

CRIMINOLOGY

PART # 02

SECTION - A

Qno # 02: White Collar Crimes

Introduction

When most people think of crime, they often picture violent acts or property damage.

However, a far more financially devastating and often socially damaging category of offences exists. White Collar-Crime and Corporate

Crime. These crimes are

committed not on the streets, but

in the suites - within the seemingly

legitimate confines of businesses,

government offices and financial

institutions. While these acts

are non-violent, they use deceit,

cunning and violations of

trust to generate massive

illegal wealth, impacting millions

of lives, destabilizing economies,

and eroding the fundamental

trust that binds a society together.

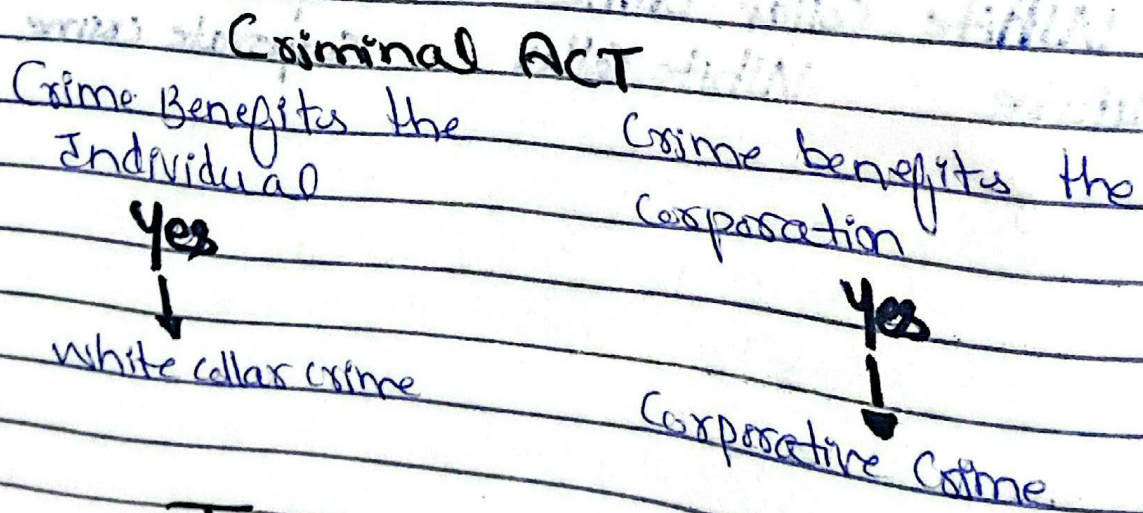
White Collar Crimes

The term "White Collar crime" was first used by sociologist Edwin Sutherland in 1939 and refers to financial motivated, non-violent crimes committed by business and government professionals. Corporate crimes even considered type of white-collar crime, but it specifically focuses on criminal acts committed by a company for its own benefit.

White Collar Crimes vs Corporate Crimes

Feature	White Collar	Corporate crime
Primary offender	A individual (group) in a position of trust, high social status or professional capacity	The corporation or business itself - act of employees, directors or executives
Primary Beneficiary	The individual who commits the crime	The corporation or business entity (to increase profits, gains, market share)
Motive	Personal greed, need to avoid financial loss, or personal gain	organizational pressure to meet financial targets, profit maximization
Nature of crime	Non-violent - by deceit, concealment or violation of trust	Non-violent but can also involve crime that

Feature	White Collar	Corporate Crime
		can harm public 'health, safety'.
Typical punishment	Penalties against the individual: Fines, restitution, imprisonment	Penalties against corporation Massive fines, mandatory regulatory changes, loss of cooperative licence, also face white collar crime charges.
Examples	Embezzlement, Insider Trading for personal gain, Tax Evasion by an individual.	Price fixing, false Advertising, selling unsafe products, Corporate fraud.



Types and Examples

The crimes use complex and involve sophisticated methods to conceal the illegal activities.

COMMON WHITE CRIMES

• Fraud

Intentionally deceiving someone for financial gain (a broad category).

Example

Ponzi scheme: A fraudulent investment operation that pays return to older investors using money called from new investors, like infamous Bernie Madoff scheme.

• Embezzlement

Taking or converting money or assets that have been entrusted to you (often by an employee stealing from an employer).

Example

A company accountant secretly transfers company funds into their personal bank account over several years.

• Insider Trading

Buying or selling stocks based on confidential, non-public information.

Example

A company executive learns their firm is about to be acquired and buys stocks just before the public announcement to profit.

from the guaranteed price increase.

• Money Laundering

Concealing the illegal origins of money by passing it through a series of complex financial transactions to make it look legitimate.

Example

Funneling cash earned from drug trafficking through a chain of legitimate but cash-intensive businesses like car washes or restaurants.

COMMON CORPORATE CRIMES

Corporate Fraud

Falsifying financial information to mislead investors, regulators and the public about the company's financial condition.

Example

Executives at Enron used accounting tricks to hide billions in debt and inflate company's profits, leading to its collapse.

Price Fixing

When competing companies secretly to set prices at a certain level, eliminating competition and artificially increasing profits.

Example

Major Electronics manufacturers agree to sell a specific component at the same high price to maximize profits.

Environmental Crime

Willful violation of environmental laws - illegal dumping or pollution to save money on proper disposal methods.

Example

A manufacture company knowingly dumps toxic waste into a local river instead of paying for proper waste treatment.

Unsafe products/Corporate violence

Producing and goods that are known to be dangerous, resulting in injury or death.

Example

A car manufacture refuses issuing a recall for known faulty parts to save costs, resulting in fatal incidents.

Pakistan Case Study: White Collar Crime

The Panama Papers - 2016

(Public sector corruption)

The Panama Papers Case (focus on an individual's Undisclosed Assets).

The Panama Papers leaks in 2016 exposed a vast amount of financial dealings, leading to significant legal action in Pakistan. Following the Supreme Court investigation, the office holder was disqualified from public office in 2017 for failing to disclose his un-withdrawn salary from a foreign based company.

Corporate Crime: Environmental

Attabad Lake hotel

In June 2025, when a hotel on Attabad Lake in Pakistan was fined and sealed by authorities after a viral video exposed the alleged dumping of sewage into lake, leading to investigation and public outrage.

③ The Impact on Society at Large

Despite being non-violent, the impact of the white collar crime and corporate crime are often far more devastating to public than traditional street "crimes", due to the massive scale of financial losses and the erosion of fundamental trust.

Economic AND Financial Impact

- Massive financial losses
- Market instability
- Increased costs for consumers
- Taxpayer burden

• Massive financial Losses

These crimes cost the global economy billions, often trillions of dollars annually. They can wipe out the life savings, retirement funds and pensions of thousand peoples.

e.g. Ponzi scheme

• Market Instability

High profile corporate scandals can lead to sudden to drop in stock markets causing widespread panic and undermining the public's confidence in the financial systems.

• Increased costs for consumers

Crimes like price fixing, false advertising and tax evasion often lead to the higher prices for goods and services, forcing the general public to bear the financial system.

• Taxpayer burden

When massive companies failed due to fraud, the government often ends up paying for bailouts, increased regulations, and the investigation, prosecution of crimes.

Social & Ethical Impacts

• Erosion of Public Trust

When people see powerful individuals and institutions lie, cheat and get away with it, trust in government, businesses and the justice system is severely damaged. This can lead to cynicism and social unrest.

• Job Losses

When a major company collapsed due to corporate frauds, thousands of jobs were lost.

, who were not involved in the crime, lose their jobs, creating a ripple effect in public.

Conclusion

In the final, white collar and corporate crimes are not victimless acts. They represent a significant, often chronic threat to global economy and social cohesion. The white collar focuses on the financial misleads of individual for personal gain, the corporate crimes is system failing where the entire organization benefit often at the expense of public health and welfare. A vigilant and robust public welfare framework are essential to holding corporations and executive accountable and ensuring fairness and stability in the market.



SECTION C

Q No # 07: Interpol

Introduction

Interpol (International Criminal Police Organization) is the world's largest international police cooperation body, aiming to "connect police for a safer world". However, its effectiveness is often challenged by two major interconnected limitations imposed by its 196 member states.

- National sovereignty
- Abuse for political victimization

These issues stem from the fact that INTERPOL is not a supranational police force; it relies on the voluntary cooperation of member countries which always prioritize their own national laws and political interests.

CORE FACTS: The Legal Foundation of Limitations

Interpol's own constitution contains the rules that both enables its work and impose these fundamental limitations that lead to abuse.

- **National Sovereignty**

Interpol cannot compel any member state to act on alert (like red notice). The decision to arrest or extradite is always governed by the individual country's national laws.

- **Article (3) Political Neutrality**

It is strictly forbidden for the organization to undertake any intervention or activities of a political, military or religious character.

- **"Within the Limits of Laws"**

INTERPOL's mandate is limited to operating "within the limits of the laws existing in different countries." This forces INTERPOL to defer to national legal systems even when they may be unjust.

Part 1: Limitation by National Sovereignty

Sovereignty concerns over the idea that country has supreme authority within its borders. While essential for

Nation-states, this principle severely limits INTERPOL's power.

Part 1:

MAIN Sovereignty Limits Actions

1- No Arresting Power

INTERPOL officers cannot cross international borders to make arrests, conduct searches, or gather evidence. They only transmit requests and data (like Red Notice). The actual police work is done by local law enforcement of the member state.

2- Voluntary Cooperation

Cooperation is not mandatory. A country can simply choose to ignore or decline a request from INTERPOL or another member state if it conflicts with its national law, foreign policy or human rights standard.

3- National Database Disparities

Even if INTERPOL cancels or delete a Red Notice from its central system (after realizing it was politically motivated), it cannot legally force all 196

member states to remove the data from their own national police databases. This means an illegitimate alert can remain "live" and actionable in various countries.

Part II:

The Problem of Political Victimization

The most damaging limitation is the exploitation of INTERPOL's systems by member states to pursue political opponents, journalists, activists, a refugee - a direct violation of article 03.



Image: INTERPOL Logo

Case Studies of Political Abuse

~~Case~~ Bill Browder:

Bill Browder - British-American Foreign Investor. He was foreign investor in Russia. Bill's conflict with Russia stems from

his discovery of massive government corruption, leading to death of his lawyer S. Magnitsky in a Russian Prison.
Russia repeatedly used INTERPOL notices for alleged tax evasion after Browder led the campaign for the Magnitsky.

The Cases of Pakistan and Rejection by INTERPOL

Pakistan, as a prominent member state is involved in INTERPOL matters in two main ways:

- as a requesting state (seeking arrest and extradition of fugitives).

- as a host state (dealing with request from other countries).

INTERPOL and Sovereignty Challenge: The Case of Pakistan (Political Abuse).

The most recent and clear example of INTERPOL's limitation due to concerns of political victimization involves prominent Pakistani politician

figures targeted by the state.

Case of Monis Elahi (2025)

Monis Elahi is the prominent Pakistani political figure, son of former Chief Minister of Punjab and close ally of Pakistan's big political party.

Pakistan's Federal Investigation filed a request for a INTERPOL's Red Notice against Elahi who had fled during crackdown on his ally political party. The charges were related to serious crimes, including murder, money laundering, corruption and misuse of authority. This is common tactic used to satisfy INTERPOL's requirement that notice must be for ordinary law crime, not political acts.

INTERPOL Decision:

In November 2025, INTERPOL's general secretariat rejected the request and certified that Elahi was not subject to any notice.

• The Rationale (Sovereignty / Political Neutrality)

INTERPOL rejected the request on two key factors.

• Lack of Evidence

The FIA reportedly failed to provide sufficient evidence to back the serious charges.

Political Classification

INTERPOL classified most of the cases against Elahi as "political in nature".

This directly invokes of the INTERPOL's constitution, which prohibits the organization from intervening in cases of political character.

Pervez Musharraf (former President and Military Ruler).

This case is classic example of INTERPOL enforcing its political neutrality (Article 03) against the sovereign state request.

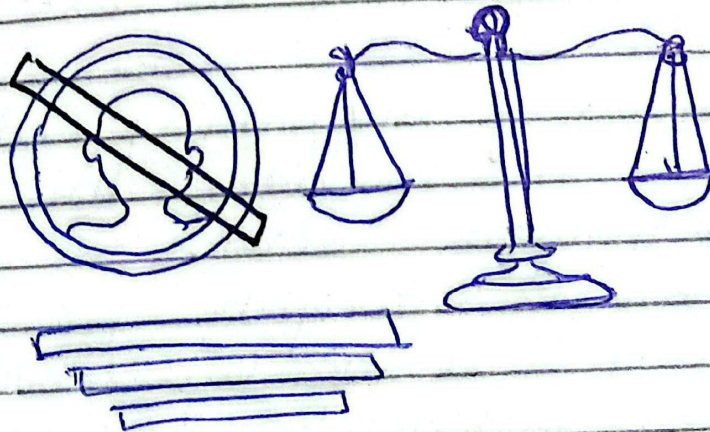
The Context

Following the assassination of former Prime Minister of Pakistan Benazir Bhutto

In 2007, the Federal Investigation Agency (FIA) in Pakistan sought to apprehend former President Pervez Musharraf, who was living in self-exile.

Request and the charge

Musharraf was declared fugitive by a Pakistani-anti-terrorism court in connection with the Bhutto assassination case. The official charges were related to criminal conspiracy, which fall under the category of serious crimes, eligible for Red Notice.



Removal of Red Notice INTERPOL Limitations in Rejection Outcome

Interpol INTERPOL rejected Pakistan's request for a Red Notice Against Musharraf twice (2012 and 2013).

Political Neutrality

INTERPOL stated that case against Musharraf constituted the matter of "political prominence".

~~Conclusion~~ Sovereignty Overridden

INTERPOL directly refused the request of a sovereign member state (Pakistan) because the underlying motive for the arrest was judged to be political, violating Article 03.

Conclusion

INTERPOL is an essential tool for fighting against transnational crimes like drug trafficking and terrorism. However, the organization relies on national sovereignty for action and the vulnerability of its system to political victimization by member states are critical limitation.