understanding, preventing, and addressing white-collar crime in contemporary society.

Joann Miller's categorization of white-collar crime provides a comprehensive framework for understanding the diverse manifestations of illicit activities within professional contexts. Each category illuminates distinct motives, dynamics, and consequences inherent to white-collar criminal

16 David R. Simon and Stanley L. Swart., The Justice Department Focuses on White-Collar Crime: Promises and Pitfalls, *Crime & Delinquency* 30, No. 1 (1984): 107-119.

17 Datuk Abdul Azizul Hakim and Sumarno Sumarno., Pendekatan White Collar Crime: Penanggulangan Tindak Pidana Pembayaran Upah Dibawah Minimum, *Legitimasi: Jurnal Hukum Pidana Dan Politik Hukum* 12, No. 1 (2023): 1.

18 Stuart P. Green., The Concept of White Collar Crime in Law and Legal Theory, *Buffalo Criminal Law Review* 8, No. 1 (April 1, 2004): 1-34.

19 Thomas J. Holt, dan Jay P. Kennedy., Technology's Influence on White-Collar Offending, Reporting, and Investigation, *State Crime Journal*, Chapter 28, (2019)

behaviour.<sup>20</sup> Corporate Crime This category encompasses offenses orchestrated by corporate executives with the aim of advancing organizational interests, often at the expense of societal well-being. Examples include environmental violations, tax evasion, fraudulent accounting practices, and deceptive advertising. Such crimes inflict significant harm on communities, eroding trust in institutions and undermining ethical norms. Office Crime (Governmental Occupation Crime): Office crime pertains to misconduct perpetrated by officials or bureaucrats in governmental roles, such as corruption, bribery, and abuse of power. These transgressions undermine public trust in governance structures, impede equitable resource allocation, and erode the integrity of democratic processes.

Professional Crime (Professional Occupation Crime): This category delineates offenses committed within professional domains by individuals bound by specialized codes of ethics and expertise. Examples include medical malpractice, legal misconduct, accounting fraud, and breaches of fiduciary duty. Such crimes not only jeopardize the well-being of clients and stakeholders but also erode public confidence in professional integrity and competence. Individual Crime (Individual Occupation Crime): Individual occupation crime pertains to illicit actions undertaken by individuals for personal gain or gratification. These may include embezzlement, insider trading, identity theft, and Ponzi schemes. While perpetrators may not hold prominent positions within organizations, their actions nonetheless inflict harm on victims and undermine trust in financial systems and social institutions.

The term "white-collar crime" serves not to delineate a novel form of criminality but rather to classify offenses committed by individuals with distinct socio-economic characteristics and professional affiliations.<sup>21</sup> Perpetrators of white-collar crime often operate within environments characterized by privilege, respectability, and authority, making their transgressions particularly insidious. The detrimental impact of white-collar crime extends beyond material losses, striking at the core of societal values such as justice, honesty, solidarity, and social responsibility. Addressing these crimes necessitates robust regulatory frameworks, ethical leadership, transparent governance, and rigorous enforcement mechanisms to uphold the principles of accountability and integrity in both public and private spheres.<sup>22</sup>

An essential distinction between the perspectives of criminology and criminal law on white-collar crime lies in their respective focuses on the

---

20 Muhammad Badri., White Collar Crime Sebagai Kejahatan Individual Yang Berkaitan Dengan Hukum Pidana Dan Kegiatan Perekonomian, *Jurnal Lex Specialis* 20, (2017): 17-24.

21 Thomas E. Dearden., An Assessment of Adults' Views on White-Collar Crime, *Journal of Financial Crime* 24, No. 2 (2017): 309-321.

22 France Khutso Lavhelani Kgobe and John Mamokhere., Interrogating The Effectiveness Of Public Accountability Mechanisms In South Africa: Can Good Governance Be Realized? *International Journal of Entrepreneurship* 25, Special Issue 2 (2021): 1-12

social phenomenon versus the legal aspects of the crime.<sup>23</sup> Criminology approaches white-collar crime as a social phenomenon, examining it within the broader context of human behaviour and societal structures. It emphasizes understanding the perpetrators' roles and positions within society, as well as the social, economic, and cultural factors that contribute to their engagement in criminal activities. Criminologists analyse how individuals in positions of power and respectability exploit their influence to commit offenses for personal gain or organizational interests. On the other hand, criminal law scrutinizes the specific criminal acts and legal provisions governing them. It investigates the elements of the crime, the culpability of the perpetrator, and the appropriate legal consequences, such as conviction and punishment. Criminal law is concerned with upholding legal standards, ensuring due process, and administering justice within the framework of established laws and regulations.<sup>24</sup>

Edwin H. Sutherland's seminal speech, "The White-collar Criminal," delivered in 1939, highlighted the reality of white-collar crime perpetrated by individuals occupying high social positions and esteemed roles. Sutherland underscored that white-collar crime constitutes genuine criminal behaviour, challenging perceptions that such offenses are less significant or deserving of leniency compared to traditional street crime.<sup>25</sup> Moreover, Sutherland illuminated the prevalence of white-collar crime among the upper echelons of society, where individuals may resort to illicit means to amass wealth beyond what they have acquired through legitimate channels. This observation underscores the intersection of social status, economic incentives, and criminal behaviour within modern society. In essence, while criminology delves into the societal dimensions and underlying causes of white-collar crime, criminal law focuses on adjudicating individual cases and enforcing legal sanctions. Both perspectives contribute to a comprehensive understanding of white-collar crime and inform efforts to prevent, detect, and address such offenses effectively.

Sutherland's reminder underscores the crucial point that violations of the law are not confined to any particular social class; they can occur across all strata of society, including among those in positions of prominence and privilege. This emphasizes that no one is exempt from accountability for their actions, regardless of their social status or position. Central to the concept of white-collar crime are two key elements: the status of the perpetrator and the nature of the position or role occupied by the perpetrator. These crimes often involve individuals exploiting their legitimate positions or roles for unlawful gain, constituting a breach of trust and an abuse of occupational authority.

---

23 Bojan Dobovšek, Boštjan Slak., Old Horizons of Organised-White Collar Crime: Critical Remarks About The Current Definition, Development and Perceptions of Organised and White-Collar Crime, *Journal of Financial Crime* 22, No. 3 (2015): 305-317.

24 Haribulan Nasution, and Nabilla Syahputri., Dampak White Collar Crime Bagi Pemerintah Dan Masyarakat. *Khidmat* 1, No. 2 (2023): 115-118

25 Erika Magdalena Chandra., Victimless Crime in Indonesia: Should We Punished Them?, *Padjadjaran Jurnal Ilmu Hukum* 6, No. 2 (2019): 216-232.



What distinguishes white-collar crime is its non-violent nature, coupled with tactics such as deception, misrepresentation, concealment, manipulation, and breach of trust. These characteristics are common to offenses committed in the economic sector, which can have far-reaching consequences, disrupting not only economic activity but also undermining development, environmental protection efforts, and cultural preservation, particularly in developing countries. The insidious nature of white-collar crime lies in its ability to undermine the integrity of institutions, erode public trust, and inflict significant harm on individuals and communities without the use of physical violence. The 6th UN Congress held in 1980 in Caracas, Venezuela, highlighted the complexity of addressing economic abuses that often evade traditional legal frameworks. These include tax evasion, credit fraud, customs fraud, embezzlement of public funds, violations of financial regulations, environmental violations, labor exploitation, consumer fraud, and various forms of market manipulation. Such crimes not only result in direct financial losses, but also erode trust in institutions, hinder economic progress, and exacerbate social inequalities. In addition, these crimes pose significant challenges to governance structures, the rule of law and public accountability, making them a priority for international cooperation and collective action. To effectively combat economic crimes, it is imperative to strengthen regulatory frameworks, enhance transparency and accountability measures, promote international cooperation, and build capacity for law enforcement agencies. Additionally, fostering a culture of integrity, ethical conduct, and corporate responsibility is essential for preventing future abuses and promoting sustainable development worldwide.<sup>26</sup>

The pervasive influence of white-collar crime through corporate channels extends across national boundaries, necessitating vigilance against inter-country corruption facilitated by corporations seeking to bribe or co-opt bureaucrats and authorities.<sup>27</sup> This phenomenon manifests similarities between Western and Eastern societies, wherein collusion occurs between criminal organizations and government administrations. Such collusion may implicate not only politicians but also influential individuals spanning government, business, and society, thereby exacerbating the complexity of these crimes.

Corporate crimes often entail collusion with bureaucratic officials, camouflaged within the facade of legitimate economic activities and involving experts from various scientific disciplines.<sup>28</sup> The involvement of these experts expands the realm of white-collar crime into what is known as crime in professional circles, with perpetrators often referred to as professional fringe violators. The term "fringe violator" reflects the relatively

---

26 Frassminggi Kamasa., *Kejahatan Kerah Putih, Kontraterorisme Dan Perlindungan Hak Konstitusi Warga Negara Dalam Bidang Ekonomi*, *Jurnal Konstitusi* 11, No. 4 (2014): 782–804.

27 Nicholas Lord (et. al.), *White-Collar Crimes Beyond the Nation-State*, *Oxford Research Encyclopedia of Criminology*. 2020, Retrieved 9 Oct. 2024

28 Syahdi Buamona., *White Collar Crime (Kejahatan Kerah Putih) Dalam Penegakan Hukum Pidana*, *Madani Legal Review* 3, No. 1 (2019): 28-38

small number of individuals possessing specialized expertise within their respective professions, coupled with the unique characteristics of their roles.

\to perpetrate crimes such as fraud, corruption, and embezzlement, exploiting their privileged positions to circumvent regulations and manipulate systems for personal gain or organizational benefit. Their actions not only undermine the integrity of professional ethics but also erode public trust in institutions and hinder socio-economic development.

Addressing corporate crimes and crimes within professional circles necessitates robust regulatory frameworks, enhanced transparency measures, and rigorous enforcement mechanisms. Collaboration between law enforcement agencies, regulatory bodies, and international organizations is essential to combatting these offenses effectively and safeguarding the integrity of economic systems and societal institutions. Moreover, fostering a culture of ethical conduct, accountability, and corporate responsibility is paramount to preventing future instances of white-collar crime and promoting a fair and just society.<sup>29</sup>

The involvement of professionals in white-collar crime poses significant challenges for criminal law enforcement, particularly in developing countries like Indonesia.<sup>30</sup> Professionals across various fields, including notaries, journalists, accountants, doctors, engineers, capital market brokers, and lawyers, may exploit their expertise to engage in unlawful activities for personal gain or to benefit others. These activities can range from international misconduct to professional negligence, fraud, or breaches of professional discipline.<sup>31</sup>

The unique characteristics of professionals, including their central role in addressing fundamental needs within society, their monopolistic control over certain services, and their self-regulatory mechanisms, often create complexities in detecting and prosecuting white-collar crimes.<sup>32</sup> These factors contribute to a lack of public supervision and oversight, allowing professionals to operate with relative impunity. This situation presents challenges for the effective functioning of criminal law, which is tasked not only with protecting individual rights and interests but also safeguarding the economy of a nation. Economic crimes perpetrated by white-collar criminals can have far-reaching implications for a country's economic stability, investor confidence, and overall development trajectory.

To address these challenges, it is crucial to enhance the capacity of law enforcement agencies, regulatory bodies, and judicial systems to

---

29 Elsa Priskila Singal, Diana Pangemanan, and Daniel F Aling., Primum Remedium Dalam Hukum Pidana Sebagai Penanggulangan Kejahatan Kerah Putih (Money Laundering), *Lex Crimen* Vol. X/No. 6/Mei/2021, page. 197-205

30 Yunita Inoriti Koy., Prosedur Mekanisme Pengembalian Aset Negara Hasil Tindak Pidana Korupsi di Indonesia. *Jurnal Sosial Dan Teknologi Terapan Amata*, Vol. 3, No. 1, 2024, page 1-10.

31 Desi Putri Ani, Maimunah Br Harahap, & Nur Sahyani Lubis., Penyebab Tindak Pidana White Collar Crime. *Inspirasi Dunia: Jurnal Riset Pendidikan Dan Bahasa*, Vol. 3, No. 1, 2023, page 1-10.

32 Kempa., Combating White-Collar Crime in Canada: Serving Victim Needs and Market Integrity, *Emerald Group Publishing Limited* 17, No. 2 (2010): 251-264

investigate, prosecute, and adjudicate white-collar crimes effectively.<sup>33</sup> This may involve implementing specialized training programs, improving collaboration between relevant stakeholders, and strengthening regulatory frameworks to close loopholes exploited by white-collar criminals. Furthermore, promoting transparency, accountability, and ethical conduct within professional sectors can help mitigate the risk of professionals engaging in unlawful activities. This requires robust enforcement of professional codes of conduct, mechanisms for addressing ethical violations, and promoting a culture of integrity and responsibility within professional communities.

Ultimately, addressing white-collar crime requires a multifaceted approach that combines legal measures, regulatory reforms, and efforts to promote ethical behaviour and accountability across all levels of society. By enhancing the effectiveness of criminal law enforcement and promoting integrity within professional sectors, countries like Indonesia can better combat economic crimes and safeguard their economies against the detrimental effects of white-collar criminal activity.

Efforts to prevent white-collar crime require the formulation of a comprehensive criminal policy that prioritizes social defence and the welfare of citizens. Criminal law can serve as a tool to reinforce the state's commitment to managing the complexities of modern society and ensuring accountability for wrongdoing. However, it is essential to heed Herbert L. Packer's warning against the careless or indiscriminate use of criminal sanctions, as this can escalate the use of force and exacerbate societal tensions.<sup>34</sup>

To effectively address white-collar crime, criminal law should be utilized prudently and strategically, prioritizing prevention and deterrence while also ensuring fairness and proportionality in enforcement.<sup>35</sup> Administrative penal law, which aligns with administrative norms and regulations, can complement criminal law by addressing violations within specific sectors or domains. The use of criminal law as the primary remedy against white-collar crime should be escalated, given the nature of the offenses and the social status of the perpetrators. However, it is crucial to maintain a balance between accountability and the presumption of innocence, ensuring that enforcement is conducted impartially and without discrimination.

Selective enforcement, guided by clear criteria and evidence-based decision-making, can help mitigate the risk of arbitrary or unfair treatment. Additionally, measures such as enhanced regulatory oversight, transparency, and accountability mechanisms can supplement criminal law enforcement efforts, fostering a culture of compliance and ethical conduct within

---

33 Shane Kilcommins., *Defining Corporate, White-Collar and Regulatory Crime: Offences, Defences and Procedure*, May 11, 2019. Page.13-23

34 Herbert L. Packer., *The Limits Of The Criminal Sanction*. (California: Stanford University Press, 1968): 17

35 Fariaman Laia., *Analisis Yuridis Terhadap Perlindungan Hukum Bagi Saksi Peradilan Pidana Di Indonesia*, *Jurnal Panah Keadilan* 1, No. 1 (2022): 24-39.

professional sectors. Ultimately, addressing white-collar crime requires a holistic approach that combines legal, regulatory, and societal measures to prevent, detect, and address misconduct effectively. By prioritizing social defence and welfare, while also upholding the principles of fairness and justice, countries can strengthen their resilience against the threats posed by white-collar criminal activity.

White-collar crimes committed within government positions are typically addressed through provisions outlined in the Criminal Code (KUHP) or specialized criminal laws.<sup>36</sup> These legal provisions serve two main purposes: Firstly, they define the actions that constitute criminal offenses, thereby delineating what behaviours are prohibited and punishable by law. This clarity helps inform the public and law enforcement agencies about the boundaries of acceptable conduct and the potential consequences for violating these boundaries. Secondly, these provisions specify the reactions or responses individuals can expect for engaging in prohibited acts. While traditional criminal law responses may include criminal sanctions such as fines or imprisonment, modern criminal law also incorporates measures aimed at protecting society from harmful actions. These protective measures may include preventive measures, rehabilitation programs, or other forms of intervention designed to address the underlying causes of criminal behaviour and prevent recidivism.

Given the evolving nature of criminal activity, including white-collar crimes that operate within the complex interplay of political, economic, and cultural realms, it is imperative for criminal law to adapt and anticipate new forms of criminal behaviour. This is particularly relevant in post-industrial societies where criminal patterns may be hidden or subtle, requiring sophisticated legal responses to address effectively.

White-collar crimes perpetrated by individuals within the government sector can have profound implications for society, the nation, and the state. Therefore, the role of criminal law in preventing and addressing these offenses is crucial in safeguarding the interests and well-being of the broader community. By providing clear guidelines and consequences for unlawful behaviour, criminal law plays a vital role in deterring misconduct, promoting accountability, and upholding the rule of law in both public and private spheres.<sup>37</sup>

The Criminal Code addresses various occupational offenses, including embezzlement, forgery, accepting bribes, and illegally benefiting oneself. Despite being regulated within the Criminal Code, these provisions often face challenges in effectively prosecuting and convicting white-collar criminals, particularly in cases of corruption. In practice, the Criminal Code may exhibit weaknesses in ensnaring and convicting white-collar criminals due to several factors. For instance, certain actions, such as illegal levies by

---

36 Susandi Decapriu Putra Pamungkas (et al.), Urgensi Pemiskinan Koruptor sebagai Bentuk Ius Constituendum dalam Penegakan Hukum di Indonesia (Studi Putusan Nomor 1146 K/Pid.Sus/2010). *Jurnal Anti Korupsi* 3, No. 1 (2023): 1-16

37 Desi Putri Ani (et. al.), Penyebab Tindak Pidana White Collar Crime. *Inspirasi Dunia: Jurnal Riset Pendidikan Dan Bahasa* 3, No. 1 (2023): 1-10.

officials or embezzlement of state funds, may not be adequately addressed or pursued under existing legal frameworks. Additionally, the criminal sanctions prescribed by the Criminal Code for certain offenses may be perceived as too lenient, necessitating stronger deterrents to effectively combat white-collar crime.

To address these shortcomings, special criminal laws have been enacted to address specific forms of white-collar crime, including corruption, terrorism, narcotics, psychotropic substances, and environmental offenses.<sup>38</sup> These laws often prescribe more severe criminal sanctions and provide enhanced tools for investigation and prosecution. By complementing the provisions of the Criminal Code with specialized legislation, authorities can better address the complexities of white-collar crime and impose more appropriate penalties on offenders. Moreover, these specialized laws may include provisions for asset forfeiture, international cooperation, and other measures aimed at combating transnational forms of white-collar crime.

However, it is essential to ensure that the application of criminal sanctions remains consistent with principles of due process, fairness, and proportionality. Additionally, efforts to strengthen the legal framework for combating white-collar crime should be accompanied by initiatives to enhance transparency, accountability, and integrity within government and corporate sectors. Overall, while the Criminal Code provides a foundation for addressing occupational offenses, the enactment of specialized legislation is crucial for effectively addressing the unique challenges posed by white-collar crime and ensuring the robust enforcement of the law.

The division of criminal law into special criminal laws has emerged as a response to the evolving nature of criminal offenses and the need to address specific types of misconduct that may not be adequately covered by general criminal statutes, such as those outlined in the Criminal Code. Special criminal laws are designed to address groups of individuals or actions, including economic crimes, physical crimes, military offenses, and more. These laws contain provisions that deviate significantly from those found in general criminal statutes, tailoring legal frameworks to the unique circumstances and characteristics of the offenses they seek to address.

One prominent example of special criminal law is legislation targeting corruption offenses. Corruption, often perpetrated by white-collar criminals, has significant societal implications and requires targeted legal measures to effectively combat it. In Indonesia, efforts to address corruption culminated in the enactment of military regulation no. 01/Prt/PM06/1957, followed by Law no. 3 of 1971 concerning Corruption Crimes. Subsequent amendments and supplements to this law, such as Law no. 31 of 1999 and Law no. 20 of 2001, have further refined and strengthened the legal framework for combating corruption.

Corruption is considered an extraordinary crime in Indonesia, necessitating more robust and effective legal instruments to eradicate it. Special criminal laws targeting corruption offenses provide authorities with

---

38 Chiara Sophia Oberle., *Greening White-Collar Crime: Transforming Anti-Money Laundering Enforcement into an Instrument Against Environmental Crime*. (2022): 9

enhanced tools for investigation, prosecution, and punishment, reflecting the seriousness with which such offenses are regarded by the government and society at large.

By establishing specialized legal frameworks tailored to address specific forms of criminal behaviour, special criminal laws play a crucial role in maintaining public order, promoting accountability, and upholding the rule of law. Moreover, these laws send a strong message that certain offenses, such as corruption, will not be tolerated and will be met with stringent legal consequences.

#### **D. CONCLUSION**

From the discussions presented in this paper, several conclusions can be drawn; Firstly, white-collar crimes are typically perpetrated by individuals who hold positions of authority, respect, and expertise within society. High-ranking officials are entrusted with significant responsibility by the public to lead and fulfil their duties in an ethical and lawful manner. However, in many cases, these officials abuse their power and privilege, acting in ways that undermine societal trust and negatively impact the welfare of the country. Secondly, in terms of criminal law enforcement, white-collar crime often manifests as official misconduct committed by individuals within government bureaucracies or in collaboration with others. The consequences of such actions, particularly in cases of corruption, can inflict serious harm on the state's finances and are deemed violations of the law, punishable under legal provisions governing offenses or crimes. Overall, these conclusions underscore the importance of addressing white-collar crime through robust legal frameworks, effective enforcement mechanisms, and measures aimed at promoting transparency, accountability, and ethical conduct within government and corporate sectors. By holding perpetrators accountable for their actions and implementing preventive measures to deter future misconduct, societies can safeguard public trust, uphold the rule of law, and mitigate the detrimental impacts of white-collar criminal activity on societal well-being and national development.

#### **BIBLIOGRAPHY**

##### **Books:**

Brian K. Payne., *White-Collar Crime the Essential*, California: Sage Publications, Inc, 2017.

Chiara Sophia Oberle., *Greening White-Collar Crime: Transforming Anti-Money Laundering Enforcement into an Instrument Against Environmental Crime*, 2022.

Herbert L. Packer., *The Limits of the Criminal Sanction*. California: Stanford University Press, Stanford, 1968.

Nicholas Lord (et. al)., *White-Collar Crimes Beyond the Nation-State*. Oxford Research Encyclopedia of Criminology. 2020, Retrieved 9 Oct. 2024.

Shane Kilcommins., Defining Corporate, *White-Collar and Regulatory Crime: Offences, Defences and Procedure*, May 11, 2019.

### Journals:

Azi Shohi Sitorus and Nabilla Rahmadani., Dampak White Collar Crime Bagi Pemerintah Dan Masyarakat, *Jispendiora: Jurnal Ilmu Sosial 2*, No. 3 (2023).

Azi Shohi Sitorus, (et. al)., Dampak White Collar Crime Bagi Pemerintah Dan Masyarakat, *Jispendiora Jurnal Ilmu Sosial Pendidikan Dan Humaniora 2*, No. 3 (2023).

Bojan Dobovšek, Boštjan Slak., Old Horizons Of Organised-White Collar Crime: Critical Remarks about The Current Definition, Development and Perceptions of Organised And White-Collar Crime, *Journal of Financial Crime 22*, No. 3 (2015).

Cyndy Aulia and Hotmarina Sari Harahap., Penyebab Tindak Pidana White Collar Crime, *Khidmat 1*, No. 2 (2023).

Datuk Abdul Azizul Hakim and Sumarno Sumarno., Pendekatan White Collar Crime: Penanggulangan Tindak Pidana Pembayaran Upah Dibawah Minimum, *Legitimasi: Jurnal Hukum Pidana Dan Politik Hukum 12*, No. 1 (2023).

David R. Simon and Stanley L. Swart., The Justice Department Focuses on White-Collar Crime: Promises and Pitfalls, *Crime & Delinquency 30*, No. 1 (1984).

Desi Putri Ani (et. al)., Penyebab Tindak Pidana White Collar Crime. *Inspirasi Dunia: Jurnal Riset Pendidikan Dan Bahasa 3*, No. 1 (2023).

Desi Putri Ani, Maimunah Br Harahap, & Nur Sahyani Lubis., Penyebab Tindak Pidana White Collar Crime. *Inspirasi Dunia: Jurnal Riset Pendidikan Dan Bahasa 3*, No. 1 (2023).

Desi Putri Ani, Maimunah Br Harahap, and Nur Sahyani Lubis., Penyebab Tindak Pidana White Collar Crime, *Inspirasi Dunia: Jurnal Riset Pendidikan Dan Bahasa 3*, No. 1 (2024).

Dinda Nabilla Syahputri and Saripah Haribulan Nasution., Dampak White Collar Crime Bagi Pemerintah dan Masyarakat, *Khidmat 1*, No. 2 (2023).

Elsa Priskila Singal, Diana Pangemanan, and Daniel F Aling., Primum Remedium Dalam Hukum Pidana Sebagai Penanggulangan Kejahatan Keras Putih (Money Laundering). 1 (2021).

Erika Magdalena Chandra., Victimless Crime in Indonesia: Should We Punished Them? *Padjadjaran Jurnal Ilmu Hukum 6*, No. 2 (2019).

Fariaman Laia., Analisis Yuridis Terhadap Perlindungan Hukum Bagi Saksi Peradilan Pidana Di Indonesia. *Jurnal Panah Keadilan 1*, No. 1 (2022).

- France Khutso Lavhelani Kgobe and John Mamokhere., Interrogating The Effectiveness Of Public Accountability Mechanisms In South Africa: Can Good Governance Be Realized? *International Journal of Entrepreneurship* 25, Special Issue 2 (2021).
- Frassminggi Kamasa., Kejahatan Keraf Putih, Kontraterorisme Dan Perlindungan Hak Konstitusi Warga Negara Dalam Bidang Ekonomi, *Jurnal Konstitusi* 11, No. 4 (2014).
- Hafizza Azahra and Ummi Hayati Sinaga., Aspek Kriminologi White Collar Crime, *Khidmat* 1, No. 2 (2023).
- Haribulan Nasution, and Nabilla Syahputri., Dampak White Collar Crime Bagi Pemerintah Dan Masyarakat. *Khidmat* 1, No. 2 (2023).
- Heni (et. al)., Upaya Pencegahan White Collar Crime, *Jurnal Riset Rumpun Ilmu Sosial* 3, No. 1 (2024).
- Henry N. Pontell and Gilbert Geis., Introduction: White-Collar and Corporate Crime in Asia, *Asian Journal of Criminology* 5, No. 2 (2010).
- Kempa., Combating White-Collar Crime in Canada: Serving Victim Needs and Market Integrity. *Emerald Group Publishing Limited* 17, No. 2 (2010);
- Kendry Tan et al., Tinjauan Kriminologis Terhadap White Collar Crime di Indonesia, *Indonesia Journal of Criminal Law* 4, No. 1 (2022).
- Kristy Holtfreter., Is Occupational Fraud 'Typical' White-Collar Crime? A Comparison of Individual and Organizational Characteristics, *Journal of Criminal Justice* 33, No. 4 (2005).
- Mark A. Cohen., Willingness to Pay to Reduce White-Collar and Corporate Crime, *Journal of Benefit-Cost Analysis* 6, No. 2 (2015).
- Michael Kempa., Combating White-Collar Crime in Canada: Serving Victim Needs and Market Integrity, *Journal of Financial Crime* 17, No. 2 (2010).
- Muhammad Badri., White Collar Crime Sebagai Kejahatan Individual Yang Berkaitan Dengan Hukum Pidana Dan Kegiatan Perekonomian, *Jurnal Lex Spesialis* 20, (2017).
- Oskar Engdahl and Bengt Larsson., Duties to Distrust: The Decentring of Economic and White-Collar Crime Policing in Sweden, *British Journal of Criminology*, Vol. 56, No. 3, 2016;
- Petter Gottschalk and Lars Glasø., Corporate Crime Does Pay! The Relationship between Financial Crime and Imprisonment in White-Collar Crime, *International Letters of Social and Humanistic Sciences* 5 (September 2013).
- Petter Gottschalk., Executive Positions Involved in White-Collar Crime, *Journal of Money Laundering Control*, 14, No. 4 (2011).



- Richard G. Brody and Robert Luo., Fraud and White-Collar Crime: A Chinese Perspective, *Cross Cultural Management: An International Journal* 29, (2009).
- Stuart P. Green., The Concept of White Collar Crime in Law and Legal Theory, *Buffalo Criminal Law Review* 8, No. 1 (April 1, 2004);
- Susandi Decapriu Putra Pamungkas (et al)., Urgensi Pemiskinan Koruptor sebagai Bentuk Ius Constituendum dalam Penegakan Hukum di Indonesia (Studi Putusan Nomor 1146 K/Pid.Sus/2010). *Jurnal Anti Korupsi* 3, No. 1 (2023).
- Syahdi Buamona., White Collar Crime (Kejahatan Keraf Putih) Dalam Penegakan Hukum Pidana, *Madani Legal Review* 3, No. 1 (2019).
- Thomas E. Dearden., An Assessment of Adults' Views on White-Collar Crime, *Journal of Financial Crime* 24, No. 2 (2017).
- Thomas J. Holt, dan Jay P. Kennedy., Technology's Influence on White-Collar Offending, Reporting, and Investigation, *State Crime Journal* 28, (2019).
- Yunita Inoriti Koy., Prosedur Mekanisme Pengembalian Aset Negara Hasil Tindak Pidana Korupsi di Indonesia. *Jurnal Sosial Dan Teknologi Terapan Amata* 3, No. 1 (2024).