**2 History, Narrative and Attacking**

 **Chronocentricism in Understanding Financial**

 **Crime: The Significance of Micro-history.**

Sarah Wilson

I

There are numerous factors making the study of financial crime fascinating for historians. Some of these are properly regarded as part of the current structural architecture of the historiography of modern Britain, while others lie beyond this, with points at which these internal and external influences also come together. Firstly, lying within the framework of historical study there is the importance of ‘micro-history’ as a vital thread for the historiography of ‘crime and society’, and also the tradition of silence within crime history itself concerning modern Britain’s encounters with ‘a whole new world and vocabulary of ingenious crime, which could only be perpetrated by business men…’[[1]](#endnote-1) In looking at external influences, this contribution also explores how these silences in the historiography of crime and society might coexist with, and indeed even reflect, trends in criminological scholarship where criticism is made that criminologists continue to focus disproportionately on the ‘conventional forms of crime and delinquency’ which dominate academic scholarship.[[2]](#endnote-2) This contribution engages with intellectual spheres of history and criminology, and also looks to respond to calls from within both disciplines to communicate much more comprehensively with one another.[[3]](#endnote-3)

The history of financial crime is an excellent reference point for encouraging greater discourse between history and criminology. It illustrates the importance of criminology for crime historians, and it shows saliently how criminologists *can* glean historical enrichment for key intellectual problematics underpinning their interest in ‘law breaking’, and that they *should* consider whether these problematics are themselves historically rooted. More will be said on criminologists’ interest in financial crime throughout, with this being situated closely alongside its treatment from historians, and more particularly, historians of crime. Moreover challenging criminologists to engage with crime history provides an invitation, and indeed actually a mandate, to engage with current debates on the meanings of history and the role of history within arts, humanities and social science scholarship. At points it becomes difficult to isolate how examining financial crime is influenced from traditions and patterns within historical scholarship rather than by external factors. It is also the case that the global financial crisis is also a powerful influencing force for understanding both the challenges presented by financial crime in the twenty-first century, and also the perceived importance of history for moving forward from a ‘once-in-a-lifetime’[[4]](#endnote-4) period of immense significance.

Focusing on financial crime itself, there is increasing acknowledgement amongst scholars and also beyond the academic community of an analytical ‘conscious coupling’ of financial crime with the financial crisis.[[5]](#endnote-5) Here the global financial crisis is being identified as a turning point for financial crime enforcement,[[6]](#endnote-6) itself associated with a new aggressive era of response, characterised by new tough and intrusive institutions and policies.[[7]](#endnote-7) More normatively, it is being hailed as a ‘transformative’[[8]](#endnote-8) point for financial crimes and their perpetrators to receive opprobrium properly reflecting these activities’ hugely damaging capabilities.[[9]](#endnote-9) At the same time, this strong future-oriented view of financial crime is also occurring alongside UK regulators’ increasing interest in how the events of the past could and indeed *should* guide the search for new post-crisis approaches to regulating the financial sphere, including calibrating new and ‘transformative’ responses to financial crime.[[10]](#endnote-10)

II

From the above, it should now be apparent that presenting a historical case study of financial crime is a complex exercise. It must embrace the current ‘spotlight’ on financial crime itself in the post-crisis regulatory environment, as well as matters which might arise more obviously from historical writing. It must also be concerned with how historians have traditionally responded to its presence in the emergence of modern Britain; and with how this might well tap into established criminology, where the study of ‘white-collar crime’ is an established and respected distinctive sphere of considerable volume, and yet illustrates criminology’s ‘chronocentric’ tradition and its disproportionate concern with ‘traditional’ crime. Taking the latter, criticism of criminologists’ characteristic adherence to ‘presentism’, embodied in configuring ‘new times’ as ones requiring ‘new approaches’ - and evident in a small but burgeoning body of ‘historical criminology’- *is* highly pertinent for this crime history case study of financial crime. This is so on account the perceived benefits of adopting extended timeframes for study and utilising historical methodology amongst criminologists.[[11]](#endnote-11) However, there is little scope for exploring this methodologically herein. In contrast, more is said about criminologists’ interest in white-collar and more traditional deviance, with most attention being paid to the acknowledged importance of micro-history within crime historiography; the comparative absence of financial crime from established historical studies of crime and society, and actually to what might be meant by ‘financial crime’ for these purposes.

The scope of this chapter is very strongly influenced by how, for historians of crime, the importance of undertaking research in financial crime remains to be demonstrated to a very significant degree. From this, showcasing individual case studies has to sit alongside actually making the case for why crime history should indeed embrace the history of financial crime. The selected case studies are drawn from extensive study which asserts that it was during the nineteenth century that social attitudes and legal responses to ‘financial crime’ started to take shape. As it was during this time when linkages between ‘impropriety’ and ‘business people’ and ‘business environs’ started to crystallise in British legal and wider societal consciousness in ways which are recognisable today,[[12]](#endnote-12) these cases and their contextualisation attest to the need for crime history to embrace the history of financial crime. Suggestion that this occurred through revelations of extensive perpetration of ‘ingenious crime’ accessible only by prominent businessmen from the 1840s, runs contrary both to the presentist approach of white-collar crime criminology and also the dominant narrative of crime historiography. For criminology, its chronocentrism is readily apparent in how ‘financial crimes’ are presented and analysed as artefacts of ‘Twentieth Century Crisis’[[13]](#endnote-13) and even as ‘modern crime *par excellence’*,[[14]](#endnote-14) with this manifested in different ways. Whilst some studies show no engagement whatsoever with times predating the twentieth century, most will suggest that misconduct worthy of the labels of ‘Twentieth Century Crisis’ and ‘modern crime *par excellence’* is not actually ‘new’[[15]](#endnote-15) and is in many respects as ‘old as Ancient Egypt’.[[16]](#endnote-16) Both positions are grounded in the technologising influences of the twentieth century[[17]](#endnote-17) with the latter showing how presentism and chronocentrism can be associated with the distinctiveness of the present in the vein of ‘new times requiring new approaches’, rather than with complete denial that issues associated with ‘law breaking’ have a history.

In terms of what this body of work regards as ‘financial crime’, this can commonly be found referenced closely alongside the terminology of ‘fraud’ to denote some type of non-violent means of ‘obtaining some economic advantage or causing some economic loss.[[18]](#endnote-18) The location of academic studies of financial crime within ‘white-collar crime’ scholarship reflects how the ground-breaking work of Edwin Sutherland gave rise to this distinctive strand of criminology during the 1930s and 1940s. Whilst Sutherland’s seminal definition of a white-collar crime as one which is ‘committed by a person of respectability and high social status in the course of his occupation’[[19]](#endnote-19) *is* highly salient for this case study of financial crime, of greater significance for illuminating scholars’ use of the terminology of ‘financial crime’ is Sutherland’s classification of two types of ‘business crime’. Alongside duplicity and the manipulation of power (crimes of corruption) Sutherland located infractions involving misrepresentations of asset values, which ‘approximated with fraud or swindling’.[[20]](#endnote-20) For the latter, although an extensive social and economic spectrum of financial crime offending is recognised – with such activities being committed by the blue collar community and ‘elite insider dealers’ alike,[[21]](#endnote-21) and for some scholars even includes social security/welfare offenders- this is a study of ‘crime in the commercial sphere’.[[22]](#endnote-22)

III

What interested American sociologist Edwin Sutherland about white-collar crimes in the early twentieth century continues to shape today’s criminology very strongly. For Sutherland, as it remains for a number of his followers, law enforcement priorities ensured that the criminal courts dealt primarily with those who committed ‘traditional’ or ‘ordinary crimes’[[23]](#endnote-23) whilst other offending remained unenforced and unpunished on account of a matrix of factors clustering around lack of effective law making and unorganised societal opprobrium.[[24]](#endnote-24) For Sutherland and his followers this arose from how many highly-profiled, extensive, and high-value infractions involve some of the most powerful individuals or corporations in society.[[25]](#endnote-25) However the scholarship is also deeply divided, with the alleged legal system bias in favour of respectable business people being forcefully challenged in some quarters,[[26]](#endnote-26) and where views are also expressed that such activities are properly regarded as legal violations of a more technical *mala prohibita* nature than ‘serious crime’.[[27]](#endnote-27) Moreover from the observation that the terminology of ‘white-collar’ crime has migrated from academic study into popular discourse,[[28]](#endnote-28) popular opinions on activities regarded as such appear to mirror these deep divisions within the academic community.[[29]](#endnote-29) This seductive notion of white-collar crime as a ‘public lexicon’ as well as scholarly construct[[30]](#endnote-30) is clearly a powerful draw for criminologists especially in the context of controversy and divisions in viewpoints concerning whether activities are ‘less criminal’/not real crime or ‘more criminal’ than crime as more ordinarily understood and encountered.[[31]](#endnote-31) In a setting where such perceptions of ‘financial crimes’ have been effectively captured in the trope (for white-collar crime more broadly) of ‘crime of ambiguity’,[[32]](#endnote-32) these activities are regarded as ‘among the most difficult crimes for the legal system to deal with, let alone control’.[[33]](#endnote-33)

The attraction of analysing financial crime as white-collar crime for criminologists is clearly manifest, and the reasons set out above go a long way to explaining why this might be the case. This raises the question of why historians have not been more interested in financial crime in uncovering the emergence of modern Britain. Not only did Victorian contemporaries document the appearance of ‘ingenious crime’ by business men, but accompanying the observation of ‘high art’ crime as a novelty of the 1840s, was consciousness that financial crimes were deeply embedded in British society. This is evident in *The Times’* financial commentator David Morier Evans’ direct reference to forgery and embezzlement, and allusion to the South Sea Bubble 1719/20 in his recording of the 1840s and 1850s as a particularly ‘dark page’ in the ‘commercial history of this country.’[[34]](#endnote-34) In addition, commentary in 1841 also documented the British nineteenth-century consciousness of the seventeenth-century Dutch Tulipmania.[[35]](#endnote-35) Perkin’s conceptualisation of ‘ingenious crime’[[36]](#endnote-36) illustrates how historians have not ignored nineteenth-century encounters with financial crime, but brief references from David Jones and Clive Emsley excepted,[[37]](#endnote-37) historians’ interest in this has come largely from those within the business and economic tradition rather than from crime history *per se*. This *has* started to change.[[38]](#endnote-38) Moreover, in arguing that the history of financial crime belongs properly to crime history as much as to business history if not more so,[[39]](#endnote-39) it has been suggested that effecting this requires crime historians to appreciate criminologists’ approaches to the very complex relationships appearing to subsist between financial crime and society in Britain.[[40]](#endnote-40)

Although it is the case that many of the most recent historical studies of financial crime continue to come from business history, these *are* embracing both crime history and criminology.[[41]](#endnote-41) The challenge remains to encourage crime historians to follow suit. For this, these case studies are very significant, and they do of course also speak to what historians of crime have chosen to embrace rather than elude. The central remit for crime history – to uncover and understand relationships subsisting between crime and society through studies of continuity and change in the occurrence of crime and responses to it – has given much importance to micro-history. The burgeoning literature on crime and society, policing, punishment and law is of course the history of macro investigations. Here nineteenth-century developments in the criminal law and its administration during what contemporaries themselves recognised as the ‘Century of Law Reform’[[42]](#endnote-42) documented extensively in Parliamentary Papers, debates and other official reports *have* been painstakingly and dutifully examined by historians.[[43]](#endnote-43) Contemporary appetite for improvement, standardisation and centralisation across a wide sweep of ‘social life’[[44]](#endnote-44) ensured that law making and law reform were key preoccupations for Victorian society.[[45]](#endnote-45)Thus, it is right and proper that the ‘great historical questions’[[46]](#endnote-46) arising from the sphere of crime and society *have* been the subject of investigations of ‘nations, states, or social groupings’ using the historian’s *telescope*.[[47]](#endnote-47) Crime history also demonstrates how use of the historian’s *microscope*[[48]](#endnote-48) can provide new fresh perspectives on eponymous ‘great historical questions’, which are themselves associated with ‘grand narratives’.[[49]](#endnote-49)

IV

From this, the attractiveness of micro-history for crime history follows the broad trajectory of the attraction of micro-history for historians generally. Its purveyors celebrate its potential and have carved out an ambitious agenda for its future.[[50]](#endnote-50) In building on a veritable tradition, it is said to have a bright future, in being capable of bringing social and cultural history together as an approach which can both supply explanations of social history and grasp the meanings of cultural history.[[51]](#endnote-51) Micro-history has its critics, most notably pointing to an inherent limitation in ‘trying to discover big things with microscopes’[[52]](#endnote-52) and questioning the individual as a historical phenomenon.[[53]](#endnote-53) It is also said that micro-history cannot alone serve the needs of the past as it cannot be assumed that materials used will have wider application; and indeed that if historical transformations are embedded in individual actions, it is almost impossible to infer anything about large-scale phenomena.[[54]](#endnote-54) From this micro-history has gained a reputation in some quarters for being interesting but lacking in depth, and its studies are more readily dismissed as lacking meaning and significance in comparison with other historical scholarship.[[55]](#endnote-55)

Notwithstanding, much crime history attests to the effectiveness of micro-history’s focus on small incidents, insignificant in themselves, from which larger structures can be revealed. It also supports views that concentrations on local or individual experiences are highly effective when conducted by those who do not lose sight of broader historical and political contexts, and even that such concentration on localised experiences enables generalisations to be tested.[[56]](#endnote-56) In addition, the view that the micro-historical method cannot by itself serve the needs of delivering ambitious research into the past[[57]](#endnote-57) is consistent with understanding that *any* historical research can always only ever be a piece of the puzzle. For its supporters, micro-history is capable of enabling the investigation of narrowly defined subjects without the risk of over-simplifying the past, and even that it is only on this level that there is no risk of ‘losing the complexity of the relationships that connect any individual to a given society’.[[58]](#endnote-58) In its emphasis of the individual, micro-history is seeking to recognise high levels of individual freedom of actions within the broader social framework, by regarding people as conscious historical actors making decisions which help to produce social forms observed by historians. Although this is open to criticism, the proposition that finding’ individuals in different social contexts can encourage exposures of the complexities of everyday life, is clearly an exciting one.[[59]](#endnote-59)

At the heart of micro-history is the idea that a small unit of study (an individual or small community) can reflect a larger whole, highlighting the importance of these small units and demonstrating their importance for historical debate.[[60]](#endnote-60) In taking on board criticisms levelled at micro-history alongside the views of its supporters, these case studies of nineteenth-century financial crime are consistent with the position that the purpose of micro-history is not to eschew answering ‘great historical questions’ but to elucidate historical causation at the level of small groups where most of life takes place.[[61]](#endnote-61) It embraces the view that ‘changing the scale’ of observation and investigation can glean fresh insight from different organising principles for broader interpersonal and systemic interaction, whereby changing the scale seeks to assist in the identification of [systems of] context and social interaction.[[62]](#endnote-62) In focusing on a different type of causal connectedness from macro study, changing scales for enquiry ‘reflects that social actors appear in different contexts, micro- and macro-, at the same time’.[[63]](#endnote-63) From this a dynamic cartography can arise: a variety of maps ‘each of which corresponds to a social terrain’, and one where there is no hierarchy, where ‘macro and micro no more or less real than one another.’[[64]](#endnote-64)

Financial crime case studies make meaningful contributions to crime history firstly by embodying that any historical research can only be a ‘piece of the puzzle’, and that history is always subject to individual interpretations and properly regarded as an ‘inventory’ of plausible readings of the past.[[65]](#endnote-65) They also uphold the importance of contextualisation – that is placing the small unit of study in a broader context. Without this, such studies are commonly regarded as lacking meaning,[[66]](#endnote-66) thereby acknowledging historical context as an irreducible given for any historical enquiry.[[67]](#endnote-67) Arguably the nineteenth-century recalibration of the ‘economy of deterrence’ not only provides ‘great historical questions’ but actually some of the most significant ones for historians arising in the shaping of modern Britain. This construct can be used to explain the relations subsisting between crime and society which would change dramatically in the early years of the nineteenth century,[[68]](#endnote-68) putting in place a new framework of criminal law, and precipitate ‘revolutions’ in policing and penal policy.

Crime history has diligently documented the forces for change as *pragmatic* ones relating to a declining belief in the efficacy of the Bloody Code, combined with population increase and changing demography. These were brought about by increasing urbanisation on account of industrialisation, the influence of mass demobilisation following the end of the Napoleonic Wars and an *ideological* retreat from punishment of the body to reformation of the mind rooted in Enlightenment philosophy. Assisted by strong meta-narratives of ‘pressure for change’[[69]](#endnote-69) and an increasingly scientific approach towards managing progress and the externalities of progress borne from a pervasive confidence and exuberance and appetite for innovation,[[70]](#endnote-70) putting in place this new suite of responses to crime was one of the most ambitious projects for a society convinced that the ‘common law combined with an extensive legislative programme would provide the basis for meeting the social, economic and political dynamics’.[[71]](#endnote-71) It is thus unsurprising that historians have taken such an extensive and longstanding interest in this and have been very conspicuous in their use of micro-historical case studies, with many persuasive illustrations of how ‘controlled multiplication of the scales of observation is likely to produce additional knowledge’[[72]](#endnote-72) to be found within crime history itself. Despite the silences on financial crime in crime history, the same meta-narratives which have served crime historians well for several decades also underpin the history of financial crime.

It is suggested that the case studies of John Sadleir MP, bankers Strahan, Paul and Bates, and City merchant Joseph Windle Cole, when combined with criminological study, can help to explain what is missing from crime history itself, and what history might have to offer for current and future-oriented reflections on the ‘problem’ of financial crime. These cases are likely to be highly persuasive for crime historians even if they might compound the puzzle of why there has been so little intellectual engagement with financial crime from them. The manifest imbalances between crime history and business history in engaging with financial crime may be attributable in part to ‘barriers’ in familiarity and even perceived expertise in matters of business and economy on the part of crime historians.[[73]](#endnote-73) However, there are other powerful influences at work. From little more than a glance at crime history a clear overarching thread emerges. This is from works of first and second generation crime history, as historians’ interest has been captured firstly with configuring crime alongside class struggle[[74]](#endnote-74) and thereafter channelling a ‘crime and society’ approach for analysing the embedding of ‘new’ approaches pursued through reforms to the criminal law and revolutions in policing and punishment.[[75]](#endnote-75)

Here modern crime history’s manifest interest in crimes of violence and street crime, and anti-social behaviour, can be seen to track closely the very orientation of the nineteenth-century reforms themselves. Here contemporary emphasis on the threats presented by ‘one great criminal profession’ to which ‘Thieves, prostitutes, &c, seem to belong’[[76]](#endnote-76) which dominated the reform agenda, ground an orthodoxy amongst crime historians of a politicisation of crime and deviance. In this politicisation process, the threat was not simply presented by crime *per se*, but arose from particular types of crime; types of crime increasingly associated with the conceptualisation of a ‘criminal class’, those considered ‘antithetic of every respectable community’.[[77]](#endnote-77) This has been analysed as having ensured that the new ideological orientation and structures put in place would principally target ‘fundamentally unsophisticated … sheep stealers and poachers … and … thieves’,[[78]](#endnote-78) in turn helping to foster perceptions that the emergence of the modern criminal law and its administration sought to preserve ‘the illusion that socially dangerous and unacceptable activity was predominantly the province of the lower orders’.[[79]](#endnote-79)In view of this, it is not surprising perhaps that crime historians’ interest has been so strongly shaped by certain types of crime in preference to others, with this also being crime which criminologists now term ‘ordinary’ crime, ‘common’ crime or ‘traditional’ crime.[[80]](#endnote-80)

V

In this regard, criminology does usefully provide ‘labels’ to attach to what has interested crime historians and what has not. However, in suggesting that crime historians have not placed much emphasis on deviance not fitting the conventional crime paradigm, it is also significant that criminology is itself criticised for being far too concerned with crimes associated with persons from lower social orders. Moreover, this criticism has come from within criminology *itself*, and subsists notwithstanding that there *is* a sizeable criminology of white-collar crime. It has been suggested that criminologists’ (continuing) disproportionate concern with ordinary deviance runs contrary to the comparatively low costs to society arising from such activities, and helps to reinforce an embedded reluctance to recognise the very significant social harm arising from crimes emanating from business sectors.[[81]](#endnote-81) Whilst it is the case thus that even criminologists are said to require encouragement to focus more extensively on financial crime, it is also true that the criminology of white-collar crime is invaluable for opening up channels for crime historians. This can be illustrated through case studies arising from the ‘inauguration, development, and rapid progress’ of ‘High art’ crime.[[82]](#endnote-82)

Whilst many works within white-collar criminology do acknowledge that it predates the twentieth century, the *phenomena* of white-collar crime is strongly associated with this point in time. As well as this being on account of criminology’s strongly chronocentric and presentist tendencies, it is also linked with Edwin Sutherland’s ground-breaking work. This arose from Sutherland’s contention that neither Marxist nor traditional criminology- attributing crime respectively to class conflict and poverty and social dysfunction- could account satisfactorily for unlawful acts committed by respectable persons in the pursuit of their occupations, which *were* either criminal activities or *should* be. For Sutherland, equality before the law required this type of deviance to be analysed and enforced alongside other more usual types within a ‘unified criminological theory’.[[83]](#endnote-83) Yet at the same time, he appreciated that obstacles to this were considerable. For as long as business people did not ‘conform to the popular stereotype of “the criminal”’,[[84]](#endnote-84) generating effective criminal responses to their deviance would remain problematic, on account of circular relationships subsisting between law enforcement and social mores.[[85]](#endnote-85)

Seventy five years later, Sutherland’s work continues to inspire criminologists and also divide them, with this very effectively captured in the seminal construct of ‘crime of ambiguity’, and acceptance that ‘distinctiveness’ surrounds how white-collar crimes are perceived and perhaps especially ‘enforced’, continues to prevail amongst scholars, legal system actors and policymakers. What is contentious is whether this *should* happen with wide disagreement evident on whether financial crimes are *qualitatively* different from other types, or whether alleged distinctiveness is instead socially constructed and reinforces *perceptual* differences.[[86]](#endnote-86) In seeking to explore the complexities surrounding views that financial crimes are seen to lack ‘immediate moral outrage’ associated with many crimes,[[87]](#endnote-87) case studies are able to show that even seventy five years earlier than Sutherland, connections immortalised by him between status and class, business and criminality were becoming embedded into British psyche through revelations of ‘ingenious crime’ which could ‘only be perpetrated by business men’.[[88]](#endnote-88)

Much contemporary comment suggests that for those bearing witness to activities termed ‘’High Art’ crime’ and also ‘commercial crime’ and even ‘financial crime’,[[89]](#endnote-89) this amounted to an entirely new alliance forged between dishonesty and financial sophistication whereby ‘without any great violence, all the incentives to commercial crime may be brought under the one common rubric – the desire to make money easily and in a hurry’.[[90]](#endnote-90) This unified the unlawfulness of the apprentice robbing a few shillings from his employer or master, and also the gigantic forger and swindlers of the age, as well as the ‘reckless speculator’ who ‘would risk everything in the hope of sudden gain, rather than toil safely and laboriously for a distant reward’ but who whilst naturally eschewing wrong-doing would move ever closer to this in the face of adverse fortune.[[91]](#endnote-91) In acknowledging the contemporary suggestion that the ‘modern age’ of speculation marked by the 1840s railway boom had concretised the seriousness of impropriety in financial dealings,[[92]](#endnote-92) Victorian reactions to impropriety can be seen as swift and determined, notwithstanding a dominant trend within the sparse historiography regarding Victorian Britain as a ‘haven’ for white-collar criminals.[[93]](#endnote-93) In the very early aftermath of the boom, many company directors found their conduct being investigated with a view to bringing criminal charges as early as 1846.[[94]](#endnote-94) By the early 1850s, the move from ‘from toleration to criminalisation’[[95]](#endnote-95)was firmly in place. This was readily apparent in legislation, with the Punishment of Frauds Act 1857 seeking to classify a ‘broad spectrum ... of actions’ exhibiting ‘varying degrees of intent ... and wrongfulness’.[[96]](#endnote-96) Earlier still than this, willingness to respond to the ‘bad, moral atmosphere’[[97]](#endnote-97) manifested in wrong-doing in business with *criminal* enforcement was apparent in the appearance of the criminal *cause* *célèbre* trial. During the ‘early phase’ of these criminal trials from the 1850s to the 1880s,[[98]](#endnote-98) numerous prominent Victorian businessmen were called upon to answer criminal changes resulting from their professional affairs in these first very public demonstrations that the very worst occurrences on the ‘spectrum’ of misconduct in *business* amounted to conduct injurious to *social* interests. [[99]](#endnote-99)

Like Sutherland sometime later, those involved in the earliest criminal trials for ‘financial crime’ appreciated that respectable people can and did commit crimes which were more ordinarily recognisable as ‘crime’.[[100]](#endnote-100) And indeed, the discoveries of ‘new’ types of misconduct during the nineteenth century which implicated the respectable in criminality on an unprecedented scale included poisoning and blackmail alongside ‘financial’ crime.[[101]](#endnote-101) Whilst John Sadleir MP and bankers Strahan, Paul and Bates occupied similar spheres to one another within Victorian Britain’s highly stratified but also evolving social structure, which were different from that of Joseph Windle Cole, all their stories illustrate contemporary awareness of novel interactions between social status and occupation, and criminality. From this, they also help to explain the discomforts generated for those bearing witness to it, with this appearing to be in ways recognisably associated with the ‘problem’ of financial crime today over 150 years later.

VI

Boyd Hilton’s seminal account of acute anxiety about investment and speculation in commerce during the ‘Age of Atonement’ and its aftermath identified John Sadleir MP alongside fellow parliamentarian George Hudson with ‘fraudulent roguishness’[[102]](#endnote-102) feeding contemporary discomfort in times of economic and social upheaval.[[103]](#endnote-103) Interestingly, and without reference to modern criminology’s understandings of the ‘ambiguities’ associated with financial crime, Hilton’s account is one of how ‘rogues’ such as Hudson and Sadleir were regarded in a ‘romantic and almost an heroic’ light.[[104]](#endnote-104) Hilton’s hypothesis is identifiable within the seminal *criminological* construct of the ‘paradox of lenience and severity’ which highlights tensions underpinning sentencing decisions on offending by those who have commonly led exemplary lives as community ‘pillars’ but with this, making violations of reposed trust particularly heinous.[[105]](#endnote-105) Sentiments captured in Hilton’s classic *historical* study can also be found in *contemporary* reflection on those engaging in ‘High Art’ crime. Views that such persons exhibit ‘an amount of individual courage which, turned in any other direction, would almost constitute heroism’[[106]](#endnote-106) might seem particularly poignant as Sadleir’s story ends in his death, at his own hand, but he was also considered ‘one of the greatest, if not the greatest, and at the same time the most successful, swindler that this or any other country has produced’.[[107]](#endnote-107)

Sadleir’s downfall was inextricably part of the 1856 scandal involving the Tipperary Bank, established by his grandfather, but was also attributable to his occupation of elite commercial and political circles. Sadleir entered Parliament at the general election of 1847, and it was at this point that his prominence in English consciousness started to take hold. Prior to this, this Irish Catholic solicitor from a legal and banking family was known in his homeland, largely on account of enjoying a ‘respectable and lucrative legal practice’ through a family business.[[108]](#endnote-108) This was how his reputation in matters of business came to be forged, particularly through his work on Irish encumbered estates, where the latter also proved to be particularly lucrative.[[109]](#endnote-109) Notwithstanding, this line of work and Sadleir’s ‘ordinary middle-class’ family background were considered likely to do little more than enable Sadleir ‘with industry and perseverance’ to ‘earn his own living, and maintain his station as a professional man’.[[110]](#endnote-110) But Sadleir’s ambitions outstripped these rather modest aims, and it was actually the 1840s ‘railway mania’ which brought him to England. By its height in 1846, his reputation as a Parliamentary agent – and for providing protection for numerous Irish schemes and antagonism for rival ones – was well established,[[111]](#endnote-111) and paved the way for his election to Parliament the following year.

This perseverance, ambition and high levels of self-belief enabled Sadleir to transcend his ordinary middle-class respectability[[112]](#endnote-112) and penetrate Parliamentary circles - firstly as an agent and then as a Member – and it would also consolidate his reputation in business. Like many contemporary parliamentarians, numerous ‘directorships and chairmanships…were pressed upon him’, but aided by extensive testaments to his ‘great financial ability…special business aptitude…and administrative capacity’ Sadleir forged ‘a high reputation in the financial and commercial world almost before he took oaths at the table of the House of Commons’.[[113]](#endnote-113) In financial and commercial circles his name at the head of a board was widely reputed to be ‘…equivalent to a rise of at least one per cent in the market value of shares’.[[114]](#endnote-114) His appointment as Chairman of the London and County Bank in 1848 was considered a reflection of his talents and zeal, and was also a role which ‘gave him status as a financial authority’.[[115]](#endnote-115) It was from the latter that his burgeoning reputation in political as well as commercial circles could grow, and that he started to acquire the eye and indeed ear of Ministers.

As talk grew of him as ‘…one who might someday fill the office of Chancellor of the Exchequer[[116]](#endnote-116), he was appointed as a junior Lord of the Treasury by Lord Aberdeen in 1853.[[117]](#endnote-117) This came at a cost, as his ‘desertion from the standard of ultra-Romanism’ necessary to take up this position, led to the loss of his Parliamentary seat,[[118]](#endnote-118) but he was apparently un-phased by finding himself as a ‘politician whom no political party would trust’, which for many would be a position too ‘hazardous’ to contemplate.[[119]](#endnote-119) However, by 1856, this ‘flattering appointment’, which could have led to the prize of the Exchequer post, was beset with disquiet about Sadleir’s commercial dealings. These were not thought to be consistent with ‘the honour of a high government official’ especially one involved in Treasury business,[[120]](#endnote-120) and led to his resignation from the Cabinet, and to City-wide questioning of his finances.[[121]](#endnote-121) These were underpinned by contemporaneous forgeries and frauds such as the dishonouring of the Tipperary Joint Stock Bank’s drafts in the City in February 1856, which ensured that discovery of Sadleir’s misdeeds was somewhat inevitable.[[122]](#endnote-122)

Although the ‘Tipperary scandal’ precipitated Sadleir’s suicide, it was a much less shocking occurrence for contemporaries than many other notable episodes of the 1850s. The bank whose drafts were ultimately dishonoured in the City amid rumour of fraud and forgery, was Sadleir’s ‘creation’, as he was instrumental in increasing the profile of the small bank established by his grandfather, which had traditionally enjoyed a sound reputation and conducted its business on a ‘very limited’ scale.[[123]](#endnote-123) Clearly it was not, as represented by report and balance-sheet published in 1856, ‘in the most flourishing condition’ and the amount of misery caused by Sadleir’s dishonesty was said to be ‘incalculable’.[[124]](#endnote-124) But the bank lacked the wide customer base of private and commercial clients found elsewhere. It was the latter which ensured that when the ‘barely contemplated’ event of ‘suspension of a metropolitan joint-stock bank’ *did* transpire in the collapse of the Royal British Bank (also in 1856), then the consequences were catastrophic.[[125]](#endnote-125)

The shock generated by the collapse of the Royal British Bank arose from how its management, which had ‘most widely digressed from the prudent path of banking business’ and even ‘honesty and honour’[[126]](#endnote-126) was widely publicised as inflicting ‘serious loss upon a very considerable body of customers’, many of whom were considered ‘least able’ to bear a loss, by virtue of being ‘small traders and private individuals of limited means’.[[127]](#endnote-127) There were clearly parallels between how the Royal British Bank board were – amongst other alleged wrongdoing – helping themselves to ‘the contents of the till as it suited them’[[128]](#endnote-128) and how private bankers Strahan, Paul and Bates had used customer deposits to cross-subsidise other enterprises they were involved in. Clearly ‘The Delinquencies of Messers. Strahan, Paul, and Bates’[[129]](#endnote-129) *was* deeply shocking for London society, and those more accustomed to being beside them in ‘high office’, including the presiding judge for their criminal trial.[[130]](#endnote-130) These bankers lacked any antecedent ‘reputation for extravagance’ and were instead associated with ‘elegances of life’ and ‘a liberality of expenditure’ which appropriately reflected the ‘station of society in which they moved’.[[131]](#endnote-131) This was certainly the case for Strahan and Sir John Dean Paul. Bates alone amongst the partners could not ‘boast of private means’, but his service within the bank was longstanding and he was well-acquainted with and highly trusted by customers, many of whom were drawn from the social spheres occupied particularly by Strahan and Paul; ‘chiefly members of the aristocracy, and wealthy commoners[[132]](#endnote-132). This, combined with how all partners were ‘men of business’,[[133]](#endnote-133) ensured that it was ‘almost impossible to imagine an establishment pressing in the main elements of success to a more marked degree’.[[134]](#endnote-134)

It was their involvement with other enterprises and commercial ventures which meant that notwithstanding all outward appearances to the contrary, the ‘reprehensible practice of borrowing from the bank-till for their own personal wants’ transpired to be ‘followed by all partners in this bank’.[[135]](#endnote-135) This led, in 1855, to a sentence of fourteen years’ transportation, a sentence which in turn was considered a year later to have been ‘justly and wisely’ handed down.[[136]](#endnote-136) These reflections on the sentence passed for Strahan *et al* are interesting, particularly as they were made during a House of Commons debate on transportation, and thus at a time when transportation itself was falling out of favour, as this debate makes clear. This commentary, located within a debate on transportation stands out amongst many others which occurred in Parliament referencing the delinquent bankers. Their affairs were more typically discussed in the context of banking itself, both contemporaneously and also for a decade or more thereafter.[[137]](#endnote-137) Furthermore, it is readily apparent that what became a mid-century trend towards bank incorporations was strongly influenced by their misconduct, and their nefarious activities did much to highlight the perceived core strengths of joint-stock principles for undertaking business ventures.

Increasingly generalised benefits pointing to greater capitalisation capabilities, scrutiny of management decision-making and auditing, and public disclosure requirements associated with joint-stock business, became applied to banking specifically in the aftermath of the incidents described above. And it would be the collapse of the Royal British Bank, rather than Sadleir’s Tipperary Bank, which cast doubt on the superiority of joint-stock business alongside the alternative traditional partnership model. In ways befitting how the alleged mismanagement of the Royal British Bank amounted to a particularly ‘gross and most distressing exhibition’ of misconduct which had become apparent ‘to the opprobrium of the country’,[[138]](#endnote-138) and promoted public outrage and demands for responses, this scandal generated very considerable Parliamentary discussion. This included placing great pressure upon the Government to take responsibility for bringing a criminal prosecution,[[139]](#endnote-139) at a time where the culture of private prosecution still predominated.[[140]](#endnote-140) However, notwithstanding the differences in the origins and perceived shock value of the alleged criminality of the Royal British Bank directors, Strahan *et al*, together with John Sadleir, all are stories of how ‘it requires the labour of a whole life to build up a character of honour and virtue, which in one fatal and unguarded moment may be entirely destroyed’.[[141]](#endnote-141) Clearly for Sadleir at least his ‘swindling’ appeared to reflect multiple unguarded moments rather than ‘a moment of temptation’.[[142]](#endnote-142) However, all are narratives of a fall from grace experienced by those who were ‘well educated’ and ‘moving in positions’ within society,[[143]](#endnote-143) and who were persons of ‘unquestioned integrity and honour’.[[144]](#endnote-144)

VII

The same ‘rogues’ gallery’[[145]](#endnote-145) of nineteenth-century financial infractions recounting John Sadleir’s epic swindling and spoke at length on the ‘delinquencies of Strahan, Paul and Bates’ included Joseph Windle Cole’s audacious dock warrant fraud scheme and security frauds underpinning multiple accusations of criminality during the 1850s. Cole differed from Sadleir in that had the latter stood trial, his would almost certainly have attracted courtroom observation of being ‘well educated’ and moving in ‘a position of society’. This was said about Strahan, Paul and Bates in their trial in 1855, with such sentiments being expressed across courtroom agendas, thereby being central to prosecutorial cases, addresses being made by defence counsel, and ones from presiding judges. The trial of Strahan, Paul and Bates illustrates saliently how for those responsible for prosecutions and defence, references to respectability and social standing sought respectively to accentuate the gravity of criminal accusations for such persons, or to distance those on trial from being tainted with criminality, by insisting that respectable people did not and would not commit crime. For judges, such statements sought to capture the realities of persons in ‘high office’ being convicted as criminals.[[146]](#endnote-146) All articulations of ‘respectability’ and ‘criminality’ embodied a strong normative disjunction between them where those on trial were drawn from the Victorian elite. [[147]](#endnote-147)

Joseph Windle Cole had not moved in such circles by virtue of being a ‘general merchant’.[[148]](#endnote-148) He was widely regarded as having ‘great business capacity’,[[149]](#endnote-149) despite the fact that a business with which he was previously associated had failed, leaving a ‘doubtful reputation’ as well as ‘indifferent assets’[[150]](#endnote-150) Although his ‘limited means’ and ‘the degree to which he thought it important to be able to avail himself of increasing and obvious advantages’[[151]](#endnote-151) could be identified with a nascent Victorian ‘entrepreneurial spirit’,[[152]](#endnote-152) Cole’s background as a clerk in the City meant that he lacked key trappings of the social elite and even a growing and rapidly changing commercial ‘elite’. In the course of one of his trials it was remarked that he experienced a longstanding precarious financial existence,[[153]](#endnote-153) but it was also suggested that his frauds were motivated by enthusiasm for opportunities and affirmation attendant to being embedded in the City as much, if not more so, than by financial reward.[[154]](#endnote-154) Cole’s ability to execute frauds over a lengthy timeframe was thought to be closely connected with his reputation as a ‘first-class man of business’ garnered from being highly successful in his enterprises.[[155]](#endnote-155) He also appeared to have a personal *reputation* and even *respectability* by virtue of being considered ‘generally honourable in his dealings’,[[156]](#endnote-156) but his narrative suggests this was respectability acquired from his business dealings rather than arising from his background. There is also strong intimation that this arose from connections made with City Houses through his dealings, rather than from his more immediate business associates (centrally his 1864 co-defendants Davidson and Gordon), where associations with prominent City stalwarts like Overend, Gurney and Co facilitated him in carrying on business ‘successfully, in good reputation’ as well as ‘with fair credit’.[[157]](#endnote-157)

Cole’s ‘respectability by association’ appears to have been a different type from that arising from more conventional paths of social background and access to elite commercial and professional circles, as was so with Sadleir and many others whose respectability became a public focal point. Although it was arguably a more diluted and less stable species of respectability, Cole’s reputation was a feature of the criminal proceedings brought against him. Furthermore, it appears that his respectability acquired through his reputation and particularly his associations assisted him in operationalising his criminal activities as it helped him to conceal the unlawful aspects of his dealing. Here it is interesting that the proposition of criminality being concealed by occupational legitimacy is a mainstay within white-collar crime criminology, with this commonly captured in the juxta-positioning of crimes within ‘suites’ rather than the ‘streets’.[[158]](#endnote-158) However we must bear in mind that once again scholars are divided on whether occupational environs are more effective or less so than conventional ‘crime scenes’ for ensuring that criminality remains uncovered.[[159]](#endnote-159) What is less contentious is the perception that occupational environments help to convey and actually confer legitimacy to many ‘[financial] crime scenes’, and where this is also commonly attributed to respectability attaching to these environments themselves, as well as to the persons occupying them.[[160]](#endnote-160)

This reference to *persons* who commit financial crimes is central to understanding how Sutherland’s work has been criticised since its bold introduction. Many who are divided over being broadly supportive of his key propositions or dismissing his postulations on under-enforcement where unlawful acts and their perpetrators do not conform to popular conceptions of ‘crime’ and ‘the criminal’, are unified in the belief that Sutherland’s preoccupation with *persons* ‘of respectability and high social status’ has ensured that far too little attention has been paid to the activities themselves.[[161]](#endnote-161) Within this, for some, Sutherland put too great an emphasis on respectability and high social status, thereby taking too little account of the actor (as well as activity) spectrum of offending.[[162]](#endnote-162) Whether findings of significance attached to offenders’ respectability in nineteenth-century Britain will provide a ‘corrective’ for applying Sutherland’s work to twenty-first century Britain is likely to be a further point of contention and division amongst scholars. Indeed it might properly be argued that whatever its significance for nineteenth-century contemporaries, ‘respectability’ and ‘standing’ have little currency and import in the relatively flat social structure of twenty-first century Britain.

VIII

What is interesting in the light of such views is how important standing and reputation and even ‘respectability’ continues to be in twenty-first century discourses on financial crime. Certainly it is associated with interferences with the proper course of criminal justice where those standing accused of activities which do not necessarily attract ‘moral outrage’ are not perceived as being ‘real criminals’ or even criminals at all, by sitting juries or even criminal justice process actors themselves.[[163]](#endnote-163) It is also noteworthy that those accused of financial crimes are said to lack criminal self-image,[[164]](#endnote-164) not simply because their activities are not ‘really wrong’ but on account of having middle-class (or higher) status.[[165]](#endnote-165) That respectability clearly *does* still matter for those who lack ‘criminal self-image’ is evident in the case of Ernest Saunders who was convicted of fraud and false accounting in 1990 as part of the highly-profiled trial of the ‘Guinness Four’. Saunders attributed his ‘nightmare’ fall from grace – occurring even prior to his conviction and imprisonment[[166]](#endnote-166) and continuing long after – to not being part of ‘the Establishment’ by virtue of background as well as religion. Clearly, this one-time respected and successful Cambridge-educated businessman has not experienced the ‘rehabilitation’ and reintegration into upper echelons enjoyed by fellow ‘Guinness Four’ convict Gerald Ronson, which was considered to be complete within weeks of his release from serving a six month prison sentence. At the time, this was famously sealed with a handshake from the Queen Mother,[[167]](#endnote-167) and twenty-two years later this ‘great survivor of the Guinness share-trading scandal’ received a CBE for services to charity in the 2012 New Year Honours list.[[168]](#endnote-168)

Ernest Saunders has attributed his rather different fortunes to his ‘outsider’ background as the son of a Jewish immigrant. Whilst other accounts attach this to skepticism surrounding his (apparently) miraculous recovery from dementia.[[169]](#endnote-169) But his self-image is that of ‘outsider’ and had he lived, perhaps John Sadleir too might have spoken of his ‘nightmare’ and how scrutiny of his affairs reflected his lack of belonging to the elite (incorporating also his Catholicism). The Guinness story of ‘cross-class alliance of the respectable poor with the elite’[[170]](#endnote-170) is complex given that whilst Saunders lacked the pedigree of fellow Guinness defendant Sir Jack Lyons, he was not like Ronson and Anthony Parnes who were ‘classic self-made entrepreneurs’.[[171]](#endnote-171) In this regard, the very recent tale of former JP Morgan banker Ian Hannam might be instructive. Following a successful non-criminal insider dealing enforcement against him, Hannam retained his licence to trade amidst findings that he had acted honestly and with integrity, with his financial penalty of £450,000 reflecting a serious error of professional judgement.[[172]](#endnote-172) But Hannam, like Saunders, speaks of continuing social and occupational ostracisation, attributing this to being an ‘outsider’ and not ‘in the club’, by virtue of growing up on a council estate and not being ‘officer class’ during his military career.

Both cases suggest that responding to misconduct in business is highly complex, and that research into the ‘problem’ of financial crime for society in Britain needs to continue. That this should include historical research can be illustrated by UK regulators’ current enthusiasm for the importance of the past for configuring current challenges for law making and law enforcement in the ‘commercial sphere’.[[173]](#endnote-173) In turn, this very highly-profiled attention being paid to history’s value is a very significant development given views that notwithstanding historians’ expertise in understanding temporalities of social change, history has barely hitherto featured in social science debate.[[174]](#endnote-174) This is of course an embodiment of the hypothesis of a social journey linking past and present and indeed future,[[175]](#endnote-175) and this must be borne in mind when suggesting that the continuing significance of respectability within financial crime discourse can be traced to Victorian responses to ‘High Art’ crime.[[176]](#endnote-176) This ensures that we will not mistakenly blame Victorian pioneers for the difficulties experienced today in ensuring that ‘individuals who commit financial crime should be treated like the criminals they are’,[[177]](#endnote-177) and the perceived importance of avoiding ‘soft options’ enabling ‘chaps’ to receive ‘punishment over lunch’.[[178]](#endnote-178) These case studies show that during the nineteenth century, notions of respectability were articulated to highlight the gravity of being considered ‘the criminal’ for respectable persons. In other words to highlight the repugnance of those drawn from the elite falling to the position of ‘common felons’ as was said of Strahan *et al*,[[179]](#endnote-179) and to serve as stern warnings to those who lacked extenuating forces of ‘poverty, want, bad education, and worse example’ that commission of crime by them would be visited with utmost severity, as channelled through the trial of Joseph Windle Cole.[[180]](#endnote-180)

Thus, in situating micro-history methodologically, the history of financial crime illustrates its usefulness in exploring the history of class and social structure alongside other neglected studies of minority groups, race, ethnicity and gender.[[181]](#endnote-181) Crime history is concerned with social structure, and it is manifestly important for it to acknowledge that Victorian society was prepared to channel accusations of violating highly prized norms of reputation and reposed trust against its most esteemed through criminal enforcement, and to support this with sentences of imprisonment and even transportation.[[182]](#endnote-182) As history should be a central part of social science debate, perceptions that perpetrators of financial crime are not being treated as the ‘criminals they are’ should concern crime historians as much as it does criminologists. Crime historians are uniquely placed to explain that something has clearly happened through our societal journey[[183]](#endnote-183) from the mid-nineteenth century to the present. Moreover, for helping to explain what has happened and why, micro-history case studies provide an important piece of this fascinating puzzle.

1. H. Perkin (1969) *Origins of Modern English Society, 1780-1880* (London: Routledge and Kegan Paul), p. 442. On the silence of crime history regarding financial crime, see S. Wilson (2014) *The Origins of Modern Financial Crime: Historical foundations and Current Problems in Britain* (London: Routledge). [↑](#endnote-ref-1)
2. D.O. Friedrichs (2012) ‘Wall Street: Crime Never Sleeps’ in S. Will, S. Handelman and D.C. Brotherton (eds) *How They Got Away With It: White Collar Criminals and the Financial Meltdown* (New York: Columbia University Press), pp. 3-25 at pp. 4-5. [↑](#endnote-ref-2)
3. For the former see P. King (1999) ‘Locating Histories of Crime: A Bibliographical Study’, *British Journal of Criminology*, Vol. 39, No. 1, pp.161-74 at p. 161 and the latter J.P. Locker and B. Godfrey (2006) ‘Ontological Boundaries and Temporal Watersheds in the Development of White-Collar Crime’, *British Journal of Criminology*, Vol. 46, No. 6, pp. 976-92 at p. 976. [↑](#endnote-ref-3)
4. A. Haldane and V. Madouros ‘The Dog and the Frisbee’ (Federal Bank of Kansas Economic Policy Symposium, Jackson Hole, Wyoming, 31st of August 2012), pp. 22-3, available at http://www.bankofengland.co.uk/publications/Pages/speeches/2012/ 596.aspx. [↑](#endnote-ref-4)
5. See S. Wilson (2016) ‘Financial Crises and Financial Crime “Transformative Understandings” of Crime - Past Present and Future’ in N. Ryder, U. Turksen and J. Tucker (eds) *The Financial Crisis and White Collar Crime - Legislative and Policy Responses* (Abingdon: Routledge), pp. ??-??. [↑](#endnote-ref-5)
6. See R. Tomasic (2011) ‘The Financial Crisis and the Haphazard Pursuit of Financial Crime’, *Journal of Financial Crime*, Vol. 18, No. 1, pp. 7-31 at p. 7, and N. Ryder (2014) *The Financial Crisis and White Collar Crime - The Perfect Storm?* (Cheltenham: Edward Elgar). [↑](#endnote-ref-6)
7. Tomasic (2011) ‘The Financial Crisis’, p. 7. [↑](#endnote-ref-7)
8. Friedrichs (2012) ‘Wall Street’, *passim*. [↑](#endnote-ref-8)
9. *Ibid*, p. 20, and indeed dwarfing the costs of conventional crime; see also key policy initiatives such as the (now replaced) National Fraud Authority’s ‘Fighting Fraud Together’ focus launched in 2011. [↑](#endnote-ref-9)
10. See examples drawn from the Bank of England, the House of Commons Treasury Committee and the Financial Services Authority discussed in Wilson (2014) *The Origins of Modern Financial Crime*. [↑](#endnote-ref-10)
11. For key literature see P. Rock (2005) ‘Chronocentrism and British Criminology’, *British Journal of Sociology*, Vol. 56, No. 3, pp. 473-91 at p. 473, and P. Lawrence (2012) ‘History, Criminology and the “Use” of the Past’, *Theoretical Criminology*, Vol. 16, No. 3, pp. 313-28 at p. 313. [↑](#endnote-ref-11)
12. This is the core argument of Wilson (2014) *The Origins of Modern Financial Crime*. [↑](#endnote-ref-12)
13. See for example A. Bequai (1978) *White-Collar Crime: A Twentieth Century Crisis* (Massachusetts: Lexington Press). [↑](#endnote-ref-13)
14. M. Levi (1987) *Regulating Fraud: White-Collar Crime and the Criminal Process* (London: Tavistock Press), p. 1*.* [↑](#endnote-ref-14)
15. *Ibid*. [↑](#endnote-ref-15)
16. Bequai (1978) *White-Collar Crime*, p. iii. [↑](#endnote-ref-16)
17. As evident in both works from Bequai (1978) and Levi (1987) referenced at notes 13 and 14 above. [↑](#endnote-ref-17)
18. D. Kirk and A. Woodcock (1996) *Serious* *Fraud: Investigation and Trial* (London: Butterworth), p. 1. [↑](#endnote-ref-18)
19. E.H. Sutherland (1949) *White-Collar Crime* (New York: Dryden Press), p. 9. [↑](#endnote-ref-19)
20. E.H. Sutherland (1940) ‘White Collar Criminality’, *American Sociological Review*, Vol. 5, No. 1, pp. 1-12 at p. 3. [↑](#endnote-ref-20)
21. M. Levi (2002) ‘Suite Justice or Sweet Charity? Some Explorations of Shaming and Incapacitating Business Fraudsters’, *Punishment and Society*, Vol. 4, No. 2, pp. 147-63 at p. 147 and p. 149. [↑](#endnote-ref-21)
22. Law Commission (1999) *Fraud and Deception*: *A Consultation Paper*, CP No. 155 (London: HMSO), para 1.4. [↑](#endnote-ref-22)
23. E.H. Sutherland (1945) ‘Is “White Collar Crime” Crime?’, *American Sociological Review*, Vol. 10, pp. 132-39 at p. 132. [↑](#endnote-ref-23)
24. *Ibid*, especially pp. 137-9. [↑](#endnote-ref-24)
25. *Ibid*, p. 139. For a more recent account of this perspective see Friedrichs (2012) ‘Wall Street’, *passim.* [↑](#endnote-ref-25)
26. S. Wheeler, D. Weisburd and N. Bode (1982) ‘Sentencing the White-Collar Offender: Rhetoric and Reality’, *American Sociological Review*, Vol. 47, No. 5, pp. 641-59 at p. 641. [↑](#endnote-ref-26)
27. For a comprehensive and balanced summary of key perspectives and works see D. Nelken (1994 edition) ‘White-Collar Crime’ in M. Maguire, R. Morgan and R. Reiner (eds) *The Oxford Handbook of Criminology* (Oxford: Oxford University Press), pp. 355-92, at p. 355. [↑](#endnote-ref-27)
28. M.L. Benson and S.S. Simpson (2009) *White-Collar Crime: An Opportunity* *Perspective* (London: Routledge). [↑](#endnote-ref-28)
29. This is a recurrent theme within Wilson (2014) *The Origins of Modern Financial Crime*. [↑](#endnote-ref-29)
30. S.M. Rosoff, H.N. Pontell and R. Tillman (2010) *Profit without Honor: White-Collar Crime and the Looting of America* (New Jersey: Prentice Hall), p. 3. [↑](#endnote-ref-30)
31. See generally Nelken (1994) ‘White-Collar Crime’, *passim*. [↑](#endnote-ref-31)
32. V. Aubert (1952) ‘White-Collar Crime and Social Structure’, *American Journal of Sociology,* Vol. 58, pp. 263-71 at p. 263 and p. 266. [↑](#endnote-ref-32)
33. Tomasic (2011) ‘The Financial Crisis’, p. 7. [↑](#endnote-ref-33)
34. D.M. Evans (1968 edition) *Facts, Failures and Frauds Revelations: Financial Mercantile Criminal* (New York: Augustus M Kelley), especially pp. 1-5. [↑](#endnote-ref-34)
35. C. MacKay (1955 edition) *Extraordinary Popular Delusions and the Madness of Crowds* (London: Wordsworth Editions), p. 80. [↑](#endnote-ref-35)
36. H. Perkin (1969) *Origins of Modern English Society, 1780-1880* (London: Routledge and Kegan Paul), p. 442. [↑](#endnote-ref-36)
37. Respectively in D.J.V. Jones (1982) *Crime, Protest, Community and Police in Nineteenth Century Britain* (London: Routledge and Kegan Paul) and C. Emsley (2010 edition) *Crime and Society in England: 1750 – 1900* (Abingdon: Routledge). [↑](#endnote-ref-37)
38. As evident in the emphasis on criminal aspects of financial crime from business historians in J. Taylor (2013) *Boardroom Scandal: The Criminalization of Company Fraud in Nineteenth-Century Britain* (Oxford: Oxford University Press) and more recently, M. Hollow (2014) *Rogue Banking: A History of Financial Fraud in Interwar Britain* (London: Palgrave). [↑](#endnote-ref-38)
39. See Wilson (2014) *The Origins of Modern Financial Crime*, Epilogue. [↑](#endnote-ref-39)
40. *Ibid*. [↑](#endnote-ref-40)
41. As shown in the works of Taylor (2013) and Hollow (2014) referenced at note 37 above. [↑](#endnote-ref-41)
42. See (1901) *A Century of Law Reform: Twelve Lectures on the Changes in the Law of England During the Nineteenth Century* (London: Council of Legal Education). [↑](#endnote-ref-42)
43. See for example, Emsley (2010 edition) *Crime and Society in England*, *passim*. [↑](#endnote-ref-43)
44. E.L. Woodward (1938) *The Oxford History of England: The Age of Reform 1815-1870* (Oxford: Clarendon Press), see especially, p. 426 and *passim*. [↑](#endnote-ref-44)
45. C. Stebbings (2012) ‘Benefits and Barriers: The Making of Victorian Legal History’ in A. Musson and C. Stebbings (eds) *Making Legal History: Approaches and Methodologies* (Cambridge: Cambridge University Press), pp. 72-87 at pp. 72-3. [↑](#endnote-ref-45)
46. S.G. Magnusson and I.M. Szijarto (2013) *What is Microhistory? Theory and Practice* (Abingdon: Routledge), p. 5. [↑](#endnote-ref-46)
47. *Ibid*, p. 4. [↑](#endnote-ref-47)
48. *Ibid*. [↑](#endnote-ref-48)
49. *Ibid*, p. 31. [↑](#endnote-ref-49)
50. *Ibid*, especially pp. 4-6. [↑](#endnote-ref-50)
51. *Ibid*, p. 7. [↑](#endnote-ref-51)
52. *Ibid*, p. 127. [↑](#endnote-ref-52)
53. *Ibid*, p. 125. [↑](#endnote-ref-53)
54. *Ibid*, p. 148. [↑](#endnote-ref-54)
55. *Ibid*, pp. 16-17, and pp. 127-8. [↑](#endnote-ref-55)
56. *Ibid*, p. 125. [↑](#endnote-ref-56)
57. *Ibid*, p. 149. [↑](#endnote-ref-57)
58. *Ibid*, p. 7. [↑](#endnote-ref-58)
59. *Ibid*, pp. 16-17. [↑](#endnote-ref-59)
60. *Ibid*, pp. 7-10. [↑](#endnote-ref-60)
61. *Ibid*, p. 17. [↑](#endnote-ref-61)
62. *Ibid*, p. 31. [↑](#endnote-ref-62)
63. *Ibid*, embodying the idea that history is ‘multi-scopic’, with the authors citing Paul-Andre Rosental as an authority for this. [↑](#endnote-ref-63)
64. *Ibid*, p. 31. [↑](#endnote-ref-64)
65. J. Tosh (2010 edition) *The Pursuit of History: Aims, Methods and New Directions in the Study of Modern History* (Harlow: Longman), p. 33. [↑](#endnote-ref-65)
66. Magnusson and Szijarto (2013) *What is Microhistory?*, p. 125. [↑](#endnote-ref-66)
67. Alongside historical difference and historical process: see Tosh (2010 edition) *The Pursuit of History*, especially pp. 8-12. [↑](#endnote-ref-67)
68. As coined in D. Eastwood (1993) *Governing Rural England: Tradition and Transformation in Local Government 1780-1840* (Oxford: Clarendon Press), pp. 225-60. [↑](#endnote-ref-68)
69. J. Black and D. McRaild (2002) *Nineteenth-Century Britain* (Basingstoke: Palgrave), p. xvii. [↑](#endnote-ref-69)
70. See Stebbings (2012) ‘Benefits and Barriers’, pp. 72-3 and also Woodward (1938) *The Oxford History of* England, p. 426. [↑](#endnote-ref-70)
71. *Ibid*. [↑](#endnote-ref-71)
72. Magnusson and Szijarto (2013) *What is Microhistory?*, p. 31. [↑](#endnote-ref-72)
73. As proposed in the Epilogue for Wilson (2014) *The Origins of Modern Financial Crime*. [↑](#endnote-ref-73)
74. See e.g. R.D. Storch (1975) ‘“The Plague of Blue Locusts”: Police Reform and Popular Resistance in North England 1840-1857’, *International Review of Social History*, Vol. 20, No. 1. pp. 61-90 at p. 61 and D. Philips (1977) *Crime and Authority in Victorian England* (London: Croom Helm). [↑](#endnote-ref-74)
75. As illustrated in Emsley (2010 edition) *Crime and Society in England*, *passim*. [↑](#endnote-ref-75)
76. *Parliamentary Papers,* Report of the Royal Commission on the Constabulary Force(Constabulary Force Report), Cmnd. 169, Vol. XIX (1839), p. 15. [↑](#endnote-ref-76)
77. U. Henriques (1972) ‘The Rise and Decline of the Separate System of Prison Discipline’, Past and Present, No. 54, pp. 61- 93 at p. 61 and p. 84. [↑](#endnote-ref-77)
78. *Ibid*, pp. 82-3. [↑](#endnote-ref-78)
79. A. Norrie (1993) *Crime Reason and History:* *A Critical Introduction to Criminal Law* (London: Wiedenfeld and Nicolson), pp. 85-6. [↑](#endnote-ref-79)
80. See Wilson (2014) *The Origins of Modern Financial Crime*. [↑](#endnote-ref-80)
81. Friedrichs (2012) ‘Wall Street’, p. 5. [↑](#endnote-ref-81)
82. Evans (1968 edition) *Facts, Failures and Frauds,* p. 1. [↑](#endnote-ref-82)
83. Sutherland (1945) ‘Is “White Collar Crime” Crime?’, p. 132. [↑](#endnote-ref-83)
84. *Ibid*, p. 136, with this sentiment also reflected on in T.M. Ashe and L. Counsell 91993) *Insider Trading* (Croydon: Tolley), pp. 178-9. [↑](#endnote-ref-84)
85. *Ibid*, p. 139. [↑](#endnote-ref-85)
86. With both viewpoints explained in Nelken (1994) ‘White-Collar Crime’, *passim*. [↑](#endnote-ref-86)
87. Particularly crimes against persons involving violence: see M. Cole ‘The FSA's approach to insider dealing’, Speech, American Bar Association, 4th of October 2007. [↑](#endnote-ref-87)
88. Perkin (1969) *Origins of Modern English Society*, p. 442. [↑](#endnote-ref-88)
89. Evans (1968 edition) *Facts, Failures and Frauds,* pp. 1-5. [↑](#endnote-ref-89)
90. *Ibid*, p. 1. [↑](#endnote-ref-90)
91. *Ibid*, pp. 1-2. [↑](#endnote-ref-91)
92. *Ibid*, pp. 1-5. [↑](#endnote-ref-92)
93. See Taylor (2013) *Boardroom Scandal*, especially pp. 1-7. [↑](#endnote-ref-93)
94. D.M. Evans (1970) *The Commercial Crisis 1847-1848* (1848, reprinted New York: Burt Franklin), p. 33. [↑](#endnote-ref-94)
95. See Taylor (2013) *Boardroom Scandal*, pp. 187-212. [↑](#endnote-ref-95)
96. Friedrichs (2012) ‘Wall Street’, p. 6. [↑](#endnote-ref-96)
97. Evans (1968 edition) *Facts, Failures and Frauds*, p. 5. [↑](#endnote-ref-97)
98. See Wilson (2014) *The Origins of Modern Financial Crime*. [↑](#endnote-ref-98)
99. For lawyers this is what discerns crime from other types of wrongs recognised by law: see G. Williams (1983) *Textbook of Criminal Law* (London: Stevens and Son). [↑](#endnote-ref-99)
100. As Benson and Simpson explain in (2009) *White-Collar Crime*, p. 5, Sutherland excluded ‘many crimes of the upper classes’ such as ones associated with violence and intoxication. [↑](#endnote-ref-100)
101. M. Wiener (1990) *Reconstructing the Criminal*, *Culture, Law, and Policy in England 1830-1914* (Cambridge: Cambridge University Press), p. 244. [↑](#endnote-ref-101)
102. B. Hilton (1986) *Age of Atonement: The Influence of Evangelicalism on Social and Economic Thought 1785-1865* (Oxford: Clarendon Press), p. 123. [↑](#endnote-ref-102)
103. For the latter see *ibid* and the former M. Lobban (1996) ‘Nineteenth Century Frauds in Company Formation: *Derry v Peek* in Context’, *Law Quarterly Review*, Vol. 112, No. 2, pp. 287-334 at pp. 287-8. [↑](#endnote-ref-103)
104. Hilton (1986) *Age of Atonement*, p. 123. [↑](#endnote-ref-104)
105. Wheeler, Weisburd and Bode (1982) ‘Sentencing the White-Collar Offender’, p. 645. [↑](#endnote-ref-105)
106. Evans (1968 edition) *Facts, Failures and Frauds*, p. 391. [↑](#endnote-ref-106)
107. *Ibid*, see the account of Sadleir’s story, at pp. 226-267 and p. 235. [↑](#endnote-ref-107)
108. *Ibid*, p. 227. [↑](#endnote-ref-108)
109. *Ibid*. [↑](#endnote-ref-109)
110. *Ibid*, p. 128. [↑](#endnote-ref-110)
111. *Ibid*, pp. 227-8. [↑](#endnote-ref-111)
112. *Ibid*. [↑](#endnote-ref-112)
113. *Ibid*, p. 228. [↑](#endnote-ref-113)
114. *Ibid*. [↑](#endnote-ref-114)
115. *Ibid,* pp. 229-230. [↑](#endnote-ref-115)
116. *Ibid*, p. 230. [↑](#endnote-ref-116)
117. *Ibid*. [↑](#endnote-ref-117)
118. *Ibid*. [↑](#endnote-ref-118)
119. *Ibid*, p. 231. [↑](#endnote-ref-119)
120. *Ibid.* p. 232. [↑](#endnote-ref-120)
121. *Ibid*. [↑](#endnote-ref-121)
122. *Ibid*, pp. 230-1. [↑](#endnote-ref-122)
123. Evans (1968 edition) *Facts, Failures and Frauds,* p. 229. See also the affairs of the Royal British Bank collapse and subsequent criminal trial of its directors in 1858 reported in the same work at pp. 268-390. [↑](#endnote-ref-123)
124. *Ibid,* p. 235. [↑](#endnote-ref-124)
125. *Ibid*, pp. 269-70. [↑](#endnote-ref-125)
126. *Ibid*, p.270 and p. 278. [↑](#endnote-ref-126)
127. *Ibid*, p. 269. [↑](#endnote-ref-127)
128. *Ibid*, p. 269. [↑](#endnote-ref-128)
129. *Ibid*, p. iii. This is the heading used by Evans to present his commentary on the criminal trial and the events leading to it in the annotated contents section at the front of his text. [↑](#endnote-ref-129)
130. Ibid, pp. 106-53 documenting the downfall of Strahan, Paul and Bates, especially at p. 145. [↑](#endnote-ref-130)
131. *Ibid*, pp. 108-9. [↑](#endnote-ref-131)
132. *Ibid*, p. 111. [↑](#endnote-ref-132)
133. *Ibid*. [↑](#endnote-ref-133)
134. *Ibid*, pp. 110-11. [↑](#endnote-ref-134)
135. *Ibid*, p. 112. [↑](#endnote-ref-135)
136. Hansard, House of Commons (HC) Debates, 141, 3rd April 1856: 414 (Sir John Parkington). [↑](#endnote-ref-136)
137. See for example Hansard, House of Lords (HL) Debates, 153, 24th March 1859: 686 (Lord Stanley) and Hansard, HC Debates, 178, 1st May 1865: 1286 (Mr Cave)*.*  [↑](#endnote-ref-137)
138. Hansard, HC Debates, 146, 8th June 1857: 1372 (Sergeant Kinglake). [↑](#endnote-ref-138)
139. See reflections from Attorney-General Sir Richard Bethell at Hansard, HC Debates, 145, 15th May 1857: 310-11. [↑](#endnote-ref-139)
140. See Wilson (2014) *The Origins of Modern Financial Crime.* [↑](#endnote-ref-140)
141. See the account of Strahan, Paul and Bates’ downfall in Evans (1968 edition) *Facts, Failures and Frauds*, pp. 106-53, especially at p. 133. [↑](#endnote-ref-141)
142. *Ibid*. [↑](#endnote-ref-142)
143. *Ibid*, p. 145. [↑](#endnote-ref-143)
144. *Ibid*, p. 137. [↑](#endnote-ref-144)
145. See M. Robbins (1998) *The Railway Age* (London: Mandolin Press), p. 26. [↑](#endnote-ref-145)
146. See extensive discussion of this in Wilson (2014) *The Origins of Modern Financial Crime*. [↑](#endnote-ref-146)
147. *Ibid*. [↑](#endnote-ref-147)
148. See the account Joseph Windle Cole in Evans (1968 edition) *Facts, Failures and Frauds*, pp. 154-225 at p. 157. [↑](#endnote-ref-148)
149. *Ibid*, p. 158. [↑](#endnote-ref-149)
150. *Ibid*, p. 157. [↑](#endnote-ref-150)
151. *Ibid*. [↑](#endnote-ref-151)
152. See Wilson (2014) *The Origins of Modern Financial Crime*. [↑](#endnote-ref-152)
153. *Ibid*, pp. 156-7. [↑](#endnote-ref-153)
154. Evans (1968 edition) *Facts, Failures and Frauds*, pp. 208-9. [↑](#endnote-ref-154)
155. *Ibid*, p. 166. [↑](#endnote-ref-155)
156. *Ibid*. [↑](#endnote-ref-156)
157. *Ibid*, p. 212. [↑](#endnote-ref-157)
158. Levi (2002) ‘Suite Justice or Sweet Charity?’, p. 147. [↑](#endnote-ref-158)
159. See perspectives from Nelken (1994) ‘White-Collar Crime’, *passim* and S. Shapiro (1985) ‘“The Road Not Taken”: The Elusive Path to Criminal Prosecution for White Collar Offenders’, *Law and Society Review*, Vol. 19, No. 2, p. 179. [↑](#endnote-ref-159)
160. See for example Friedrichs (2012) ‘Wall Street’, *passim.* [↑](#endnote-ref-160)
161. For example see S. Shapiro (1990) ‘Collaring the Crime, not the Criminal: Reconsidering the Concept of a White-Collar Crime’, *American Sociological Review*, Vol. 55, pp. 346-65 at p. 346. [↑](#endnote-ref-161)
162. See discussion in Nelken (1994) ‘White-Collar Crime’. [↑](#endnote-ref-162)
163. As suggested in works referenced above in this chapter by Sutherland, Ashe and Counsell and Cole. [↑](#endnote-ref-163)
164. See D.O. Friedrichs (2004) *Trusted Criminals: White-Collar Crime in Contemporary Society* (Belmont CA: Wadsworth), p. 5. [↑](#endnote-ref-164)
165. S. Karstedt and S. Farrall, ‘Law-abiding Majority? The Everyday Crimes of the Middle Classes’, Third Briefing, Centre for Crime and Justice Studies, June 2007. [↑](#endnote-ref-165)
166. Indeed this is how this ‘most dramatic personal turn-around in fortunes in recent British commercial history’ was titled: see J. Saunders (1989) *Nightmare: the Ernest Saunders Story* (London Hutchinson). [↑](#endnote-ref-166)
167. M. Levi (1991) ‘Sentencing White-Collar Crime in the Dark? Reflections on the Guinness Four’, *Howard Journal of Criminal Justice*, Vol. 30, No. 4, pp. 257-79 at p. 257 and p. 269. [↑](#endnote-ref-167)
168. *Daily Mail*, 24th May 2012. [↑](#endnote-ref-168)
169. *The Independent*, 30th December 1994. [↑](#endnote-ref-169)
170. Levi (1991) ‘Sentencing White-Collar Crime in the Dark?’, p. 260. [↑](#endnote-ref-170)
171. *Ibid*. [↑](#endnote-ref-171)
172. *Hannam v FCA* [2014] UKUT 0233 (TCC). [↑](#endnote-ref-172)
173. See Wilson (2014) *The Origins of Modern Financial Crime*. [↑](#endnote-ref-173)
174. W.H. Sewell Jr. (2005) *Logics of History: Social theory and Social Transformation* (Chicago: University of Chicago Press), especially pp. 6-18. [↑](#endnote-ref-174)
175. Tosh (2010 edition) *The Pursuit of History*, pp. 45-7. [↑](#endnote-ref-175)
176. See Wilson (2014) *The Origins of Modern Financial Crime*. [↑](#endnote-ref-176)
177. Rt Hon George Osborne MP, Mansion House Speech (London), 10th June 2015. [↑](#endnote-ref-177)
178. R. Wright, ‘The Investigation and Prosecution of Serious and Complex Fraud Towards the Twenty-first Century’, ISRCL Commercial and Financial Fraud Conference, 12th July 1999. [↑](#endnote-ref-178)
179. Trial of Strahan, Paul and Bates (1855) found in Evans (1968 edition) *Facts, Failures and Frauds*, especially p. 117. [↑](#endnote-ref-179)
180. *Ibid*, p. 209 setting out judicial reflections on Windle Cole’s 1864 conviction. [↑](#endnote-ref-180)
181. Magnusson and Szijarto (2013) *What is Microhistory?,* p. 154. [↑](#endnote-ref-181)
182. Wilson (2014) *The Origins of Modern Financial Crime*. [↑](#endnote-ref-182)
183. See Tosh (2010 edition) *The Pursuit of History*, especially pp. 45-7. [↑](#endnote-ref-183)