

Investigating International Bribery and the Applicability of Routine Activity Theory: A Literary Review

Dr Peter Bell, Felicity Marie Frain & Dr Mark Lauchs

School of Justice,

Faculty of Law,

Queensland University of Technology

Abstract

In today's globalised world, the expansion of white-collar crime is the single most significant impediment to worldwide economic development and growth (Gray and Kauffmann 1998), with the most expensive and common form being bribery. However, despite the growing body of literature on white collar crime there is a dearth in literature examining bribery from a transnational perspective. This paper explores the literature surrounding the under-researched phenomenon of international bribery. In doing so it identifies significant gaps in the literature, in particular the effectiveness of policy approaches, the prevalence of international bribery, the occurrence of private-to-private sector international bribery and a clear understanding of how this form of white collar crime can effectively be detected, investigated and prevented. Considering the definitions, impacts on society, the policy approaches and difficulties in controlling white collar crime, and international bribery more specifically, this paper contributes valuable information to the international bribery discourse. In particular, by reviewing the literature on routine activity theory and its applicability to this type of crime, it confirms the suspected suitability of opportunity-focused theories being appropriate tools in explaining white-collar crime.

Key words: *international bribery, white-collar crime, routine activity theory*

1. Introduction

With the advent of globalisation, diverse cultures are gradually becoming more intertwined as businesses adapt to operating in a borderless world (Pedigo and Marshall 2009). Consequently, white-collar crimes are now committed within countries, between countries and across multiple borders. This expansion has made white-collar crime the single most significant impediment to worldwide economic development and growth (Gray and Kaufmann 1998). However, while traditional white-collar crimes such as bribery and fraud have been heavily researched (Benson and Walker 1988; James 2002; Sutherland 1983; Williams 2006) research addressing these crimes from a transnational perspective is lacking. This literature review commences by discussing the key literature on the broader topic of white-collar crime and then focuses on the more specific topic of international bribery. In particular the definitions for both white-collar crime and international bribery are presented, alongside the impacts these crimes have on society, the difficulties that come with controlling these crimes and current policy approaches to controlling them. Approaching crime from an opportunity perspective is then discussed and the routine activity theory is presented in detail. Lastly, how this theory may help in understanding international bribery and the main gaps evident through this review are highlighted.

2. White-Collar Crime

Sutherland was the original theorist who challenged the notions of low intelligence, mental or emotional instability or socio-economic deprivation resulting in criminality. Sutherland (1983) declared these conceptions insufficient explanations of criminality, especially when considering professional business people who participate in criminal acts. This led to his introduction of the term *white-collar crime* in 1939, which he defined as “a crime committed by a person of respectability and high social status in the course of his occupation” (Sutherland 1983, 7). This original definition was criticised for not excluding acts of violence, and not differentiating between individuals and corporations (Benson and Simpson 2009). In response to these criticisms, Sutherland (1983) outlined that acts such as murder, adultery and intoxication are excluded as they typically do not form part of the occupation of the upper class and that the term *white-collar* principally referred to managers and executives.

As Williams (2006) highlights, while no criticisms invalidated Sutherland’s (1983) work, they highlighted gaps; it is widely recognised that Sutherland fundamentally raised awareness to the inadequacies of traditional theories of crime in addressing the cause of antisocial behaviour executed by the upper class (Walters and Geyer 2004). This triggered the recognition of the existence, prevalence and importance of white-collar crime, provoking an in-depth exploration into the concept in both criminological and sociological research. This exploration provided three central approaches to defining white-collar crime. First, it is defined through the characteristics of the offender, for example lower, middle or upper class; second, through the type of offense committed, for example fraud or embezzlement; third, through an organisational cultural context, for example occupational crime versus corporate crime (Benson and Walker 1988; Hagan et al. 1980; Weisburd et al. 1990). This paper adopts the offense-based definition; *white-collar crime* is therefore referred to as “any illegal act which is characterised by deceit, concealment, or violation of trust and which is not dependent upon the application of threat of physical force or violence” (US Department of Justice 1989, 3). Clearly this definition encompasses a wide range of white-collar crimes, including: fraud, embezzlement, espionage, kickbacks, regulatory violations and larceny. However, three similarities clarify the purpose of the use of this term: first, the offender’s occupation gives them legitimate access to the target or victim; second, the offender is spatially separated from the victim; and third, the offender’s actions have the superficial appearance of legality (Benson 2009).

It has become evident that white-collar criminals are not solely executives; in fact, in the criminal justice system, many of those charged with white-collar offences are not executives (Williams 2006). This disparity which now exists among offenders renders offender-based definitions invalid, further supporting the use of the offense-based definition of white-collar crime. Also evident is the irrelevance of class categories as a measure of participation in white-collar crime (Pontell and Rosnoff 2009). Offenders can be junior office personnel or staff in subordinate positions—they only need to be an employee who holds a position with some form of power (Brody and Keihl 2010), which can include anything from knowledge of a company’s procedures, access to a company’s database through to access to financial accounts, records and systems.

Advances in technology have also influenced white-collar crime. The internet has facilitated the creation of new forms of crime by affording individuals anonymity and increased corruption within large corporations (Williams 2006). Since Sutherland’s (1939/1983) original development of the white-collar crime discourse, white-collar crime has continued to grow alongside changes within the community and society’s awareness of this form of crime has increased. However, despite this enhanced awareness, one

key difficulty remains: the community's inability to correctly prioritise white-collar crime. The implementation of laws that deem acts of white-collar crime illicit has been achieved, as the harm caused by this type of crime is well established and the community understands it to be a threat. However, due to the invisible nature of white-collar crime, prohibiting it by law does not stop it from happening. Measures of harm reduction are required to minimise its occurrence (Williams 2006).

Unfortunately, the implementation of policies with a harm reduction aim toward white-collar crime is very difficult (Chiste 2008; Williams 2006). This is due to the social construction of white-collar crime—it is seen as a threat, but not a priority. Consequently, businesses and law enforcement struggle to implement measures which minimise its existence. Furthermore, as white-collar crime is constantly evolving, the ability to respond effectively is further hindered, as white-collar crime requires a large allocation of resources to be fully understood and subsequently tackled. Chiste (2008) argues that white-collar crime by nature does not lend itself to restorative justice approaches due to the difficulties associated with identifying an individual offender and proving their intent. Nonetheless, it is well established that until society places a larger emphasis on white-collar criminal activity it will continue to flourish (Ivancevich et al. 2003; Williams 2006).

2.1 Impacts of White-Collar Crime

It is necessary to understand the consequences of white-collar crime in order to determine the real threat it poses and its worthiness of resource allocation. The initial consequence related to white-collar crime was its ability to undermine public confidence (Sutherland's 1983). Sutherland (1983) believed this lack in confidence was causing serious injury to economic and financial institutions, generating low moral and social disorganisation. Once again, this initial consequence outlined by Sutherland (1983) provoked further research into the impacts of white-collar crime. The economic cost of white-collar crime is significant and is the foremost indicator of its real impact. For example, white-collar crime is estimated to cost the Australian Government upwards of \$8.5 billion per year, which accounts for around 40% of the total cost of crime (Sanyal and Samanta 2011). However, in addition to its direct cost there are indirect costs which arise from white-collar crime, including higher taxes, increased premiums and increased general costs (Ivancevich et al. 2003).

White-collar crime also causes a variety of negative societal impacts. The increase in public awareness has led to an overall decrease in consumer and investor confidence (Ivancevich et al. 2003). This displays the negative psychological impacts the perceived possibility and occurrence of this type of crime can have on the general public. Unfortunately, due to the nature of white-collar crime it often goes undetected; therefore, the full extent of these types of impacts is widely unknown (Braithwaite 1985). However, it is known that societal consequences are linked to one another; for example, as consumer confidence decreases, social disorganisation increases. Each impact is consequential, having a flow-on effect within society, leading to further impacts.

Crimes such as rape and assault most commonly victimise the poor, while white-collar crime victimises a more universal assortment of socio-economic groups (Shihadeh 2009). However, despite acts of white-collar crime commonly being attributed to victimising persons irrespective of gender, age or socio-economic status, there are wider structural inequalities which can be attributed to making certain groups more vulnerable to specific forms of white-collar crime than others (Croall 2009). By noting the age, gender and socio-economic status of the target who is most often falling victim to a specific white-collar crime, a particular group generally emerges who is more likely to be victimised by that crime (Croall 2009). For example, "females are more likely to be victimised by the mass harms caused by the

pharmaceutical industry” (Croall 2009, 137). This method does not provide a specific group which is more vulnerable to white-collar crime; however, it does highlight the broad range of groups within society which white-collar criminals have successfully targeted.

2.2 Controlling White-Collar Crime

Given the all-encompassing nature of white-collar crime it is understandable that difficulties exist when trying to regulate this type of crime. Four key difficulties include: detection, assigning responsibility, securing convictions, and a lack of resources (Benson 2009). Traditional crimes are most commonly detected due to people reporting their victimisation to law enforcement; however, victims of white-collar crime often do not know they have been victimised, or the target is not a person. Targets can be large corporations or businesses, in which case detection comes months, sometimes years later or not at all. This difficulty is often referred to as the *invisible nature* of white-collar crime (Benson 2009). In addition, when committing the illicit act white-collar criminals appear as though they are not doing anything wrong which further hinders the detection of the crime. This difficulty is referred to as white-collar crime’s *veil of legitimacy* or *superficial appearance of legality* (Wilder and Ahrens 2001). Due to the arduous detection of white-collar crime, the ability of law enforcement estimating the magnitude of this crime is decreased, adding to difficulty surrounding the decision to allocate resources toward controlling this crime (Benson 2009).

Assigning responsibility to offenders becomes difficult when groups of people are involved and the white-collar crime resulted due to their collective actions (Benson 2009). Assigning one individual responsible for the groups’ actions is not ethical, and being able to clarify who exactly was involved and what specific offence they committed is often not possible. Unlike traditional forms of crime there are no witnesses and video surveillance is not incriminating due to the offenders’ superficial appearance of legality. Consequently, prosecutors are often not able to bring such cases to trial and offenders are left unaffected. In addition to this, cases which do make it to trial are often unsuccessful due to the complexity of the evidence, which requires specialised expertise to decipher and interpret, thus impeding prosecutors from proving the accused guilty beyond a reasonable doubt, particularly to a jury of lay persons (Benson 2009).

Furthermore, there is a poor allocation of resources and large constraints placed on white-collar crime investigations (Williams 2006). Part of this poor allocation of resources affects the court process, whereby government agencies do not have enough funds to win a case against a corporation who can throw millions of dollars into litigation (Freiberg 2000). Additionally, the constant emphasis placed on violent and drug-related crime by the public and media further decreases the allocation of resources to law enforcement agencies that regulate white-collar crime (Williams 2006). These challenges become more complex when placed within a transnational context (Gottschalk 2010).

3. International Bribery

One form of white-collar crime that has spread from national to international levels is bribery. Simply put, a bribe is a transaction between two people, one person offering money or other goods to a second person in order to induce that person to commit an improper act (D’Andrade 1985). Under the Queensland Criminal Code (1995, s.259 and s.260), the *first person* who gives or seeks to give a bribe commits a criminal act and the *second person* who seeks to accept or accepts a bribe, also commits a criminal act. In other words, all parties involved are at fault. International bribery occurs when individuals, corporations or governments from different countries participate in an act of bribery. For example, international bribery would occur if a group of employees representing a private Australian company, listed on the

ASX, travelled to China and offered a payment to a Chinese Government official in return for providing the Australian company with an illicit service, such as an undue advantage over market competitors in the sale of their goods.

The principal-agent relationship, which is seen to be present during any act of white-collar crime, can aid in explaining international bribery. A principal-agent relationship exists when a principal assigns a task or activity to an agent, who is then responsible for acting in the principal's interest (James 2002). Problems arise with this relationship when an agent has a conflict between their personal interest and the interest of their principal, or when the principal asks the agent to carry out an illicit act. In relation to the example provided, the employees of the private Australian company are the agents of the principal, namely the shareholders of the company. Similarly, the Chinese official is an agent of the Chinese people. The illicit payment made by the agents to the Chinese Government official is unethical because the agents from the Australian company are using the shareholders' investment to participate in international bribery. The only scenario that would mean this arrangement was not international bribery is if both of the principals (that is, the Chinese people and the shareholders) agreed to this payment (James 2002). Therefore:

- an agent can bribe a principal from another company
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- a principal cannot bribe another principal.

Transparency International's (TI's) Bribe Payer Index (BPI) ranks 28 of the world's largest economies based on the perceived likelihood of companies from those countries to pay bribes abroad (Hardoon and Heinrich 2011). According to the 2011 BPI, bribery is perceived to be common across all international business sectors. However, the agriculture, light manufacturing, civilian aerospace and information technology sectors were perceived to be the least-likely to participate in international bribery. While utilities, real estate, property, legal and business services, oil, gas and mining sectors were seen to be likely. Public works, contracts and construction sectors were seen to be most-likely to participate in bribery abroad (Hardoon and Heinrich 2011). This means international bribery is seen to be widespread in sectors which require decisions to be made in relation to a country's core resources, infrastructure and development. Within these sectors the type of companies most likely to be involved in bribery and corruption are subsidiary companies of multinational companies. More specifically, the purchasing, export, marketing and sales departments within such companies are most susceptible to providing and/or accepting bribes because they deal directly with individuals who potentially participate in bribery (Baughn et al. 2010).

3.1 Issues surrounding International Bribery

Unfortunately, seemingly idealistic notions of what is right and wrong surround the bribery discourse (James 2002). This makes the varying ethical views held within society in respect to the payment of bribes the core issue in relation to international bribery. Corruption, especially bribery, exists because of the assorted social realities which surround the discourse; in particular, the low-level acceptance of bribes. There is a clash between what is deemed illicit through legislation, and what happens in practice. Reisman (1977) explored this clash by delineating two normative systems within society, namely the myth system and the operational code. The myth system is the official system which is supposed to be applied and receives a lot of lip service, whereas the operational code is the private and unacknowledged set of rules that selectively tolerates acts of bribery (Reisman 1977).

The United States' Foreign Corrupt Practices Act 1977 (FCPA) is a good example of how these two normative systems exist. This act defines illicit payments and bribes as:

"...an offer, payment, promise to pay, or authorisation of the payment of money or gift to any government official, political party or party official, or political candidate for the purposes of influence..." (FCPA 1977, s. 15 §§ 78dd-1(a), 78dd-2(a), 78dd-3(a))

However, while at the same time, the FCPA permits *grease* payments to facilitate routine governmental action, for example paying to obtain a license or paying to facilitate the processing of visas. Therefore, the payment of bribes to low-level government officials with influence over routine government action is legal, while the payment of bribes to low-level government officials with influence over discretionary government matters is illegal (Herz and Larson 2004). The FCPA clearly has an operational code in place by allowing grease payments. By not clarifying this ambiguity, governments are creating confusion and communicating conflicting ethical standards to the public, subsequently facilitating the existence of bribery (Reisman 1977).

This confusion increases when exploring bribery at an international level as many other countries, such as Germany and the United Kingdom, do not even provide such distinctions (Smith et al. 2011). In fact, there are a lot of countries which adopt a pragmatic attitude towards the difference between bribery and grease payments. One central concept which has developed as an explanation for this pragmatism is *cultural variability*. Cultural variability relates to the varying ethical standards held within different countries (Baughn et al. 2010). For example, what some cultures deem *bribes* are common practice in other cultures, and it is considered rude to refuse or not partake in them (Onkvisit and Shaw 1991). When the cultural norms, values and motives of suppliers and recipients distinctly differ, one side of the business transaction must compromise in order to proceed (Baughn et al. 2010). Furthermore, as a country's economic development is linked to its level of corruption; countries with advanced economies are more likely to have clearer laws and guidelines surrounding corporate management, whereas countries with poorer economies tend to view bribery as a means of supplementing a low income (Baughn et al. 2010). These differences illustrate how it can be problematic when differing economies and cultures come together to conduct business. Thus, the existence of cultural variability could very well contribute to the occurrence of international bribery and it is an ethical issue that needs more empirical research.

For companies operating in countries that prohibit bribery, participating in bribery means moral degeneration and violation of the law, while non-participation means a loss of business (Onkvisit and Shaw 1991). In the international bribery discourse there are two competing moral standpoints which cannot be rendered coherent: one permits bribery and one does not. Overall, it is the interpretation of what constitutes an improper payment and/or act which creates turmoil. The different cultural norms and values which shape the laws in each country are causal to the difficulties which surround the regulation of international bribery. In a sense, everyone bans *bribery*, but not everyone can agree on what constitutes a bribe. In a nation that allows the payment and/or the service it is not a bribe, because it is seen as a legitimate payment and/or service. Whereas, in a nation that prohibits the payment and/or service it is seen as an illicit transaction that constitutes an act of bribery. While it is unethical to argue one moral standpoint as superior, for ease of analysis one standpoint needs to be adopted. A discussion surrounding the societal harms and any benefits which result from acts of international bribery provides further support for this conclusion (Beauchamp 2009; Pedigo and Marshall 2009).

3.2 Impacts of International Bribery

An almost universal consensus exists that making a payment in return for an illicit service is unethical, immoral and harmful (Cleveland et al. 2009). As with any crime there are grey areas that require particular clarification. In specific relation to international bribery these are the payment of small bribes, and the imposition of value systems and cultural variability. It is important these grey areas are not misconstrued as reasons to partially permit acts of bribery. As discussed, the economic cost of white-collar crime can only be roughly estimated; therefore, estimating the more specific cost of international bribery is even more difficult (Braithwaite 1985). Any estimate which does exist is questionable due to the invisible nature of white-collar crime (Wilder and Ahrens 2001). Therefore, rather than providing inaccurate estimates of its cost, other more established economic and wide-spread impacts which result from international bribery are discussed.

International bribery impedes long-term foreign and domestic investment and undercuts the government's ability to raise revenue, leading to higher tax rates which in turn reduce the government's ability to provide public goods (Gray and Kaufmann 1998). It distorts governmental priorities and technological choices, pushes privatised firms underground and out of the formal sector, causes ineffective tax collection and administration and, in uncertain economies, raises transaction costs (Baughn et al. 2010; Gray and Kaufmann 1998). International bribery diverts money from public accounts to private individuals and often to foreign bank accounts, while increasing the level of uncertainty in conducting business in countries with high levels of corruption (Wilder and Ahrens 2001).

International bribery also undermines efficiency, equity and integrity by shifting the focus of the transaction from quality and price to the size of the bribe. In a fair market, competition eliminates inefficiency; however, when bribery is prevalent, inefficient players can survive over those who offer high quality, cost effective goods and services (Cleveland et al. 2009; Wilder and Ahrens 2001). This leads to the slow implementation of low quality government policy (Esty and Porter 2005) and diverts funds from the environmental, health and education sectors, to sectors where bribes are more likely to be processed such as construction and infrastructure (Mauro 1998; Rauch 1995; Ruzindana 1997).

Some researchers have attempted to highlight the positive effects of bribery. One such benefit was said to be the avoidance of burdensome regulations (Dong 2011). However, this *benefit* neglects to acknowledge the already large levels of discretion given to parliamentary and bureaucratic members in creating and interpreting such regulations (Gray and Kaufmann 1998). It has been argued that bribery leads to a more equitable and progressive distribution of income, as those with higher incomes pay bribes to those on lower incomes, whilst those on lower incomes are unable to pay bribes (Hunt and Laszlo 2012). This is supported by companies from high power distance countries showing a greater propensity to provide bribes to less-developed nations; however, this *benefit* is generally based on statistical data from countries which experience high levels of absolute poverty (Baughn et al. 2010). Therefore, it does not accurately depict western countries with a large middle class.

The above impacts are only the surface of the problem. If these issues go unaddressed and international bribery increases, with time poverty will be deepened and poorer sections of the community will suffer disproportionately as a result of the strain on government funds (Wilder and Ahrens 2001). Furthermore, the erosion of government legitimacy will deplete the effectiveness and public confidence in aid programs (Hill 2000; Wilder and Ahrens 2001). Bribery can also increase the abuse of human rights and undermine years of democratic progression (Hill 2000). By examining the multitude of impacts which arise from international bribery, it is evident that issues such as unclear regulation leading to a myth system and an

operational code and cultural variability are insufficient justifications for bribery. As it stands, the primary approach to addressing any form of white-collar crime is through government policy and legislation (OECD 2012).

4. Policy Approaches

4.1 Internationally

There is an increased measure of importance being placed on nongovernment organisations (NGOs) with respect to addressing international bribery. Particularly important NGOs who focus on international bribery are TI and the Organisation for Economic Cooperation and Development (OECD). The first significant move made towards tackling international corruption was in 1961 when the OECD was established (Gray and Kaufmann 1998). This organisation provides a forum in which member governments can work together to combat economic and social issues, including international bribery and corruption. As of 2012, the OECD had 34 signatories who account for 70% of the world's trade (OECD 2012).

In 2009, the OECD recommended that all signatories implement legislation which prohibits the offer, promise or supply of a bribe to a foreign public official. This led to 39 countries agreeing to implement such legislation. The Australian Criminal Code Amendment Act 1999 (s.70.1) defines a foreign public official as an employee, contractor, official or person otherwise in service of a foreign government body, for example parliamentarians, government employees, contractors, and members of the police, military and judiciary. In addition, the person providing the bribe must do so with the intention of influencing a foreign public official in the exercise of the official's duties, and to obtain a business advantage which is not legitimately due to them (Hill 2000). In 2011, the BPI found that across all sectors internationally, the perceived likelihood of private firms paying bribes to other private firms is almost as high as the bribery of public officials (Hardoon and Heinrich 2011).

4.2 Within Australia

Australia has ratified the United Nations' (UN) Convention against Corruption 2000 and the UN's Convention against Transnational Organized Crime 2003. These two treaties and the rules of the OECD are the central instruments which address international bribery, and Australia's domestic laws meet all of their obligations (AGDCP 2011). As discussed, the OECD required the Australian Government to implement an amendment to the Commonwealth Criminal Code Act of 1995. This amendment occurred in 1999 and was Australia's first significant step towards confronting international bribery (Hill 2000). The Commonwealth offence of bribing or attempting to bribe a foreign public official has a maximum penalty of imprisonment for ten years or a fine up to \$66,000 or both. There is also a liability placed on the principal of the agent who is guilty if it is found the agent was acting within the scope of their employment. The penalty for this offence is a fine of up to \$330,000 (Hill 2000).

Reviews of the OECD's effectiveness in combating corruption praise its ability to act as a foundational framework for a united stand against corruption within the international community (Wilder and Ahrens 2001). However, with more specific reference to the efficacy and practicality of the foreign public official legislation there are ambiguities and criticisms. It was argued the legislation would only partly address the issue of corruption, for example there is no mention of the extortion of bribes and it does not penalise recipients of bribes. Criticism also arose with reference to the act not addressing issues, such as the difference between necessary gifts or facilitation payments, after the fact (Wilder and Ahrens 2001). Many of the provisions within the legislation are broad. This will either facilitate a wider application of the legislation or a discretionary application of whom and what acts will and will not be included under

the legislation. Therefore, the effectiveness of the legislation in Australia will ultimately be determined by Australian courts in their interpretation of the legislation (Wilder and Ahrens 2001). Overall, however, the legislation is believed to be an effective deterrent in the sense that it acknowledges international bribery and publicises the regulation and criminalisation of such acts (Wilder and Ahrens 2001).

TI's Corruption Perception Index (CPI), which ranks countries according to their perceived levels of public sector corruption, depicted a favourable view of Australia, ranking it eighth out of 183 countries surveyed (TI 2011). However, despite Australia being ranked in the top eight countries in the CPI, scoring 8.8 on the 0 (highly corrupt) to 10 (very clean) scale, the vast majority of the remaining countries scored below 5. While Australia, New Zealand and Singapore secured ranks in the top ten, most of Australia's neighbouring countries received very poor ranks: 16 countries in the same Asia-pacific region ranked below three. Additionally, five countries in the Asia-pacific region scored below three: Vietnam (2.9), Bangladesh (2.7), Philippines (2.6), Pakistan (2.5) and Papua New Guinea (2.2). Afghanistan, Myanmar and North Korea were ranked at the bottom of the CPI, scoring 1.5, 1.5 and 1 respectively (TI 2011).

As the CPI is a survey on participation in corrupt behaviour by public sector employees within Australia, it does not address participation by private sector employees with public sector employees overseas. However, Australia conducts a majority of its international business transactions within the Asia-pacific region, therefore the CPI indicates a concerning reality: Australian employees conducting business abroad are doing so in corrupt business environments (Pedigo and Marshal 2009). Criminological theory can be used to delineate more specific information in relation to what may be contributing to the occurrence of international bribery in the Australian business sector.

4. Routine Activity Theory

4.1 Crime from an Opportunity Perspective

An important distinction in criminological research is that between theories of crime and theories of criminality. Most criminological theories are in fact theories of criminality, explaining why particular individuals or groups participate in criminal or deviant behaviour over others. Theories of crime emerged in the 1970s and 1980s and explore the etiology of crime, with a particular focus on the situational and opportunity factors available to the offender as opposed to the biological, psychological and social factors that contribute to anti-social behaviour (Natarajan 2011). While it is important to know what motivates people to act, this is not enough on its own to explain why crime occurs, particularly white-collar crime. Understanding the criminality of white-collar offenders is difficult due to the broad scope of people who participate in white-collar crime; therefore, determining the situational and opportunity factors which contribute to white-collar crime can provide a more comprehensive understanding of the white-collar crime phenomenon.

According to theories of crime, crime is understood through the offender's motivation and opportunity to commit the crime (Natarajan 2011). It is argued by many that by understanding these two elements and the processes in which they interact, crime can be controlled and prevented (Benson et al. 2009; Madensen and Eck 2006; Natarajan 2011; Poyner 1991). An example of these two elements for instance is a father who holds a cash handling position at a bank and whose family is experiencing financial trouble may be tempted to pocket some cash, likewise an employee's awareness of the lack of regulation by bank management surrounding missing cash may also tempt the same act. Thus opportunity and motivation are equally important in explaining crime occurrences (Natarajan 2011). However, crime opportunity-based theory is reviewed in this paper as it is believed opportunity holds a greater importance in prevention and controlling crime (Natarajan 2011). It has proven difficult to change criminality and

reform offenders; however, it is proving less difficult to reduce opportunities for crime and opportunity theories have already achieved notable evidence of success in crime control (Natarajan 2011). As such this literary review examines the broader theoretical discourse of crime opportunity theory.

An opportunity structure is a set of conditions or elements that must be in place in order for an offence to be carried out (Benson et al. 2009). Clearly, various opportunity structures can exist in relation to varying types of crime; for example, there may be identifiable conditions or elements which contribute to the materialisation of international bribery as opposed to national bribery. Additionally, groups of white-collar offences can be constructed based on them having similar opportunity structures (Benson et al. 2009). Prior to the 1970s opportunity played a passive role in criminological research, with many researchers believing it was merely the means through which criminal disposition was expressed (Natarajan 2011). This was until theorists' Felson and Cohen (1979) gave opportunity an active role in explaining crime when they introduced routine activity theory. Routine activity theory is an opportunity-based theory and it has been shown to be effective in aiding the detection and investigation of crime (Culp and Bracco 2005; Marquart et al. 2000; Sasse 2005).

4.2 Defining Routine Activity Theory

Routine activity theory claims that a crime cannot take place without the convergence of three core elements in time and space: a motivated offender, the presence of a suitable target and the absence of a capable guardian (Felson and Cohen 1979). The *motivated offender* is anybody who for any reason may commit a crime, and the *suitable target* is the item, content or person the motivated offender is pursuing (Clarke and Felson 2004). The *capable guardian* refers to any person, body of persons or objects that prevent the crime from occurring (Yar 2005). The capable guardian differs from the offender and target because it is the *absence* of the guardian that counts (Felson 2003). For example, a young male with no money may want to get his girlfriend a rose for Valentine's Day, with this motivation he enters a florist store. The florist is out the back and the roses are in a bucket out front, consequently he steals a rose and walks away. This example displays the motivated offender (the young boy), the suitable target (a rose) and the absence of a capable guardian (the florist). Through this approach, Felson and Cohen argue that society invites crime to occur by offering a variety of illegal opportunities through the community's flow of routine activities (Natarajan 2011). This theory does not try to understand why people are criminally inclined, instead it accepts they are and examines how the social structure allows people to transform these criminal inclinations into criminal actions (Felson and Cohen 1980).

More recently, Felson (1987) added elements to the routine activity approach, increasing the three core elements to six. The additional three elements are an intimate handler, place manager and crime facilitator (Tillyer and Eck 2010). The *intimate handler* (the handler) is a person with whom the motivated offender holds a social bond, who can assist in keeping them in order through social control (Felson 1987). The *place manager* is a person who is allocated the responsibility of supervising behaviour in their place of employment, and lastly, *crime facilitators* are the tools which aid the criminal act (Natarajan 2011). Figure 1 displays the routine activity theoretical framework, the inner triangle contains the necessary elements for a crime to occur, while the outer triangle represents the potential controllers who must be absent or ineffective for a crime to occur (Tillyer and Eck 2011). These additional elements extend the versatility of the routine activity theory and enable the theory to more specifically explain the creation of crime opportunities (Felson 2003).

Figure 1: The Crime Triangle (Tillyer and Eck 2011)

4.3 Contextualising Routine Activity Theory

Despite there being no specific research into routine activity theory and international bribery, the literature repeatedly stresses that different pathways into white-collar crime exist and opportunity focused theories are suitable tools in explaining white-collar crime (Koppen et al. 2010). Therefore, preliminary research into how this theory will apply to the international bribery framework has been conducted. Routine activity theory was originally developed to explain predatory violent crimes, where direct contact occurred between the offender and the victim (Natarajan 2011). Felson (2003) outlines a four-step *predatory sequence* which details the setting for direct-contact predatory crime: a likely offender enters a setting, a suitable target enters, a guardian leaves and an offender attacks the target. Clearly, international bribery cases are not direct-contact predatory crimes. Further, it is not known if direct-contact between the offender and the victim will even occur. Therefore, the setting of the crime requires a different application of the theory.

The final element of routine activity theory requires the absence of a capable guardian, converging in time and space with the motivated offender and the suitable target. Felson (2003) discusses guardians in the form of official personnel, such as police officers and security guards, and non-official personnel, such as strangers in the general public, a store attendant or friends and relatives. When applying this theory to acts of international bribery it is believed guardianship will come in the form of official and non-official personnel, such as executive management, workplace policy, procedures and systems implemented to prevent corruption. Therefore, the likelihood of absent capable guardians in an international bribery case is increased due to white-collar crime's superficial appearance of legality (Wilder and Ahrens 2001).

The only discussion found on routine activity theory and white-collar crime was by Felson (2003). It is relatively limited but highlights that white-collar crime fits into a larger system of routine activities which supports the predicted wider application of the theory (Felson 2003). Felson (2003) emphasises the need for further research in this field, strongly supporting the study of the structure of this crime type in order to understand the changes that are occurring.

5. Conclusion

Despite the increase in public awareness of white-collar crime, international bribery remains an important growth area which requires more research (Rollings 2008). This review highlights how international bribery has received little attention within academic literature. There are numerous gaps which exist, including the effectiveness of policy approaches, the prevalence of international bribery, the occurrence of private-to-private sector international bribery, and a clear understanding of international bribery and how it can be effectively investigated, detected and prevented. A solid comprehension of any crime is vitally important in addressing it correctly within the criminal justice system; as such, this review considered the broader theoretical discourse known as crime opportunity theory and its potential application in preventing and controlling white-collar crime. In doing so this review demonstrated how routine activity theory has created an improved understanding of a variety of crimes and how it is a suitable tool for exploring white-collar crime (Culp and Bracco 2005; Koppen et al. 2010; Marquart et al. 2000; Sasse 2005).

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