Analysis of Economic Crime in Religious Institutions using Convenience Theory: What is so special about Motive, Opportunity and Willingness?

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Abstract
There is a research debate whether or not religious people demonstrate less delinquent behavior in terms of white-collar crime. This article focuses on those members of religious institutions who become offenders, and the article attempts to explain their behavior by the theory of convenience. Convenience theory suggests that the extent of white-collar crime is determined by financial motive, organizational opportunity, and personal willingness. As described in this article, religiosity may influence motive, opportunity, as well as willingness. The motive can be a greater good, the opportunity can be the lack of control because of trust, and the willingness can be the availability of forgiveness.

Keywords: Convenience theory, white-collar crime, deviant behavior, institutional opportunity, religious organization.

Introduction
Financial crime within organizational settings where the common denominator is faith is extremely difficult to detect, investigate and prosecute. Only by exception are white-collar criminals caught and brought to justice (Gottschalk, 2017a, 2017b).

Religiosity is defined as personalized religious adherence, experiences, beliefs, and attitudes (Johnson et al., 2000). Relational religiosity is defined as religiosity that incorporates social relationships between believers and religious mentors, where religious beliefs are not solely personal in nature. Rather, religiosity is shaped and reinforced by the relationships built between individuals. Kelly et al. (2015) conducted a meta-analysis of previous studies concerned with the relationship between delinquency and religiosity. They found that church attendance might have a deterrent effect on delinquent behavior, where relational religiosity might be shaped and reinforced by the relationship built between individuals.

The relationship between religiosity and delinquency is an area of research that attracts interest. Hirschi and Stark's (1969) seminal test of the hellfire hypothesis sparked a debate amongst researchers after they concluded that religious commitment was not related to delinquency. Their hellfire

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hypothesis argued that religious adherence contributes to social control through the development of moral values and acceptance of conventional types of authority. According to the hypothesis, those who are tempted to commit crime or be deviant are deterred by the threat of fire in hell (as a metaphor). But they found no support for the hypothesis, which later was challenged by a number of researchers including Higgins and Albrecht (1977).

Convenience Theory

The theory of convenience suggests that white-collar crime is committed if financial crime is an attractive alternative compared to other alternative actions in times of crisis or possibilities (Gottschalk, 2017b; Sutherland, 1939). Embezzlement, corruption, fraud and other forms of financial crime can emerge as the most favorable option in a convenience perspective (Farquhar and Rowley, 2009; Higgins, 1997; Sundström and Radon, 2015).

Convenience can be found in three dimensions. In the economical dimension, the motive is avoidance of crises or exploration and exploitation of possibilities. The motive is not always greed. In the organizational dimension, there is opportunity to commit and conceal financial crime. The offender has legitimate access to resources to commit crime. In the behavioral dimension, individuals demonstrate willingness for deviant performance. For example, an offender applies neutralization techniques to rationalize own actions.

Organizational opportunity is a distinct characteristic of white-collar crime that varies with the persons who are involved in crime (Piquero and Benson, 2004; Pontell et al., 2014; Stadler et al., 2013). An opportunity is attractive as a way to respond to needs. It is the organizational dimension that gives white-collar criminals the opportunity to commit economic crime and hide it in seemingly legal activities in the business. White-collar crime is an offense based on specialized access.

The opportunity perspective holds that opportunity is a fundamental cause of crime. The perspective assumes that individuals make choices to engage or not engage in crime based on the availability and attractiveness of criminal opportunities. Situational crime prevention theory seeks to identify the factors that influence the distribution and attractiveness of criminal opportunities, and then to suggest ways in which attractiveness might be reduced. The theory predicts that reducing the attractiveness of criminal opportunities will lead to reductions in crime.
A criminal opportunity can be described as the presence of a favorable combination of circumstances that renders a possible course of action relevant. Opportunities for crime occur when individuals and groups can engage in illegal and unethical behavior and expect, with a certain confidence, that they will avoid detection and punishment. Opportunity to commit white-collar crime can be found at the community level, the business level, and the individual level. At the community level, control regimes might be absent, and entire industries may be available for financial crime. An example here could be the construction industry, where one can find instances of both cartels and undeclared work. Another example could be tax collection authorities that are unable to trace and control accounting figures from businesses, thereby opening up for tax evasion with minimal risk of detection and punishment.

It has been argued that a criminal opportunity has the following five characteristics: (i) the effort required to carry out the offence; (ii) the perceived risks of detection; (iii) the rewards to be gained from the offense; (iv) the situational conditions that may encourage criminal action; and (v) the excuse and neutralization of the offense.

At the business level, ethics and rules can be absent, while economic crime is a straightforward business practice. An example here is subsidy fraud, where ferry companies report lower traffic number to ensure greater government transfers. Another example is internal invoice fraud, where the accounting department lacks overview over who is allowed to approve what invoices.

At the individual level, greed can dominate, where the business does not have any relevant reaction to economic crime. An example here might be law firms where partners abuse money in client accounts. Another example is corruption, where the bribed person receives money from the bribing person, without anybody noticing on either side.

The organizational opportunity to commit white-collar can manifest itself through the following three characteristics (Benson and Simpson, 2015): (1) the offender has lawful and legitimate access to the premises and systems where crime is committed, (2) the offender is geographically separated from his victim, and (3) criminal acts appear to be legitimate business.

This is very different from street crime such as violence and burglary, where the offender has no legal access, the offender is at the same place as his victim, and the offense does not appear to be legal. A fundamental difference between white-collar crime and street crime is that while white-collar people conceal their crime but do not hide themselves, street criminals do not conceal their crime but hide themselves. Street crime is easily detected, while
street criminals are not always easy to find. White-collar crime is hardly detected, but white-collar criminals are easy to find. White-collar crime does not take place privately; it takes place on the job. The organization is the venue for crime. Opportunity can be described by context and environmental conditions that facilitate rather than prevent the carrying out of criminal activities. For example in the case of corruption, both the briber and the bribed are linked to a job context. The briber typically uses company money to pay, while the bribed receives the money personally because his organization is attractive to the bribing company. The organizational dimension through work represents the offender’s scope for crime. By virtue of employment, ownership, position, relations and knowledge, the offender can explore and exploit his association with the organization to commit financial crime. As sales executive, the person can pay bribes, and as procurement executive, the person can receive bribes. As finance executive, the person may safely commit embezzlement by fixing accounting figures, and as chief accountant, the person can manipulate accounting to providing tax evasion. As chief executive, the person can sign fake contracts or order fraudulent appraisals that open up for bank fraud by asking the bank to finance future income to be expected from contract partners and sale of real estate. There are ample opportunities for economic crime by executives and others linked to enterprises. Examples of others include administrative managers, attorneys, auditors, bank managers, board members, boat dealers, car dealers, concert organizers, councilmen, management consultants, district managers, entrepreneurs, investors, mayors, medical doctors, members of parliament, nursery owners, property developers, real estate agents, shipbrokers, stockbrokers and surveyors. White-collar crime opportunities occur through the three characteristics described above. The opportunities are greatest for top executives and other members of the elite in society. In relation to convenience theory, the three characteristics make it comfortable, easy and convenient to commit financial crime to solve a problem or answer to a challenge. It may be relatively simple and thus convenient for white-collar elite members to hide criminal activities in the stream of legal activities, and thus give grime an outer semblance of credibility in a respectable business. Opportunity makes a thief, it is sometimes stated. If the availability of legal opportunities to solve problems and exploit possibilities deteriorates, while illegal opportunities flourish and are considered convenient, then white-collar individuals will become less law-abiding. If fraud, theft, manipulation
and corruption are easily docked in the enterprise, while law-abiding alternatives are invisible or hard to implement, then opportunity makes an offender.

Organizational opportunity for economic crime depends on intellectual and social capital that is available to the potential white-collar criminal. Intellectual capital is knowledge in terms of understanding, insight, reflection, ability and skill. Social capital is relations in hierarchical and transactional exchanges. Social capital is the sum of actual and potential resources available for white-collar individuals by virtue of his or her position in formal and informal hierarchies, networks, and matrices. Formal as well as informal power means influence over resources that can be used for crime.

White-collar offenders are often not alone when committing financial crime. They may cooperate with people internally as well as with people externally. If there is internal crime cooperation, then it may be more convenient for each individual to participate. An environment where crime is accepted strengthens the organizational opportunity. If there is external crime cooperation, then it may again be more convenient for each individual to participate. External actors, who submit fake invoices or receive bribes, enter into a relationship with the internal actor(s) with a code of silence.

The organizational dimension of white-collar offenses is particularly evident when crime is committed on behalf of the business. A distinction is often made between white-collar criminals who commit financial crime for personal gain and white-collar criminals who do it for their employer. The first is labelled occupational crime, while the second is labelled corporate crime. Examples of corporate crime include manipulation of financial figures for tax evasion and unjustified government subsidies, bribery to obtain contracts, false loan applications to obtain credit in banks, and money laundering in tax havens to recruit securities clients. The organizational anchoring of crime is evident in corporate offenses as crime takes place within the business and to the benefit of business.

Financial Motive

Greed can be found among all sorts of people. When there are simple opportunities for financial gain to solve problems and enjoy possibilities, then economic crime can be a convenient action. Among religious people, the motive can be strengthened if they believe that they will not end up in heaven or paradise anyway. They may not trust an after-life situation. For them it can become urgent to satisfy all desires and needs on earth.
There can be a strong leader-follower motive in religious institutions. While religious leaders have ambitions on behalf of their congregation, followers may feel a strong sense of commitment to financial goals established by leaders. Obedience can be a motive for followers. Obedience theory has the potential to explain follower behavior in white-collar crime (Baird and Zelin, 2009: 1):

Obedience theory posits that individuals may engage in behaviors that conflict with their personal values and beliefs if they are subjected to pressures to obey someone in authority.

Religious leaders may have a strong desire to build an empire on earth that can become reality by means of a growing number of followers. Glasø and Einarsen (2008) studied emotion regulation in leader-follower relationships. They found that negative emotions such as disappointment, uncertainty, and annoyance are typically suppressed, while positive emotions such as enthusiasm, interest, and calmness are typically expressed or faked. Religious followers may have a strong desire to be part of a financially successful institution. Financial success enables the institution to satisfy important member needs, such as living, travel, recognition, self-realization and prestige according to Maslow’s hierarchy of needs as described by Gottschalk (2017a). A convenient life for both leaders and followers emerges as the institution becomes financially solid and prosperous.

White-collar crime can benefit the institution or the individual. Institutional benefit is caused by corporate crime, while personal benefit is caused by occupational crime. Hansen (2009) argues that the problem with occupational crime is that it is committed within the confines of positions of trust in organizations, which prohibit surveillance and accountability. Corporate crime, sometimes labeled organizational offending, on the other hand, is resulting from offenses by collectivities or aggregates of discrete individuals.

Organizational Opportunity
It is important to ask the following question: Is there too much trust, too much freedom, too much individual authority, too little skepticism, too much loyalty and too little control of the financial side in religious organizations? Is trust often betrayed in terms of white-collar crime in religious institutions (Fleckenstein and Bowes, 2000)? According to Owens and Shores (2010), most incidents of white-collar crime in are exploitations of trust, which can
be fostered by a shared religious identity between the victim and the perpetrator.

Are social religious networks an attractive arena for white-collar criminals (Shores, 2010)? Is the moral of not acting illegally blinded by a chance perspective when an attractive opportunity arises? Do shared religious beliefs lead to less acceptability of white-collar crime (Corcoran et al., 2012)? Many questions have been asked and can be put forward concerning white-collar crime in religious organizations.

Religious organizations that emphasize mercy and civil liberties over justice create an appealing atmosphere for certain criminals. Religious organizations tend to focus on forgiveness rather than punishment, which is attractive to offenders (Johnson et al., 2000). The focus on mercy may tend to distort the reality of white-collar crime and even potentially encourage it (Fleckenstein and Bowes, 2000).

Chintrakarn et al. (2017) found that religious piety leads to weaker governance in organizations. Weaker governance provides greater opportunities for unfaithful servants to commit white-collar crime. Governance is the way the rules, norms and actions are structured, sustained and regulated. Weak governance can imply that nobody is held accountable. Special organizational opportunity for deviant behavior arises out of several factors. One factor is the biased recruitment to religious organizations. Religious service motivation suggests that individuals enter into positions in religious institutions for other reasons than profit and financial success. Therefore, they tend not to suspect each other (Gottschalk and Smith, 2016).

Another factor is the institution’s ability to place their own trusted leaders in key political positions in local municipalities and societies. Their leaders’ influence may prevent any questioning from the internal revenue service and other public authorities, because the local presence of the institution is considered an asset and most key politicians are also associated with the institution. The internal revenue service does also have a problem in auditing accounting statements from religious institutions since their structures tend to be so different from business organizations.

The organizational dimension of white-collar crime becomes particularly evident when financial crime is committed to benefit the organization rather than the individual. If a church official violates the law in acting for the organization, we define it as corporate crime (Reed and Yeager, 1996).

Some religious institutions are too big to fail, and some religious leaders are too powerful to jail (Pontell et al, 2014). When a religious leader is convinced
this is the case in his situation, then there is no relevant deterrent guardian present in a criminal mind to prevent misconduct and crime.

**Personal Willingness**

Heaton (2006) found no empirical evidence for the proposition that religion has a deterrent effect on crime, although sociologists and criminologists have long recognized the potential links between religious belief and delinquent behavior. Hofmann et al. (2014) found that religious and non-religious participants did not differ in the likelihood of committing moral and immoral acts, or in the quality of the acts committed. Some perpetrators may argue that it is the will of God, and therefore they can violate the law. Some religious individuals portray themselves as more moral than others (Arnesen, 2014). Tjørholm (2016), a professor of religion at a university in Norway, argues that in some situations, the Catholic Church seems to decouple itself from the common moral and social obligations:

> The indictment against Oslo Catholic Diocese was recently announced. The chief financial officer is accused of serious fraud, with a maximum possible sentence of six years. On the part of Oslo Catholic Diocese, the allegation involves a fine of one million Norwegian kroner. Bishop BerntEidsvig avoided indictment because adequate evidence of guilt does not exist. Management in Oslo Catholic Diocese has undoubtedly adopted reprehensible methods when members were registered as a basis for allocation of state subsidies (p. 12).

Just like any offender, religious offenders apply neutralization techniques. Powell-Williams and Powell-Williams (2016) found that church members engage in common neutralization techniques including denial of responsibility for the pain and discomfort they cause, appealing to higher loyalties, and denial of victimization. They interviewed members of the Westboro Baptist Church.

Fleckenstein and Bowes (2000) suggest that the principle of justice may be compromised or nullified by the emphasis on the principle of mercy, and that the fear of publicity may paralyze religious organizations in the prosecution of white-collar criminals. They argue that trust is an especially complicated issue in religious organizations, since trust in God should not be questioned. A violation of trust within a religious institution can create an atmosphere of fear and mistrust among members who begin to lose confidence in each other.
Religious organizations tend to focus on God’s forgiveness, and they attempt to practice the same focus among themselves (Fleckenstein and Bowes, 2000: 113):

They take a humanitarian attitude towards crime. Crime is seen more as a disease to be healed. The criminal needs therapy and can be cured. In addition, the reluctance to undergo the scrutiny of a public trial leaves some organizations paralyzed and encourages those bold enough to try and take advantage of the situation.

While the personal willingness to commit white-collar crime may be just as strong or even stronger compared to non-religious people, believers tend to express the opposite attitude. Therefore, it comes as no surprise that religious people score more favorable on surveys on attitudes towards delinquency. For example in a study of tax fraud acceptability, Stack and Kposowa (2006) found that the higher individuals’ level of religiosity, the lower the tax fraud acceptability. In fact, believing that you are morally superior to others may enable convenient acceptance of personal misconduct and crime.

Corcoran et al. (2012) studied religion and acceptability of white-collar crime. They found that offenders are more willing to commit white-collar crime if the potential offenders have an impersonal, inactive or amoral conception of God. If a believer is dissatisfied with God as perceived by him or her, then there will be a greater acceptability of white-collar crime.

Obedience to authority is common in religious institutions. Authority can be defined as domination, where the probability is high that a certain specific command will be obeyed by a given group of persons. Authority assumes voluntary compliance or an interest in obedience. Obedience is an obligation that is formal, and one follows it without regard to one’s own attitude or lack of value of its content (Aguilera and Vadera, 2008). According to Fehr et al. (2015), followers experience feelings of shame and guilt when they fail to support their religious leaders and fail to reject those who vocalize morals that contradict their leaders’ views.

Hofmann et al (2014) found that religious people could be just as harmful, unfair, disloyal, subversive, degrading, and dishonest as nonreligious people. There was no discernible difference in the frequency of positive moral experience. However, religious people reacted more strongly in psychological terms to immoral deeds that they commit. Religious people experienced more intense self-conscious emotions such as guilt, embarrassment, and disgust in response to the immoral deeds they committed, and more pride and
gratefulness in response to moral deeds. Viewed in concert, these findings suggest that religious and nonreligious do not differ in their deviant behaviors, but religious people feel more strongly the immoral deeds they commit.

**The Blomhoff Case**

Are Blomhoff was educated as a priest and became chief executive officer (CEO) at the religiously-based social foundation Betanien in Bergen, Norway. The foundation operates several nursing homes, kindergartens and health institutions associated with the Methodist Church. When he was 52 years old, CEO Blomhoff was in charge of developing a nursing home in Spain for older Norwegians. He got money transferred from Spain to Norway for the project. He had exclusive responsibility for all money transfers to Spain. He embezzled some of the transferred money to buy himself an apartment in Spain and to arrange expensive parties with prostitutes in Spain. Two whistleblowers in Spain sent notice to the chairman at Betanien in Norway, but the chairman would not believe that a priest could do such a thing. When the whistleblowers threatened to tell Norwegian media about the case, then the chairman confronted the CEO with the allegations, and Blomhoff confessed to embezzlement. Fraud examiners from accounting firm BDO (2014) were hired by the chairman to find out if there was more money embezzled by the CEO than he already had confessed (Drammen tingrett, 2014). The private investigators found evidence of more embezzlement. In terms of convenience theory, we find evidence of all three dimensions:

1. **Motive in the economical dimension: Greed to buy private apartment and expensive parties in Spain.** While being a priest and CEO in Norway, he had suppressed all his desires for a wild life that could be enabled by money. Finally, he could enjoy life the way he really wanted.

2. **Opportunity in the organizational dimension: Exclusive responsibility for money transfers and no control by others.** He was handling large sums of money for the construction project, and only an invisible fraction of the money was taken by him. He did not really conceal his illegal transactions, but he knew that nobody else had access to the relevant accounts. The abused accounts were neither part of the Betanien Foundation in Norway nor the FundacionBetanien in Spain. Money transfers from Norway were conducted by employees after instructions from the CEO. The transfers were based on fake offers.
and invoices from Spanish suppliers. Blomhoff got travel and other personal expenses refunded by both StiftelsenBetanien and FundacionBetanien. Some of the money transfers occurred via a bank account in Luxembourg.

3. **Deviance in the behavioral dimension: Different behavior in Spain from Norway.** He would never have done it at home. While in Spain, he became a different person and was willing to embezzle money and hire prostitutes for parties with friends. His willingness increased as he did not notice any damage or any victims of his crime. Blomhoff had problems with substance abuse, which was noticed by the whistleblowers.

In the report of investigation, fraud examiners at BDO (2014: 7) write: “According to the assessment of BDO, the Foundations organizational and internal control is characterized by a situation where the chief executive has enjoyed substantial trust among board members and employees of the foundation and thus had wide powers”.

Fraud examiners also criticize the board for not reacting timely to whistle blowing and to other information (BDO, 2014: 10):

> Information has come to our attention about a safe that was removed from the former CEO’s house in Spain, in addition to another safe that was allegedly stolen during a burglary. This happened in the days after the former CEO was confronted with the embezzlement claims. It is our opinion that the case could possibly have been far better documented if the board had chosen to contact the police before the former CEO was confronted with the issue.

**Discussion**

Fleckenstein and Bowes (2000) find that the prevalence of white-collar crime and the fact that it is of a non-violent nature seems to have led religious organizations to deal with it rather leniently, failing to recognize the impact of such crime on society in terms of law-breaking behavior. They argue that the quality of God’s mercy is never arbitrarily distributed, and suggest that the condition for receiving God’s mercy is individual repentance. The offender must regret his or her behavior and must be contrite in order to receive mercy.

Fleckenstein and Bowes (2000: 114) argue that religious organizations have misunderstood their role in society in terms of criminal justice:
Religious organizations should not be afraid of prosecuting crimes committed against them to the fullest extent of the law. Mission statements and fundamental beliefs focusing on the quality of mercy must be tempered by the quality of justice. As Thomas Aquinas reminds us: “God acts mercifully, not indeed by going against His justice, but by doing something more than justice.” Further, the public has the right to know that investment in these organizations is not only safe, but will be used for the purpose intended. Working against crime and prosecuting these criminals keeps the public trust.

This article does not approach the question of whether or not there is more or less white-collar crime in religious institutions. This article is focused on the convenience perspective for those who commit white-collar crime in religious institutions, either to benefit themselves or to benefit the institution. It seems that offenders have convenient motive, opportunity as well as willingness to commit crime.

There are several avenues for future research based on this article. While the article has made a contribution as a reproduction of the state of the art by applying the theory of convenience, future research might develop innovative insights into how and why it can be expected that religion and money crime produce different effects than in a non-religious setting.

Conclusion

There may or may not be a causal link between religiosity and delinquent behavior in terms of white-collar crime, where potential offenders are deterred from crime because of the hellfire hypothesis and other circumstances. This was not the issue in this article. The issue in this article was that for those who become offenders and commit white-collar crime, there can be especially convenient alternatives. This article has focused on those members of religious institutions who become offenders, and the article attempted to explain their behavior by the theory of convenience. Convenience theory suggests that the extent of white-collar crime is determined by financial motive, organizational opportunity, and personal willingness. As described in this article, religiosity may influence motive, opportunity, as well as willingness. The motive can be a greater good, the opportunity can be the lack of control because of trust, and the willingness can be the availability of forgiveness.
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