

In the Pursuit of Financial Criminality in the Moroccan Public Sector

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Abstract

Financial crime is a widespread issue for organizations, institutions. Criminals adopt more complex techniques to circumvent judicial scrutiny and conduct crimes as regulators and financial authorities use new strategies to detect and prevent financial offenses. Financial crimes are financial offenses perpetrated by individuals within organizations, most of the time in order to acquire a financial advantage through the employment of illegal methods. It involves taking money or other property that belongs to someone else, to obtain a financial or professional gain.

The purpose of this article is to present a review of academic literature on financial crimes theories that have emphasized the theatrical framework since the advent of the differential association theory developed by Edwin Sutherland in the 1940s, which shed light on the realms of finance and crime, and exhibit empirical findings from a documentary study of convicted public officials to provide an outline of the main forms of financial offenses that occur in the Moroccan public sector. This documentary study is founded on a nationwide sample of 139 final judgments that was collected based on financial court reports released between 2013 and 2019.

The wide range of financial infractions is classified in this paper by adopting two main categories of financial offenses that are, infractions that occur in the public spending area, and state revenues area. The majority of the offenders were convicted of breaking public procurement and public debt recovery legislation. Using a Likert scale (1 to 5), we concluded that, on average, public officials in high-ranking positions incurred severe financial sanctions. The findings also demonstrate a strong correlation between the offenders' occupations rank and the heaviness of financial sentences.

This research only encompasses cases of financial offenses that have passed through the entire legal procedure and whose final decisions have already been issued; other sorts of financial offenses may be excluded owing to a lack of evidence to prosecute public officials. Furthermore, other data regarding financial offenses that occur in the public sphere are present in the criminal records of the criminal chamber responsible for financial crimes, or in cases reported by the National Authority for Probity, Prevention, and the Fight Against Corruption. However access to this data is a challenge.

Keywords: Financial infraction; categorization; Sanctioning pattern; Public sector; Morocco

JEL Classification: H42, H57, H71, K42, M48

Paper type: Theoretical Research

1. Introduction

It goes without saying that, a powerful and efficient jurisdictional system implies a detection of all sets of financial crimes, in various fields, before, during and even after their occurrence. Hence, laws and regulations organisms should foresee, predict and provide for each sort of financial violation, its proportional amount of punishment. Nevertheless, such a system appears to be barely achievable, due to the fact that plenty of financial infractions and violations stay out of sight of authorities (Michel, 2008).

Financial crimes and violations are here to stay, and the public sector is not out of the equation. However, the tendency of research regarding this fraudulent deviance reveals that empirical studies are rather focused on financial infringements that occur in the corporate world, and investigations that are conducted within the public establishments, local and governmental organisms are thought to be relatively seldom.

It has been argued that many factors contribute to the process of making this deviance more difficult to uncover. First, the complexity of the technic and deceitful schemes that are used to perpetrate white-collar crimes (Omar & Bakar, 2012), such as fraudulent financial statements. Usually, the element of complexity requires a substantial degree of expertise and capabilities (Reurink, 2018), the latter can be more likely found at top management level. Second, the misapprehension and poor knowledge that surround financial infractions, especially their several categories and frequencies, obstruct the action of recognizing them during audits and investigations (Carpenter & Mahoney, 2001).

In its most recent interpretive note of recommendation n°26, Financial Action Task Force states that, financial criminality should be well-understood by supervisors (FATF, 2021). Therefore, discerning this issue, entails being aware of its wide range of species. Besides, (INTOSAI, 2019) highlighted in its first fundamental of The Principles of Jurisdictional Activities of SAIs the importance of having a specific legal framework, in order to clarify the procedures of institutions, and the duties of the individuals accountable by law.

In this context, this paper is concerned with providing an analysis of different taxonomies and classifications of financial infractions that occur in the Moroccan public sector, territorial authorities and public establishments in particular, so it might serve as a foundation for competent authorities, in setting up new proactive and reactive actions and measures as means to deter criminal attitudes, and enhance the existing legal and regulatory framework.

To carry out this work, we will first introduce a theoretical background of financial deviance, and review the various studies and scientific papers that have addressed the issue of categorizing crimes and financial offenses, then our reflection will be focused second on the approach and research methodology used to identify the forms of financial offenses that distinguish the Moroccan public sector, and finally, the third axis will be dedicated to the results acquired and the discussion.

1.1 Theoretical background

In his innovative and pioneering work on financial deviance, Edwin Sutherland attempted to find a common ground between the economic and sociological fields (Sutherland, 1940). First, he dismissed the claim brought by previous general theories that suggested explaining criminal behavior by poverty, personal and social characteristics, on the grounds that, they are founded on biased samples (Sutherland, 1941). Then, he broadened the theoretical framework of criminality by including crimes that are perpetrated by corporates and upper-class individuals. He Later defined white-collar crime as “crime committed by a person of respectability and high social status, in the course of his occupation” (Sutherland, 1983).

At that time, despite the belief that proving the prevalence of white-collar crime in the business world and labeling some corporate activities as criminal were difficult undertakings, Sutherland

carried out his studies at 70 largest firms in the United States, and four forms of crimes were scrutinized, *Antitrust violations* (1) which consists of several restricting actions implemented by companies to restrain competition, *false advertising* (2), *national labor relations infractions* (3) and *transgressions of patents, copyrights and trademarks* (4) (Sutherland, 1945).

It is worth mentioning that his accomplishment initiated the debate about a new perception that has been unnoticed, and many other researchers followed his lead. (Coleman, 1987) recognized the same threat of financial deviance on the social and economic dimensions. However, the definition of white-collar crime did not conform to his thoughts and convictions, because he contended that it was too broad, and it includes too many diverse and unrelated attitudes. In addition, he suggested that the concept should be split into different categories, such as *business, political and governmental crimes*.

To develop a more practical and relevant taxonomy of white-collar crimes (Clinard & Quinney, 1967) proposed their famous dichotomy between occupational and corporate crimes. The two authors defined *occupational crime* as “offenses committed by individuals for themselves in the course of their occupation and the offenses of employees against their employers”. And the most conspicuous case of this type of infraction is the financial gain that politicians and government employees may reap by furnishing favors to business companies, in the form of illegal commissions on public contracts or lower tax assessments (Clinard & Quinney, 1973). In the other hand, suing corporates for their crimes was a dilemma, because then, both scholars and lawyers were uncertain as to whether companies can be considered as criminals. *Corporate crimes* involve financial infractions perpetrated by managers on behalf of their firms, and the offenses of the firms themselves (Clinard & Quinney, 1973). The present distinction between occupational and corporate crimes is based on who stands to profit from the law-breaking behavior, and it has been established explains white-collar crime in organizational context, setting aside the personal characteristics of their actors (Reurink, 2016).

In his book “The nature, impact, and prosecution of white-collar crime”, (Edelhertz, 1970) suggested another sorting of this deviance, based on the nature and the activity of the entity that committed the criminal acts. The categories are as follows:

- (1) Financial offenses that are perpetrated by the individual of his own, and do not represent his main activity, such as tax fraud.
- (2) Financial offenses that are committed by the individual during his occupation in an organization, involving the misuse of employers’ trust, for instance, embezzlements.
- (3) Financial offenses that are secondary to business and do not represent the main activity of the organization, such as the antitrust violations.
- (4) Financial offenses that constitute the main purpose of business; this category includes Ponzi schemes as an excellent illustration of financial misbehavior.

(Wellford & Ingraham, 1994) have suggested dividing concept of white-collar crime, because its definition was inaccurate and encompasses a very broad range of unlawful behaviors. They adopted a typological approach that suggested a tripartite categorization, (1) *business and professional crimes*, (2) *occupational crimes* and (3) *individual fraud*.

In contrast to the previous classifications (Gottschalk, 2013)’s studies differ slightly regarding the preciseness of the main categories of financial crimes. In his literature study, he came to the conclusion that financial offenses can take four kinds of shapes, corruption, fraud, theft and manipulation (Gottschalk, 2010):

Corruption

It is defined as a dishonest and improper behavior that consists of soliciting, offering, and taking undue benefit which can result from holding a position in an organization. It implies a misuse of occupation for the purpose of unlawfully getting rich. Corruption acts encompass a wide array of criminal behaviors, including kickbacks, embezzlement, and extortion.

Fraud

It is defined as unlawful and deliberate distortion of the truth that, in most cases, induces a

potential and significant harm to another party (Gottschalk, 2013). This category of financial offenses regroups many subcategories sharing the same pattern involving deceitful acts using misrepresentation of the facts, such as mortgage fraud, and hedge fund fraud which requires issuing financial misleading documents to investors.

Theft

It is a crime category that consists of exploiting another person's stolen financial and personal credentials, such as social and security numbers and government passport numbers, in order to impersonate his identity, with the intention of perpetrating illegal acts. Identity theft and theft of cash fall under this financial crime category (Higgins et al., 2008).

Manipulation

Maybe described as illegal actions of acquiring improper control or influence over other activities, means and outcomes. This assortment regroups various types of financial transgressions, by way of illustration bankruptcy is a manipulation crime in which the offender prevents bondholders from collecting their claims by concealing assets.

Given the practical experience accumulated as a state prosecutor (Nowrousian, 2019) noticed that three sorts of financial deviance are strongly linked to the context of public procurement, namely subsidy fraud, restricting competition and corruption.

Subsidy fraud can be defined as a financial offense that entails submitting intentionally false and fraudulent declarations or statements in order to benefit from governmental or other authority's grants.

Restricting competition is the act of awarding a public contract to a competitor on the basis of an unlawful agreement. Unfortunately, corruption cases are also frequently found in this context.

It should be emphasized that, dealing with real cases of financial infringements led the author to question about what makes financial offenses that occur during public bids so difficult to prosecute. He argued that evidences that are required by the criminal codes are tough to find and the task is quite complex, which makes proving procurement criminality more difficult as it already is, and that is why the procedure is frequently doomed to failure. Consequently, providing prosecutors with clear and simple legislation, with components of crime requiring merely what can feasibly be proven, is a critical success factor.

Several research has attempted to understand the reasons behind committing financial infringements. (Cressey, 1950) proposed an explanation that can relate to these sorts of financial offenses, while studying the phenomenon of violation of trust. He concluded that the occurrence of financial crimes requires the combination of three significant elements, which are known as Fraud Triangle Theory (FTT): (a) opportunity, which refers to a lack of surveillance and weakness in control procedures, (b) pressure or motivation, which can take the form of a financial non-shareable problem, and (c) rationalization as a state of mind that allows individuals to perpetrate their unlawful activities while reducing and inhibiting the sense of remorse. Over time, Cressey's theory evolved from the fraud triangle to the fraud diamond theory, since (Wolfe & Hermanson, 2004) believed that the fraud triangle could be enhanced to improve both fraud prevention and detection by taking into account a fourth element, known as individuals' Capabilities to exploit weaknesses, avoid detection, and commit criminal acts.

Public sector corruption can also occur when self-serving actions of a political leader or official take precedence over the public good. Besides, its aftermaths are severe for market mechanisms, as it hinders economic growth by increasing public spending while decreasing productivity and efficiency of the existing infrastructure (Tanzi et al., 1998). To address this topic (Graycar, 2019) stressed, in his studies about this financial crime form, that in reality governmental award of contracts involves ordering from the best briber instead of the best quality, and he argued that corruption in public bids can take place in various levels, such as (1) *Grand corruption level* where selections about public bids are politically driven, and (2) *Bureaucratic level* where

public officials strive to benefit themselves by influencing the purchasing process of goods and services for their companies.

Financial infractions occur in any organization and take three major forms (Akinbowale et al., 2020): asset misappropriation, financial statement fraud and corruption. First, asset misappropriation is a financial offense in which public officials/employees abuse or embezzle an organization's resources. It might take the shape of cash theft, fictitious billing arrangements, or an overstated expenditure report. The second type of fraud involves financial statements; the individual in this case can purposefully generate a false, misleading, or omission on an organization's financial accounts or statements, which may include the presentation of fictive profits, invoicing for products or services not provided, duplicate billing, false alterations of records, inflation or undervaluation of reported assets or final reports. Finally, corruption patterns, emerge when an employee breaches the tenets of commercial transactions, contracts, or procurement through the misuse of their influence for personal benefit, as may occur in situations involving bribes or conflicts of interest.

According to (Utami et al., 2021), Asset misappropriation can, moreover, entail two kinds of properties, cash and inventories. Misappropriation of monetary assets happens through a variety of tactics such as skimming, thievery, and fraudulent payouts. This can be accomplished in a variety of methods, including using a billing system, payroll system, expense reimbursement system. Misuse of assets in the form of inventory is the exploitation, theft, or misappropriation of assets other than money in the organization. The pattern consists of illegally taking and manipulating others' properties.

2. Approach and Methodology

This study has been conducted to obtain more accurate information about the different categories of financial infractions that taint the Moroccan public sector, in order to suggest a new and different sorting, by reviewing The Moroccan Court of Accounts final judgments pertaining to various public organisms, institutions and administrations.

Given the sensitive nature and confidentiality surrounding the topic of financial infringements, identifying a significant sample of financial infractions and collecting relevant data about each violation, such as the activity sector, the institution, the perpetrator's occupation, and the fine amount, is not an obvious assignment. As a result, we decided to conduct the documentary research only on publicly available data.

The entities that are concerned with this study are in charge of managing public funds, hence, they fall under the financial control of the Moroccan financial courts, according to the articles n° 2 and n° 118 of the law n° 62-99 forming the code of financial courts.

Besides, the data in this study are derived from Financial Court public reports, regarding public officials who work for 72 public entities and have committed at least one financial violation during the period between 2006 and 2016, and for which final judgments were issued between 2013 and 2019 after further investigations following the original verdict. These reports contain several cases of offenses and in our study, two criteria have been set in order to examine the financial court's decisions: the first is that the infraction must have an impact on public funds (1) and the second is that the infraction must have led to financial sanctions (2).

The results of this study are based upon 139 final judgments issued by two internal organs of the financial court, against 139 public officials, the first is, the Chamber of Financial and Budgetary Discipline (CDBF) that is a coercive structure aimed to sanction breaches of the rules governing public finances perpetrated by any individual intervening in the management of public affairs, and the second is, the Chamber of Appeal of the judgments pronounced by the Regional Audit Courts.

In other words, each financial judgment affects only one public official. However, the same decision may cover a wide range of financial infractions committed during the individual's employment.

The Chamber of Financial and Budgetary Discipline (CDBF) rejected 96 appeals and ruled that the original verdicts are correct and justified. Meanwhile, the Chamber of Appeal of the judgments pronounced by the Regional Audit Courts upheld 43 original verdicts. It is worth noting that initial decisions that are overturned by the two chambers in the appeal stage are not taken into account, nor are the subsequent violations. The most common cause for reversing these sentences is the lack of evidence linking the defendant to the financial offense.

These judgments pronounced by the financial court encompass more than 2200 pages relating to information about substance, circumstances and the context in which the deviant acts occurred. A documentary analysis was undertaken and a table/template was generated for each case in order to gather data about:

- The case number;
- The body issuing the final judgment;
- The sector of activity of the organism;
- The delinquent's occupation/role within the organism;
- The financial offense committed by the defendant;
- The financial damage induced to the organism and the public funds;
- The laws and regulations that have been infringed;
- The amount of financial sanctions pronounced against the defendant.

In addition, in order to examine sentencing patterns (X variable) and its connection with the offenders' occupation nature (Y variable), we did assess the correlation (β) that exists between these two variables, by adopting a five-point Likert-scale ranging from "1" (for low-status occupations involving less responsibilities and risks, such as technicians), to "5" (for high-status occupations, involving more responsibilities and relevant risks related to public finances management, such as general directors), and linking it to the average fine for each type of occupation.

3. Goals and Results

Between 2013 and 2019, The Chamber of Financial and Budgetary Discipline (CDBF) and the Chamber of Appeal of the judgments pronounced by the Regional Audit Courts issued 139 final judgments, against 139 public officials, on various financial infringements perpetrated over a ten-year period (from 2006 to 2016), during their occupations within several entities established throughout the Moroccan territory. Table 1 displays the distribution of final judgments and the number of organisms by activity sectors.

Table 1 : Distribution of final judgments, fine amounts and organisms by the activity sector.

Sectors	Nber of Organisms	%	Nber of Jugements	%	Financial sanction ¹ Min-Max
Accounting & Finance	18	0.250	29	0.209	122 – 173,166 \$
Local Government	13	0.181	16	0.115	200 – 38,000 \$
Education & Training	11	0.153	29	0.209	100 – 90,000 \$
Public Health	9	0.125	8	0.058	300 – 3,500 \$
Youth & Sport	3	0.042	13	0.094	250 – 4,000 \$
Real Estate & Construction	2	0.028	5	0.036	800 – 3,500 \$
Tourism & Craftsmanship	2	0.028	13	0.094	200 – 6,500 \$
Commerce & Industry	1	0.014	1	0.007	260 \$
Energy	1	0.014	1	0.007	600 \$
Fishery	1	0.014	1	0.007	500 \$
Information & Communication	1	0.014	3	0.022	500 – 3,000 \$
Agriculture	1	0.014	1	0.007	1,000 \$
Transport	1	0.014	1	0.007	2,500 \$
Other Sectors ²	8	0.111	18	0.129	200 – 1700 \$
Total	72	1.000	139	1.000	-

Source: Authors

What stands out in Table 1, is that out of 72 entities concerned with financial infractions:

- 25% are operating in the Accounting and Finance sector, and these organisms are Public Accountants such as provincial and regional treasurers, which are an external service/organ of the general treasury of the kingdom of Morocco, that deal particularly with the payment of expenses and debts recovery. The share of final verdicts pronounced against public accountants is around 21% of all judgments. And, we observe that the highest amount of financial penalty foisted on government officials that operate in this sector is 173,166 USD.
- 18.1% are territorial collectivities which are represented by the local government, in charge of the local affairs of the population. The prosecution in this case concerns only the elected members, especially the presidents of the communes that run public affairs such as public bids and ordering tax collection. The proportion of final judgments related to this sort of entity is approximately 11.5% of all judgments. Besides, we notice that the heaviest fine in this activity sector is 38,000 USD.
- 15.3% are External services, establishments, in particular regional delegations, Academy of Education, universities and superior engineering schools that operate under the auspices of the ministry of education and training. The individuals that are convicted in these cases include regional directors, provincial delegates, secretary generals, dean of university, teacher/researcher and department heads, administrators and technicians. The percentage of final pronouncements related to education and training sector is roughly 21% of all judgments. Furthermore, we notice that the highest financial penalty is 90,000 USD, that has been inflicted on a university president.

It is worth mentioning that Chamber of Appeal of the judgments pronounced by the Regional Audit Courts confirmed the rightness of 43 initial verdicts, and emitted multiple penalties that vary from 122 USD to 173,166 USD, in regards to only two categories of public officials: public accountants and elected representatives of the local governments. And in the meanwhile, The Chamber of Financial and Budgetary Discipline (CDBF), upheld 96 initial verdicts and imposed financial sanctions ranging from 100 USD to 90,000 USD, enforced on both high-ranking officials with a high social status such as general directors, regional directors, provincial delegates, secretary generals, dean of the university, teachers/researchers and department heads, and low-ranking officials such as treasurer, administrators and technicians.

¹ Fine amounts in the judgments are issued in the Moroccan Currency, but for the sake of simplification, we'll suppose that 1 American Dollar equals 10 Moroccan Dirhams.

² The names of the entities under examination, as well as the industry in which they operate, are not mentioned in these final judgments.

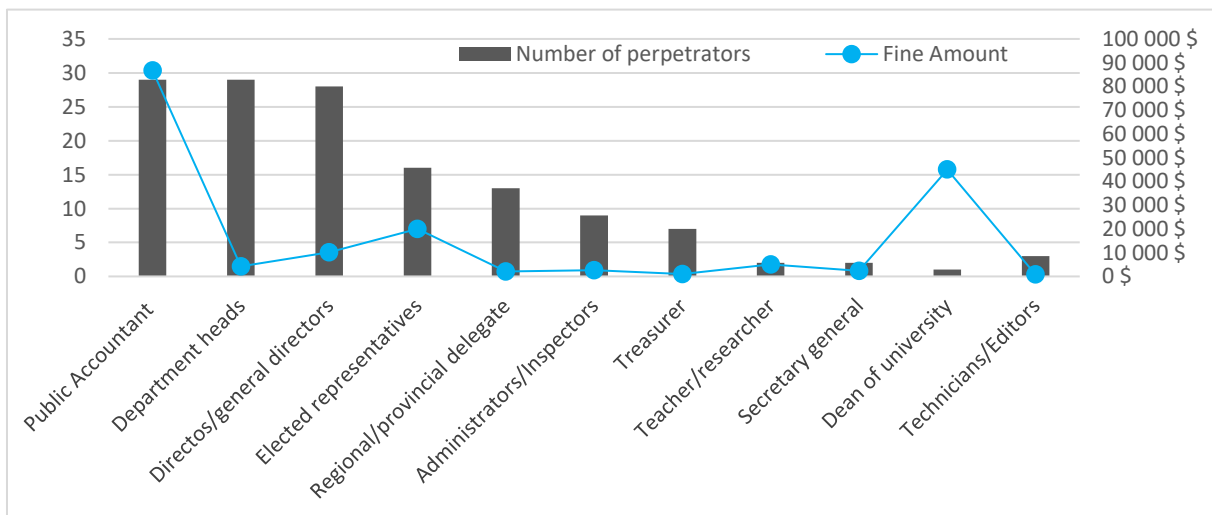
The Table 2 shows the distribution of perpetrators and the amounts of financial sanctions by the nature occupations.

Table 2 : the distribution of perpetrators and financial sanctions by the occupations.

Occupations	Scale	Number	Frequency	Min Fine	Max Fine	\bar{X} Fine
Public Accountant		29	0.209	122 \$	173,166 \$	86,644 \$
Elected representatives	5	16	0.115	2,000 \$	38,000 \$	20,000 \$
Directors/general directors		28	0.201	260 \$	20.000 \$	10,130 \$
Secretary general		2	0.014	1,700 \$	3,000 \$	2,350 \$
Dean of university	4	1	0.007	0	90,000 \$	45,000 \$
Regional/provincial delegate		13	0.094	120 \$	4,000 \$	2,060 \$
Teacher/researcher		2	0.014	0	10,000 \$	5,000 \$
Department heads	3	29	0.209	100 \$	8,300 \$	4,200 \$
Administrators/Inspectors	2	9	0.065	200 \$	5,000 \$	2,600 \$
Treasurer		7	0.050	250 \$	1,700\$	975 \$
Technicians/Editors	1	3	0.022	700 \$	800 \$	750 \$
Total		139	1.000			

Source: Authors

Fig 1: the distribution of perpetrators and financial sanctions (average) by the occupations.



Source: Authors

3.1 Seriousness of financial sentences and public officials' occupation

Fig 1 and Table 2, show that out of 139 public officials, approximately 21% (29) are public accountants, with an average fine of 86,644 \$, and around 20% (28) are general directors and directors of public establishments and institutions with an average fine of 10,130 \$, and 21% (29) serve as department heads with an average fine of 4,200 \$. While, technicians, administrators and treasurers represent only 13.66% of the samples and the average financial punishment inflicted to this category of public officials is roughly 2,600 \$.

These findings have a significant relevance in that public officials with a decent and powerful position/occupation of the organisms are more prone to commit financial infractions and face heavy sentences than individuals that occupy ordinary and low-ranking careers. Furthermore, these results are consistent with the positive and strong correlation between the two variables (X and Y), as we found that the coefficient of correlation between the severity of financial sentences (X) and the importance/respectability of public officials' occupation (Y) is $\beta = 0.93$, indicating that the more respectable and risky the function is (accessibility to public funds and more responsibilities), the more severe and oppressive the financial penalties will be.

3.2 Categories of Financial Offenses

Having a customized template/table generated for each sample unit, allowed us to extract and uncovered a wide spectrum of illegal attitudes labeled as financial crimes/infractions through our empirical study. As a result, there are six main forms of financial offenses³ from which the Moroccan public sector is still suffering, that occur in (1) public spending and (2) state revenue spheres, namely

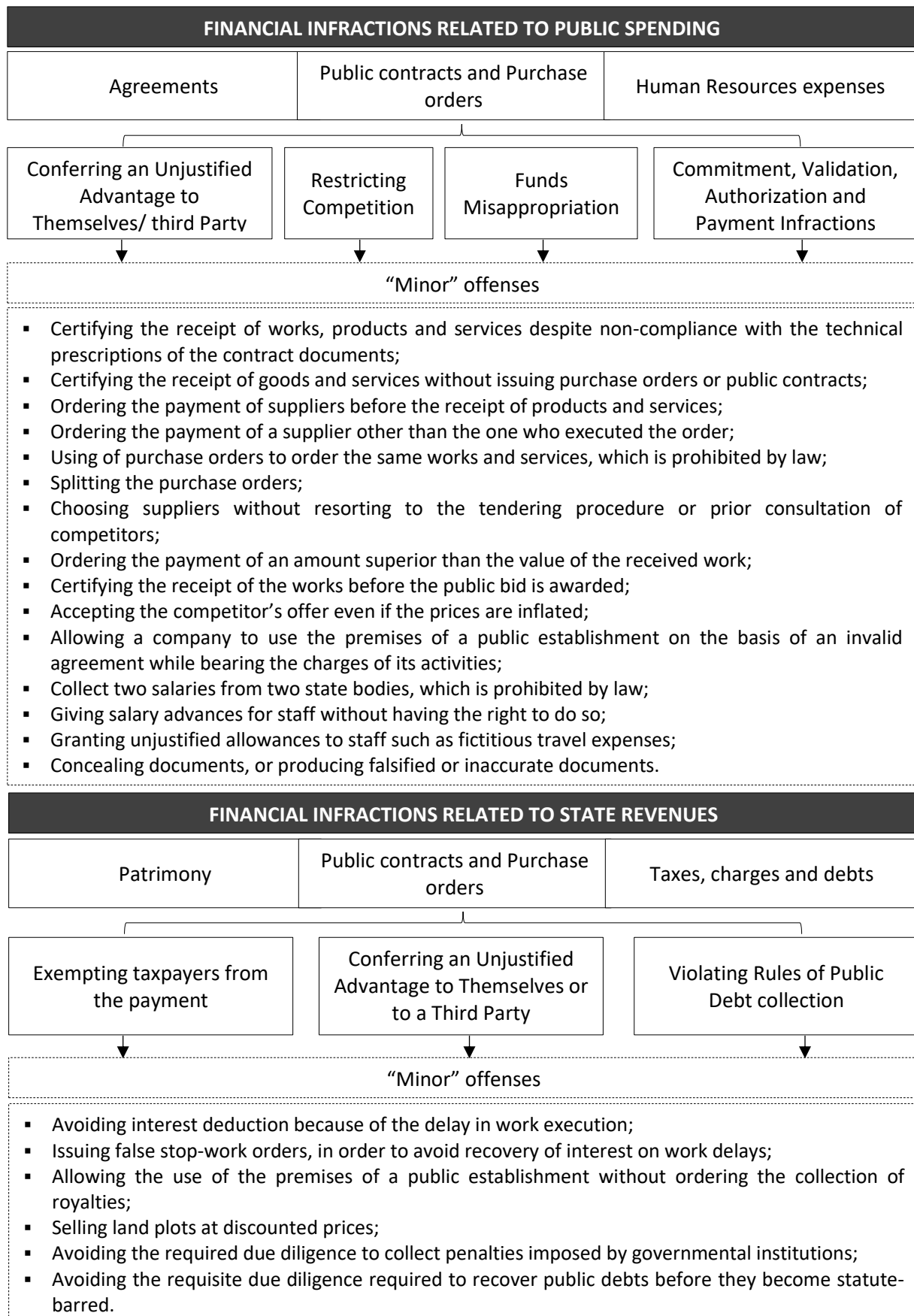
1. Restricting competition infractions;
2. Misappropriation of public funds;
3. Commitment, validation, authorization and payment infractions;
4. Conferring an unjustified advantage to themselves or to a third party;
5. Exempting taxpayers from tax/royalties payment;
6. Violating rules of public debt collection.

In addition, the main financial violations require the occurrence of a set of “minor” infringements that contribute to their emergence, they also represent subcategories. We did also notice that high-ranking officials tend to commit more sophisticated infractions, such as restricting competition by using fraudulent and unlawful methods, than ordinary employees who commit less complex infringements, such as falsely certifying the receipt of work and services.

Organizations will be abused as long as there are vulnerabilities that may be exploited for profit. When compared to Gottschalk's work (Gottschalk, 2013), we notice that he sought to analyze white-collar crimes in both sectors in Norway, using data from newspapers concerning 323 individuals. He stated that there are four major types of financial crimes: (1) fraud, (2) theft, (3) manipulation, and (4) corruption, with many subcategories within each major type. He highlighted that restricting competition, fraud related to invoicing, and tax payment violations belong to manipulation category. Since his study is relied on instances published by the financial crime court in the media, issued sentences entails imprisonment. So, in terms of jail sentences, those convicted of fraud received much greater penalties than criminals convicted of corruption. Unlike our study, pronounced verdicts encompass only monetary penalties.

³ These financial offenses are addressed in the law n° 62.99 forming the code of financial courts, law n° 15.97 forming the code of public debts recovery and Decree n° 2.12.349 related to public procurements.

Fig 2: The main categories of financial infractions/examples of the “minor” infringement.



Source: Authors

This study showed that the most serious financial offenses occur throughout the process of managing public affairs, most notably while issuing public bids, purchasing orders, agreements, implementing human resources expenditures, managing patrimony, and tax and debt collection. Multiple financial infractions from different spheres (public expenses and state revenues) could be committed in the same context, such as in public contracts award, where the perpetrator can directly choose the contractor without going through the tendering process, while also avoiding interest deduction due to the delay in work execution, which could not occur without collusion. It should be mentioned that, committing infractions, such as ordering the payment of an amount superior to the value of the received work, selling land plots at discounted prices or issuing stop-work orders in order to avoid recovery of interest to work delays, prompts us wonder about, reasons behind for this kind of attitude, as well as the profit that the perpetrator would obtain from illegally granting an advantage to a third party. This also calls into doubts about the integrity of the public official who committed the wrongdoings.

4. Conclusion

Wherever there is money there is always a risk of financial crime, and financial offenses are the outcome of complex interactions between the opportunity, the motivation and the reasoning. The literature suggests many taxonomies for financial infractions, such as occupational and corporate crime, and classifications based on who benefit from perpetrating the financial violations.

In order to propose a new classification, we conducted a documentary research based on 139 final judgments published by the court of accounts, in its annual reports. Data about the body issuing the final judgment, the delinquent's occupation/role within the organism, the financial offense committed by the defendant, the laws and regulations that have been infringed, and the amount of financial sanctions pronounced against the defendant, was gathered using personalized templates.

In this paper, we have attempted to suggest a new classification/categorization of financial infractions that distinguishes the Moroccan public sector, in order to serve as a foundation for competent authorities as a basis in the process of implementing and establishing new policies and regulations to deter and combat financial criminality.

The main categories of financial crime that typify the Moroccan Public sector are infractions that occur in public spending area, such as restricting competition, and in the State Revenue's area, for instance, refusing to collect public debts which means illegally granting an advantage to taxpayers. We did also demonstrate that there is a strong correlation between the perpetrator's occupation rank and the severity of the financial penalty.

Access to more relevant data is a challenge, especially since we are dealing with a very sensitive subject that has a secret and confidential nature. This study did not include data regarding financial offenses that occur in the public sphere and that are present in the criminal records of the other courts.

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