

**Combating White Collar Crime in Canada:
Serving Victim Needs and Market Integrity**

By:

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Executive Summary

On December 10-11, 2008, the Canadian Police College (CPC) and the Bank of Canada conjointly hosted a symposium entitled "White Collar Crime in Canada: an Integrated Law-Enforcement Approach". More than 60 senior officials from law-enforcement organizations, regulatory agencies, investigative bodies, Federal government policy and regulatory departments, the major banking institutions, academia and the private sector were brought together to "explore the opportunities and challenges for improving a coherent approach to address white-collar crime in Canada".

This document is both a summary of the symposium proceedings and a pathfinder piece outlining the principal challenges and some of the elements of a strategy forward for regulating markets and controlling white-collar crime in Canada.

White-collar crime costs corporations billions of dollars annually, damages the wealth and health of individual victims, and undermines the integrity of markets through eroding investor confidence.

The current crisis in financial markets has rendered immediate and enhanced action against these forms of crime essential. Demand for reform is emerging from all sectors, and most especially from civil victims.

The current multiagency system for market regulation and the enforcement of securities law in Canada is woefully inadequate for meeting our present objectives. With nearly 50 agencies organized into six jurisdictional "pillars" which, in practice, function too often as isolated silos, the system is widely regarded to be overly complex, poorly coordinated, badly resourced, and thereby ineffective.

The principal obstacles to creating a coordinated regulatory and enforcement strategy are, at bedrock, conceptual. The dominant conception of a fundamental divide between the public and private spheres that holds in Western political economy contributes the practical structural, legal, and cultural obstacles to coordinating the policing of the public sphere with the regulation of the private sphere that were stressed at the symposium.

Participants at the symposium were unanimous that the ways around such difficulties are: enhanced information sharing between enforcement and regulatory players (e.g., the creation of common databases); enhanced coordination of victim complaints (e.g., through a single point of entry); fostering inter-institutional awareness and cooperation through common training programs; the mobilization of the skills and legal strengths of all agencies towards the satisfactory resolution of a complaint (e.g., the assembly and coordination of an effective enforcement spectrum).

Evidence-based research as to what does and does not work in interagency cooperation is essential and must be coordinated by a well-resourced leadership node. The findings of this deliberate program of research should inform innovations in enforcement and regulatory policy and practice, along with the content of shared training programs.

Background to White Collar Crime

White-collar crime is a very broad concept that speaks generally to *illegal behavior that takes advantage of positions of professional authority and power -- or simply the opportunity structures available within business -- for personal or corporate gain* (see for example: Clinard 1952; Clinard and Yeager 1980; Hagan and Linden 2009) .

Crimes such as embezzlement, fraud and insider-trading, on the one hand, and market manipulation, profit exaggeration, and product misrepresentation on the other, add up to a massive criminal domain. It is estimated that corporations lose anywhere between two and six per cent of their annual profits to fraud alone (Schnatterly 2003). Further, the total dollar value of capital lost to white-collar crime as a whole has for decades been estimated to be in the billions of dollars annually (see for example: Cressy 1953; Touby 1994; Agro 1978; Heath 2008; Marine 2006; Winslow 1999).

With respect to civil victims, it is estimated by the Canadian Securities Administrators (CSA) that one million adult Canadians (nearly 5%) have lost money to some kind of investment fraud or another: almost a third of this large number of victims reports that investment fraud alone "had an extreme or significant impact on their personal finances" (CSA 2007: 5). Such losses are known to have knock-on impacts on the psychological, emotional, and therefore physical health of individual victims. According to the CSA (2007), victims of fraud report high incidences of stress, anger, depression, loss and isolation -- especially among those that lost more than \$10,000 (see also: Levi and Pithouse 1992; Shichor, Doocy and Geis 1996; Shover, Fox and Mills 1994). Further, trust in others is also often undermined for the reason that fraud is often initialized through an existing relationship of trust. ¹

It follows that fear of corporate crime upsets the "allocative efficiencies" of markets through undermining profit, distorting share values and other communicative signals, and thereby limits the willingness of corporations, banks, and individual investors to move capital around in the ways that well-functioning markets need to survive (see: Sliter 2007:14; see further and in more detail: Bhattacharya and Daouk 2002: 76, 78, 90-104; Cory and Pilkington 2006).² Further, in an era of increasing investor ethical sophistication, white-collar crime and unethical business practices more generally undermine profits and productivity through simply turning investors off of the goods and services offered by companies that are thought to engage in these practices (Sliter 2007:16; see also: Schnatterly 2004: 867).

¹ Beyond harm to direct victims, innocent bystanders within corporations that have been investigated and prosecuted for instances of white-collar crime often find themselves "stigmatized" across the financial community -- implicated by association with a tainted firm (Spalek 2001). This has further knock-on effect of making it more difficult for such employees to find work within the financial industry, standing as a key form of "secondary victimization".

² This is true at both the broader corporate level, and at the level of the private citizen: in the 2007 Canadian Security Administrators' survey, two thirds of reported fraud victims say they are less willing to trust others after their fraud experience, and, further, 63% are less willing to make future investments (CSA 2007:2)

Providing further need for immediate action is the fact that there are extensive links between white-collar crime and violent organized crime (i.e., that which works toward generating profits, most notably through the drug trade and human smuggling) and terrorist campaigns (that which is principally motivated by ostensible "political" objectives) (Hetzer 2006: 402-403; Winslow 1999).

To the extent that white-collar crime is connected to the finance of organized violence and the stability of our broader market system, it emerges as one of the lead priorities for targeted enforcement in our times.³ Fortunately, the current context of crisis also presents a key moment of opportunity in which to push forward ambitious collaborative agendas for combating white-collar crime. The collective will to collaborate, experiment, and build upon experience was clearly demonstrated at the symposium. We turn now to a discussion of the main challenges and ways forward agreed at the symposium, situated in the broader literature.

Policing Markets and White Collar Crime: Current Challenges

To date, little success has been achieved in combating white collar crime. The participants at the symposium have, like much of the academic literature, focused their explanations of these failures upon the fractured and inefficient nature of information sharing and lack of cooperation across agencies involved in market regulation and enforcement (Crawford Panel 2006; Allen 2006; Urquhart 2009). Corresponding with this has been an observed "silo mentality" characterized by distinct and separate cultures across the many agencies involved in market regulation and white-collar crime enforcement. In this context, public dissatisfaction with market regulation and white collar crime enforcement is the norm (CSA 2007; Logan 2009; Moore and Mills 1990). In the section that follows, I present these issues as the practical expressions of dominant legal and institutional frameworks that reflect our political economic concepts.

Conceptual Obstacles to Coordinated Market Enforcement and Regulation

The desire to effectively govern the market sphere is historically a normal preoccupation of government. Initially, the very word "police" has its origins in the notion of "policy" (Foucault 2007). This is to say that in the 16th and 17th centuries, "police" literally meant all activity

³ This of course does not necessarily mean that white-collar crime becomes more prevalent during times of economic downturn (Chekaj 2009). As Warren Buffett has famously put it, "it is only when the tide goes out that you learn who has been swimming naked" (http://en.wikiquote.org/wiki/Warren_Buffett, accessed 07 January 2009). It follows that if the financial crisis were to be resolved in the immediate future, white-collar crime would persist, though it may be partially concealed behind healthy profits. Thus, the current financial crisis provides particular impetus for action, on the basis that the impacts of white-collar crime are more acutely felt in times of economic downturn; nevertheless these efforts must persist into any period of economic recovery.

undertaken by the government to ensure the integrity of the polity and "well-being" (i.e., *bien être*) of the population (Foucault 2007: Ch. 12).

At the historical moment that Western civilization started thinking of populations and economies as observable *things* – *the* population, and *the* economy -- to be governed in the details of their measurable *processes* (made possible by the development and refinement of the statistical sciences), our strategies for police/policy became much more complicated.

Liberalism, as the West's dominant political economic rationality for governance, holds at its' heart the foundational value of private property as the space for individual liberty and an overarching desire not to interfere in market space beyond the bare minimum. These values are premised upon the ideological belief that markets, in and of themselves, are possessed of (most of) the characteristics and processes that lead them naturally to produce optimal outcomes.

Within this mindset, *police* as a concept came to reflect the limited meaning of "enforcing the law and upholding rights in public space" (at least in the ideal case).⁴ Over the late 18th and duration of the 19th Centuries, all other *policy* that was directed towards controlling the private (market and civil) realm came to be known as *regulation* (ibid.; Gill 2002).

From this point onward, policing and regulation were not only conceptually separated at the level of abstract political economic philosophy; it followed that they were separated at the level of the law, institutional structures, practices, and thus organizational cultures.

As was abundantly clear to every participant at the symposium and is no doubt apparent to all members of the stakeholder organizations that they represent, this tidy conceptual distinction between policing the public sphere and regulating the private sphere as apparently "separate" domains has broken down in the context of the massive "public" harms caused by the current "private" financial crisis. In truth, the cracks in this conceptual distinction have been showing for quite a number of decades, as an increasing number of public authorities -- including the RCMP⁵ -- have been re-engaging the policing of markets since the late 1960s. This has all translated into significant Federal investment into enforcement with the creation of the Integrated Market Enforcement Team (IMET) program that pairs sworn police officers with forensic accountants, business lawyers, and other professionals to combat white-collar crime in collaboration with provincial regulators and industry standard bearers. These developments have

⁴ We can actually witness the transition from expansive to more limited definitions of policing in the writing of prominent liberal thinkers at different stages of their career. Contrast, for example, the earliest musings of Adam Smith on policing, which properly concerned the moral education of the working classes to prevent them from sliding into penury, idleness, and so crime, with his later understandings of police as best being limited to law enforcement in the public sphere (Smith 1763/1964 vs. Smith 1776/1923, in overview: Neocleous 1998).

⁵ Thus, since 2006 the RCMP has formally designated "economic integrity" as one of six of its' central strategic priorities (<http://www.rcmp-grc.gc.ca/ei-ie/index-eng.htm>). Special reference is made by the RCMP of their efforts "to protect consumer and investor confidence in Canada as a safe and secure place to conduct business, invest and save money" (ibid).

seen the public police thrust back into the middle of policing and regulating the "private" sphere of the market.⁶

The current financial crisis has pushed such broad ways of thinking about and doing the business of policing to the popular forefront: the policing of private markets has once again come to be seen, in a popular sense, as something that is fundamentally important to the production of "human security".⁷

As far as "policing" is concerned therefore, we have come full circle: corporate stakeholders and the public at large are again thinking of the public and the private spheres as being interpenetrated phenomena that must be regulated, policed, and governed generally as a whole -- given that they produce interactive outcomes. This is a very advantageous conceptual leap forward. It must as part of this be stressed, however, that at this time of renewal we are dealing with a legislative, case law, and institutional tradition that treats the public and private spheres as fundamentally separate. Whatever we design on the basis of our good intentions will thereby be confronted at some stage by the obstacles to integration presented by the fundamental public-private divide. The only way around this will be practical experimentation, coordinating mutual strengths, and enhancing sectoral-wide inter-agency understanding.

Structural Issues

Given the complexity of market processes and the investment products that they offer, it is not surprising that the legal, regulatory and institutional systems that have grown up to regulate and police them are equally complicated. There are contemporarily many "nodes" (Wood and Shearing 2007) involved in securing markets and combating white-collar crime, a point underscored by the fact that the Canadian Police College estimates that the public police contribute approximately 10% of the financial and time resources to the total amount of effort involved in policing markets.⁸ It follows that there are massive information management and communication challenges across the multiple nodes in regulatory networks. Indeed, it was stressed over the course of the symposium and has been echoed in the literature that most of Canada's regulatory and policing agencies continue to plan, train and operate in isolation (Sliter 2008; Williams 2008; 2005; Cory and Pilkington 2006; Crawford Panel 2006; Allen 2006; Urquhart 2009).

In Canada, there are at present 13 principal market regulators. This situation has seen the Federal government recently propose their amalgamation into a single agency, in an effort to enhance regulatory coordination, efficiency and effectiveness. Despite recent moves towards

⁶ In this context, governments have also been more committed to piercing the corporate veil to hold directors of corporations and managers to account for the ethical and legal activity of their employees (Hetzer 2006).

⁷ Indeed, the CSA reports that "91% of Canadians agreed that the 'impact of investment fraud can be just as serious as the impact of crimes like robbery and assault" (2007:3).

⁸ See: Sliter 2008: 9-10, for a presentation of the relative numbers of agents devoted to capital markets crimes across the range of enforcement stakeholders, followed by an illustrative graphic.

amalgamation, it must be stressed that Sections 92 and 93 of the Canadian Constitution provide for a good deal of provincial jurisdiction/authority over these issues, which may frustrate nationally-coordinated strategies.

When pondering the strategy of national coordination, it is important to stress that there are nearly 50 entities involved in regulating markets and dealing with market crimes in Canada: the 13 securities regulators, the various police forces, and the industry securities associations being the largest. Thus, even if provincial regulation were to be amalgamated, the bulk of these 50 entities would remain. It was thereby stressed that the symposium that much must be done to coordinate investigation, enforcement, prosecution, and restitution initiatives across the board to deal with white collar crime, in addition to answering the question of amalgamation. Indeed, it was pointed out that amalgamation, if considered all on its own, represents a "red herring" issue.

Legal Issues

Given the structural complexity of the networks for regulation outlined above, it follows that multiple nodes currently find themselves operating within multiple legal frameworks: this causes difficulties in sharing information -- both for the reason that information sharing is sometimes expressly prohibited, and, perhaps even more often, for the reason that participants may be uncertain as to whether they may share information with a more powerful institutional player.

In Canada, this has played itself out most completely in the domain of information sharing between provincial regulators and the public police: *Charter of Rights and Freedoms* protections arise wherein individuals are insulated from incriminating themselves, and, thus, material that is initially *collected* for the purposes of *regulation* enforcement and compliance cannot subsequently be given to the police for purposes of *prosecution* (Cory and Pilkington 2006; Crawford 2006; Allen 2006). As tricky as an issue this may be, it was pointed out the symposium that it may not be an insurmountable problem.⁹

Legal complexity has also focused our practical attention upon those forms of white-collar crime that are easiest to detect, investigate, and prosecute: principally fraud and money-laundering. More complicated and economically sophisticated forms of white-collar crime -- most especially market manipulation and insider trading -- have received a lesser degree of attention and effective resolution (Williams 2008).¹⁰ Relatively small numbers of successful prosecutions across all domains of white collar crime, leading to not only conviction but the restitution of losses and other damages, have thereby characterized the contemporary system for regulating markets and the control of white-collar crime in Canada. This is an extremely poor recipe for achieving the meaningful forms of "justice" -- which encompass not only *punishment* but also the *restoration* of the personal well-being of victims and offenders along with *rebalancing* the social

⁹ Indeed, the courts are currently wrestling with these issues and appear to have shown some sympathy towards facilitating effective information sharing between provincial regulators and the public police (for more detail on these limitations, see: Williams 2008: 318-319; Cory and Pilkington 2006).

¹⁰ Research suggests that it is precisely these neglected activities that are especially damaging of investor and consumer confidence in market integrity (Bhattacharia and Spiegel 1991).

and private relationships and institutions in which they are embedded -- to which the symposium participants (and the broader Canadian justice system, see: Department of Justice Canada 2000) are committed.

Cultural Issues

Given that the nodes in the contemporary regulatory and enforcement network represent the public, private, civil, and banking sectors, it is not surprising that they often hold different objectives, aligned with different worldviews, and have developed distinct skills and approaches that reflect those worldviews (see: Williams 2005: 332). There are thus significant cultural differences across the nodes in the network that require management.

At the symposium, for example, it was put forward that an emphasis by some corporations upon the need for quick recovery of the assets lost to white collar crime can sometimes frustrate the broader preventive, rehabilitative, and denunciatory objectives of justice, which can in turn work against ensuring the integrity of the enforcement system into the future (Bussmann and Werle 2006). Associated with sometimes competing broad culturally-driven objectives is the development of the famous "silo mentality" across participants in the nodal network.

Related to points of corporate culture, it was stressed at the symposium that "*criminal* behavior is not at the center of the causes of the current economic crisis" (Anon. Symposium Speaker). Rather, many *unethical* and *unscrupulous* behaviors do undermine the integrity of market systems to render them more susceptible to the impacts of white-collar crime (see especially Heath 2008; Pascale 1985). Perhaps most important amongst these issues is the bonus and remuneration structure of companies. Here, we see a situation in which the perceived need to sell increasingly complex investment products which separate risk-taking from profit-making – such as mortgage securities – has led on to morally corrupt behavior promoting trading patterns that are in the long-term destructive of market integrity (Ferguson 2008).¹¹ As a broader set of impacts, research suggests that unfair and unscrupulous trading practices create a broader culture of corruption and criminal behavior in the market sphere, wherein individuals are likely to rationalize and neutralize their own criminal conduct (Heath 2008).

An additional cultural problem emphasized at the symposium concerns the tremendous lack of public awareness as to who the key players are in the enforcement spectrum, along with an equal amount of confusion concerning their respective roles and functions (CSA 2007: 6).¹² From the perspective of victims, the regulatory and broader enforcement framework is labyrinthine,

¹¹ It must be stressed that sales practices around the mortgage lending products in the United States that are widely considered to be the principal factor underpinning the current financial crisis were of such dubious morality that serious consideration is being given to widespread criminal prosecution for fraud. It is reported, for example, that the Obama administration is contemplating establishing a task force to centralize the massive prosecutorial effort that this would entail (Segal 2009).

¹² Indeed, in the 2007 CSA survey, the majority of respondents (53%) do not even know if there is a provincial agency responsible for regulating financial investments in their province.

uncaring, and thereby ineffective in meeting their rights to restitution and preventing further instances of such harms into the future.

Finally, with respect to the internal culture, skills, and institutional knowledge of the various contributors to regulation and enforcement, it was stressed at the symposium that most of our most powerful nodes are "young" organizations in terms of the average age and experience of employees. As such, there is little "organizational memory" of what has worked well in the past in terms of practical collaboration throughout the network.

Ways Forward

Faced with the daunting challenges outlined above, the participants at the symposium identified a range of practical steps forward and, further, some key priority areas for future research.

When it comes to the question of building effective partnerships, symposium participants were at one on the need to build links within the network for sharing information and for coordinating processes throughout the network. It was stressed that this must include leveraging and disseminating best practices across the national (and international) networks through partnerships. The lynchpin of the immediate strategy forward here focused upon the development of common databases that are accessible in the appropriate fashion to all nodes within the regulatory and enforcement network (i.e., certain tranches of sensitive information would have to be held back from certain nodal participants where appropriate).

As part of the issue of coordination, there was also an identified priority need to develop lines of communication between nodes to ensure consistency of interpretation of legislation and policy across provinces and territories, and across institutional players within the regulatory network. Presumably, this would take the form of an annual or biannual consortium where the overall direction of regulatory policy and institutional activity would be discussed, and, to an extent, agreed.

Towards meeting the twin objectives of rationally allocating white-collar crime cases (i.e., "schemes") to those agencies with the appropriate knowledge and resources and enhancing victim comprehension and thereby satisfaction in the process, symposium participants called for the development of a sectoral-wide complaint intake coordinating agency. Possible institutional creations that could meet these objectives include: generalist officers on the ground who would receive and initially investigate instances of white-collar crime and corporate misconduct to determine where best it ought to be placed (see: Braithwaite 2008: 81-82); a top-down coordinating node that would receive and assign complaints to the appropriate regulatory or enforcement agency. A top-down coordinating node could take the form of a separate specialized agency, or, it could be a conglomerate decision-making body comprised of leading members from each of the regulatory and enforcement agencies.

As an additional measure to counteract public dissatisfaction and general lack of awareness, public outreach, education and support throughout dealing with the victimization experience

were deemed to be essential. Beyond simply coordinating the receipt and allocation of victim complaints, it was considered that informing the public of the full range of services available, their legal rights, and other possible support services were key practical steps forward.

Towards the objectives of reconciling sometimes conflicting cultures and enhancing inter-agency awareness of what strengths and liabilities each node brings to the regulatory and enforcement network, symposium participants agreed that the Canadian Police College should pilot an integrated enforcement training course and assess its' value as a strategy forward. This course will supply a general introductory training structure across the spectrum of regulatory and enforcement issues. Associated with the pilot course was the need to ultimately determine a strategy for training specialization: where all regulatory and enforcement nodes may begin with common background training, it remains to be determined at what point we ought to specialize training according to the specific roles and functions each node performs within the enforcement spectrum.

In terms of seeking to circumvent the more practical structural and legal issues that are reflective of foundational beliefs of dominant political economy -- such as the primacy of the public-private divide -- the point emerged at the symposium that starting with legislation would not likely be the most effective strategy, given that we are moving into largely uncharted territory. Simply put, one does not reinvent foundational assumptions about political economic reality working in a policy-maker's office or a professor's library overnight. Rather, the point was repeatedly put at the symposium that we must seek to continue to innovate on the ground so as to develop and document the successes of institutional arrangements, legal frameworks, and practical operations which seem to be working well beyond the structural limits of the present.

Key to ensuring that the lessons of local experimentation would be formalized and disseminated throughout the enforcement spectrum was the need to set up a mid-level working symposium -- comprised of representatives from all of the stakeholders -- to coordinate research and pass along lessons regarding best practices. These points lead on to a natural discussion of the elements of an evidence-based research agenda that began to be fleshed out at the symposium.

Research Agenda

Identified as needed is the development of a coherent research agenda interrogating successes and failures in coordinated regulation and enforcement in a deliberate, structured manner.

To begin, a great deal more needs to be known about the dimension of the problem of white-collar crime in Canada (and elsewhere): the *relative* overall costs of different forms of white-collar crime must be assessed as part of developing a rational strategy of enforcement resources allocation.

Second, there is a priority need to map who is doing what to regulate and police the most damaging forms of white-collar crime. This involves identifying and evaluating the dominant strategies in dealing with different forms of white-collar crime.

Going deeper within the same theme, it will be important to systematically map the resources that each agency contributes to the broader enforcement spectrum:

Who within the enforcement spectrum has access to key knowledge and skills for dealing with a particular issue?

Who has key capacities towards synthesizing that knowledge and applying key powers -- legal, financial, cultural and symbolic -- to dealing with identified problems?

Mapping the full range of agencies, available resources, and forms of legal and moral power that are available throughout the enforcement spectrum will be essential towards not only responding to white-collar crime after it happens, but to shaping corporate culture and management strategies that are known have an impact on the likelihood of white collar crime occurring in the future through creating cultural atmospheres that are less tolerant of criminal behaviour, and operating environments that are more likely to detect it in its' earliest stages.

As part of identifying who can do what, it should also be specified exactly who cannot do what: there is no shame in admitting an institutional impossibility, for if one of the nodes in the enforcement spectrum cannot deliver on a particular sub-objective, it follows that another node within the enforcement spectrum will have to be found or created and clearly identified as responsible for that sub-task.

As part of this mapping enterprise, the symposium participants stressed that the costs of the various enforcement structures in place today ought to be assessed and contrasted with respect to their impacts: this will permit for a reasoned appraisal of their overall cost/benefit ratio, or, "return on investment". Thus, not only must the nature of the problem be thoroughly empirically described, but the costs of the solution must be defined and presented to government. This will assist in the development of a rationalized system where priorities for targeted enforcement are clearly defined and justified in the evidence.

A key priority area of concern here will therefore be the development of innovative measures/indicators of success: sheer number of successful prosecutions will not do it, as simply taking powerful players out of circulation may or may not have beneficial impact upon insuring the "integrity" of markets: there are all of the residual harms to the "allocative efficiencies" of markets and the primary and secondary victimizations of those who suffer from abuses of corporate crime discussed above that must be built into our measures for success.

The need to innovate in the domain of how best to measure success led the symposium participants on to the point that much more needs to be known about the experiences of victims of white-collar crime: both in terms of their initial victimization and their subsequent experience of the regulatory and enforcement framework. What kinds of regulatory and enforcement responses work best to restore individual wealth, well-being and subsequent willingness to re-engage the market? Reciprocally, what kinds of regulatory and enforcement responses lead on to further damage the position of, and more deeply alienate, victims?

Towards meeting these aims, symposium participants considered that an ideal research strategy would be to conduct pilot projects for how to work together and gradually assemble local models for effective collaboration that are guided by agreed-upon principles/codes of good practice. These small pilot projects ought to be brought together/coordinated/supervised by a working symposium group of financial sector and public sector representatives -- to be immediately constituted -- tasked with sharing information regarding the successes and difficulties encountered in these ground-level experiments.

The lessons of these experiments ought to be synthesized by these groups and communicated throughout the enforcement spectrum and upwards for the purposes of legislative reform. Key mechanisms for dissemination that were mooted were a centralized database of best practices and lessons learned, which could be supplemented and accessed through a national call centre.

These points regarding the coordination of conducting and disseminating the results of research underscored the symposium participants' united emphasis on the importance of institutional leadership to carry forward existing momentum. As an immediate tool to carry forward momentum, symposium participants were supportive of the idea of creating a core working group to draft the mandate of a "coordinating body" to develop an operational/management plan to carry forward the broader elements of the strategies outlined above, including such issues as identifying existing institutional opportunities wherein elements of the enforcement spectrum strategies could be placed, and beginning to identify new ones.

With respect to institutional possibilities, representatives of the National White Collar Crime Center (NW3C) and the US National White Collar Crime Research Center (WCCRC) outlined their successes in pursuing a coordinated federal action-research strategy in cooperation with public police organisations and state regulatory bodies across the United States. It was emphasized that these American bodies have achieved successes in providing integrated training and investigative support -- informed by research -- to a broad range of agencies and entities involved in the prevention, investigation and prosecution economic and high-tech crime. Further, working together, they have managed to disseminate knowledge beyond the enforcement spectrum to civil victims, through a range of community outreach and publication programs. These successes inspired a discussion of the merits of reinvigorating the parallel National White Collar Crime Center of Canada (NW4C) domestically. Whatever the institutional form, symposium participants were united on the imperative of developing a powerful and well-resourced leadership node to drive forward research and coordinate shared training initiatives.

Conclusion

This report has highlighted some of the tremendous costs of, and driving factors behind, corporate and individual civil victims of white-collar crime. It has become clear that white collar crime misappropriates massive financial resources, contributes to market instability and poor market performance, and leads on to all manner of secondary victimization effects including psychological distress and stigmatization.

Given the contemporary complexity of global markets and their importance for underwriting human security in its state-driven guise, governments have reassumed their active role in policing this sphere in the interests of the well being of their populations. Although the contemporary financial crisis has brought these concerns into high relief, there are several decades of leading institutional innovation along with lessons from challenges and failures that must not be overlooked in ongoing efforts to enhance market regulation and corporate crime enforcement models.

The call for developing a well-functioning enforcement spectrum that emerged from the symposium co-sponsored by the Bank of Canada and the RCMP *is aligned with the academic and practitioner literatures that call for the design of "responsive regulatory pyramids" (Braithwaite 2008) that mobilize partnerships across the full range of active nodes to target not only criminal behavior through the use of criminal law, but also to shape corporate cultures and codes of practice through mobilizing cultural power and moral suasion.

Mapping who is doing what, with what benefits, and at what costs towards these broad enforcement aims will be essential towards assembling the empirical knowledge we need to carry forward legislative reform to support networked arrangements that are working well to limit white collar crime – both in the interests of well-functioning markets and of civil victims. Pilot studies testing innovative partnership and coordinating structures will be essential in this regard. As a whole, the results from this ambitious enterprise will drive integrated training models so that cultural change and capacity development will be deep and lasting across the full range of regulatory and enforcement nodes.

To the extent that the symposium demonstrated that the will to carry such experimentation and innovation forward does exist, momentum is in our favor. Strong institutional leadership will be required to maintain and direct this momentum towards realizing a coordinated research agenda, integrated training models, collaborative program development and coordinated scheme management, and legislative reform. Where collective will and effective institutional leadership are aligned, the current financial crisis will not have been wasted.

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