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PARADOX OF WHITE COLAR CRIME AND FRAUD IN BANKING: CRITICAL ANALYSIS OF AGENCY THEORY AND GONE THEORY

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Abstract

This study aims to criticize the paradoxical causal relationship with the critical paradigm of Habermas. This type of qualitative research has been chosen by using the Radical Humanism paradigm in looking at the phenomenon of banking accounting. The Radical Humanism paradigm sees change as done through consciousness and enlightenment. This research was conducted in the case of white coral crime at Bank X, with the type of data in the form of documentation of the results of in-depth interviews with informants and by linking the synthesis of the Agency theory and GONE theory through the perspective of the Habermas language paradigm. The results of the study inform that agents can be separated from the pragmatic agency theory that causes agents to commit fraud and white corral crime through a series of forms of exemption. The first exemption is proposed to reduce the greed in a person by giving and instilling a sense of interpersonal security to all employees in the form of financial security. The second form of exemption is done through a ethical and moral customer due diligence program. Liberation of the third form which aims to reduce the rationality of economic relations that tend to prioritize the needs of individuals by all means through consciousness of the meaningfulness of life agents as a center of activity and the next form of liberation is through the process of logotherapy.

Keywords: Bank accounting, fraud, white corral crime, consciousness and enlightenment

INTRODUCTION

The development of research in the field of banking accounting has reached its focus, especially on the scope of fraud involving banks and their customers. The development of banking technology today has made it easier to move their customers across regional regions within the national scope. Besides that, information technology in the banking sector also makes it easy to transfer the banks' funds across countries (Hayashi, 2019). This is due to the globalization of the banking system through electronic payment systems. The proceeds of crime in this case are generally in a large amount that will flow or move beyond the limits of state jurisdiction by utilizing the bank's confidential factor which is highly valued by banks.

Banks in Indonesia must monitor their custoemrs' identity, transactions, and accounts and then, report them to the Financial Intelligence Unit or the Center for Financial Transaction Reporting and Analysis (Darwin, 2012). This can create an information database that makes it easy for law enforcement to track money laundering. This crime is often referred to as white collar crime. The crime of money laundering becomes a transnational crime whose process can be carried out beyond the territory of the country where the results were originally obtained, and then the eradication in this problem is to do good and continuous cooperation between countries in the world through international cooperation.

Berghoff and Spiekermann (2018); Baer (2018) and Reurink (2018) said that many white-collar criminals are motivated by their intention to gain personal or group benefits by utilizing the existing procedures and policy gaps they think it as legitimate activities and not to violate the provisions of the law. Interestingly, white-collar crime that uses banking services very often is a case of money loundring. According to Kumar (2012) money loundring is a series of processes that involve economic or non-economic entities carried out by a person or

organization against money or assets resulting from criminal acts with the purpose of disguising and hiding the source of the money or assets originating.

Technological developments in the financial services sector have led to the crime of money laundering, which currently utilizes banking technology that metamorphoses in the form of cyber laundering (Mira, 2014; Rechtman, 2020). This phenomenon has its relation to the banking service industry which is an inseparable massive phenomenon. This is due to the truth that money laundering cases are carried out by utilizing banking service products, both funding products such as savings, current accounts, and deposits but also bank services in the form of transfers. It is recognized that the core business of banking is collecting funds from customers in the form of deposits and then channeling loans to customers in the form of credit or loans (J.R.Saroinsang, 2014; Yoon & Jun, 2019).

The banks' health is well determined and their stability of liquidity ratio is largely influenced by the third parties' availability of strong deposits. The large number of sources of funds that can be collected from the public will also be utilized by banks to enlarge the amount of credit distribution, so that the income spread income obtained by banks can increase profits for banks. In this context contingency theory can explain the causality between the need for funds from customers or the community with the ease of transaction convenience for customers or the public who want to keep their money in the bank by getting all priorities that benefit the customer, starting from the amount of negotiable deposit interest rates and guaranteeing transaction confidentiality and customers guaranteed by the bank (Ketz, 2019).

Agency theory is the basis for business people in causal relationships between principals and agents. The actual principal is a person or group of people who have money or assets in the form of investment in a business organization such as shares that is entrusted to a person or group of people of the company to carry out management in business activities to achieve profits (Azam, 2018; Lan & Heracleos, 2010). In an agency theory, agent refers to a person or group of people who are given the authority and trust to manage the business. The thing that needs to be observed is that contextual agency theory is not merely a relationship of authority cooperation between the principal and the agent, but rather the goal of getting the maximum profit (Shonhadji & Maulidi, 2020). This can be indicated by the principal who is willing to spend a significant amount of money just to carry out control and supervision, even the replacement or rotation management if deemed unproductive to management performance in order to achieve maximum profit targets. Principal pressure causes banks to try to improve their financial performance in order to obtain high profits. This pressure makes the banks have the reason to issue a policy of fund raising and aggressive lending (Hayashi, 2019; Ruan, Xiang, & Ma, 2018). In this condition, the principle of prudence and risk management should be the control instruments that can be transactionally biased.

In this space, money laundering crimes get loopholes, and there is a need for savings from large customers as a source of lending to the community that will later be used to meet the principal's target of maximizing profits, on the other hand money laundering criminals get a place to satisfy their greedy nature over the proceeds of crime. The Mega Bank case involved in PT Elnusa's money laundering crime case in 2011-2012, then the most recent in February 2019 BRI tellers involved money laundering case (<https://bisnis.tempo.co>) and internationally the largest bank in Germany, Deutsche Banks in Frankfurt were investigated by law enforcers in connection with money laundering cases involving employees for criminal activities (quoted from BBC station, 2018).

Research conducted by Mathilda (2013) and Baer (2018) informs us that money laundering has an impact on economic activity, especially concerning financial institutions. Therefore, the government must be able to prevent the practice of money laundering and improve regulations relating to the prevention of white-collar crime. Research on white collar crime in the banking sector was also carried out by Garnasih (2013); Taylor (2018) and Hayashi (2019) who informed that white collar crime involved many banking sectors. Causality of the

contextual relationship between agency theory and GONE theory becomes a paradox which is motivated by materialistic transactional needs. This study aims to criticize the paradoxical causal relationship with the critical paradigm of Habermas.

THEORETICAL FRAMEWORK

Habermas Theory as Critical Analysis Basis

Habermas is known for his theory, namely The Theory of Communicative Action which is often used to analyze social interactions through the separation of two fundamental interactions, namely: (1) interaction based on social needs (lifeworld); and (2) interactions that are influenced by system mechanisms. Sawarjuwono (2005); Omika dewi (2010) and (Supraja, 2018) states that social interactions included in the concept of lifeworld are social activities carried out without any element of coercion and it occurs in an atmosphere of communicative action. Furthermore, a social interaction which is included in the concept of system mechanism is a social activity carried out due to an element of compulsion and it does not occur in an atmosphere of communicative action, because it is influenced by steering media, namely media money (economic considerations) and media power (regulations).

In accordance with the Habermas language paradigm view, researchers see that a company cannot stand alone without social interaction with stakeholders and the community (Iwan, 2014; Supraja, 2018). Social interaction, in this research, is the relationship between employees or bank employees (agents) and capital owners (principals) who interact in business relationships with a maximum profit-oriented orientation while at the same time social interaction between money laundering actors and bank employees with disguised orientation of transactions.

Synthesis of Consiousness and Liberation Ideas

According to the Habermas language paradigm, social interactions that occur between agents and principals in the agency theory basic framework are not only limited to the concept of system mechanism, but also included in the concept of life (Bukhori, 2012; Frankl, 2017). When viewed from the concept of system mechanism, the practice of fraud and white collar crime that occurs in banking services tends to be caused by economic media (money) and media power (principal pressure and rules). When viewed from the lifeworld concept, it is an effort to raise consiousness for bank employees not to commit fraud and white collar crime with a basis for thinking beyond beyond compliance.

The idea of consiousness and enlightenment reflects on the concepts of ethics and morality and spiritual merged with GONE theory. It is the liberation effort that will be carried out in this research. The use of Habermas theory in accounting research could reflect the role of humans as individual creatures as well as social beings as the basis for growing humanist values. For answering the research question based on its philosophical thinking, the researcher categorized the social interaction model into three points, namely: (1) noncompliance if social interaction is based more on economic considerations (media money); (2) in-compliance if social interaction is based on economic considerations (media money) and compliance with regulations (media power); and (3) beyond compliance, if social interaction is based on an consiousness that exceeds economic considerations (media money) or compliance with regulations (media power).

Gone Theory

This theory was put forward by Jack Balogna (Karyono, 2013) which was also revealed in the National Corruption Eradication Strategy by the KPK 2019. There are four factors driving a person to commit fraud, known as the GONE theory, as the following:

First it is Greed which is related to the potential greedy behavior in humans. Lifestyle that exceeds abilities or unforeseen needs is also a factor that causes someone to do unnatural

things considered to be natural. Second, it is opportunity that is related to the state of the organization, agency, and community in such a way that it is open for someone to commit fraud against it. The condition of the agency or organization that considers that cheating is a common thing that can trigger perpetrators of cheating. This is increasingly widespread and therefore, many perpetrators of fraud assume that what is done is a reasonable action carried out by others as well. Third, it is need which is related to the factors needed by individuals who support their lives naturally. This sometime needs to exceed the financial capabilities that can cause negative things by justifying any means. And, fourth, it is exposure which is related to the possibility of disclosure of fraud and the nature and severity of the sentence against the perpetrators of fraud. However, it cannot be denied that disclosure cannot guarantee someone to repeat acts of fraud or crime either by the old or even the new perpetrators (Karyono, 2013; Mintchik & Riley, 2019; Weirich & Churyk, 2018).

Agency Theory

The concept of agency theory is the relationship or contract between the principal and the agent. Principals employ agents to carry out tasks in the principals' interests, including delegation of authorization for decision-making from principals to agents. In companies whose capital consists of shares, the shareholders act as principals, and the CEO (Chief Executive Officer) as their agent. The shareholders employ the CEO to act in accordance with the principal's interests. C.Jensen and H.Meckling (1976) explain the existence of conflicts of interest in agency relationship. The existence of differences in position, function, situation, goals, interests and background between the principal and the agents that are in conflict with one another can lead to conflict of interest or conflict of interest and influence between one another.

Principals and agents are assumed to be motivated by self-interest. Therefore, differences in interests can lead to information asymmetry. In addition, agency theory assumes that all individuals act on their own behalf (Reurink, 2018). Principals are only interested in increased financial returns or investments in the company. On the contrary, the agent is assumed to receive satisfaction in the form of financial compensation and the conditions that accompany the relationship. In the banking sector, the application of agency theory is unique because this sector is different from other industries. One of them is the existence of very strict regulations, which results in the application of agency theory in banking accounting to be different from accounting for non-banking companies. With this regulation, there are other parties involved in the agency relationship, namely the regulator in this case the government through Bank Indonesia (BI) which acts as the principal and banks in Indonesia as its agents. BI has the duty to oversee banking activities and performance in Indonesia

White Collar Crime

White collar crime is an act of cheating committed by someone who has a high enough position and authority in the government sector or the private sector (Shonhadji & Maulidi, 2020). This eventually can influence a policy and decision. Regarding white collar crime, it is indeed quite extensive in the realm of discussion, where sometimes there are several different experts' opinions regarding the scope of each crime whether it can be classified as white collar crime or not. According to Baer (2018); Berghoff and Spiekermann (2018), white collar crime is a crime committed by someone who is very respectable and has a high social status in his work. This crime can occur within companies, professionals, commerce, and political life.

In understanding white collar crime in banking, knowledge is needed. This knowledge related to the typology of the perpetrators of the crime. The first typology is seen from the social status of the bank employee, whether it comes from the status of being honorable or not (Mira, 2014; Sun, Wang, Jiang, & Wang, 2018; Taylor, 2018). Honorary status in this case is a high position held by the bank employee. Furthermore, typologies that can be seen are crimes committed requiring expertise. For example, they are the expertise of bank employees in credit,

computer, and accounting marketing. If so, then the crime committed can be classified as white collar crime within the scope of cyber crime. Finally, crimes committed by perpetrators aim to benefit themselves or certain groups. For example, it deals with money laundering in the form of customer deposits. Based on such description, it is clear to see the selection and classification of white collar crime cases that occur. Various forms of white collar crime that generally occur include such as fraud, corruption, and bribery, fraud and money laundering (Pluchart, 2019; Weirich & Churyk, 2018).

Research Framework

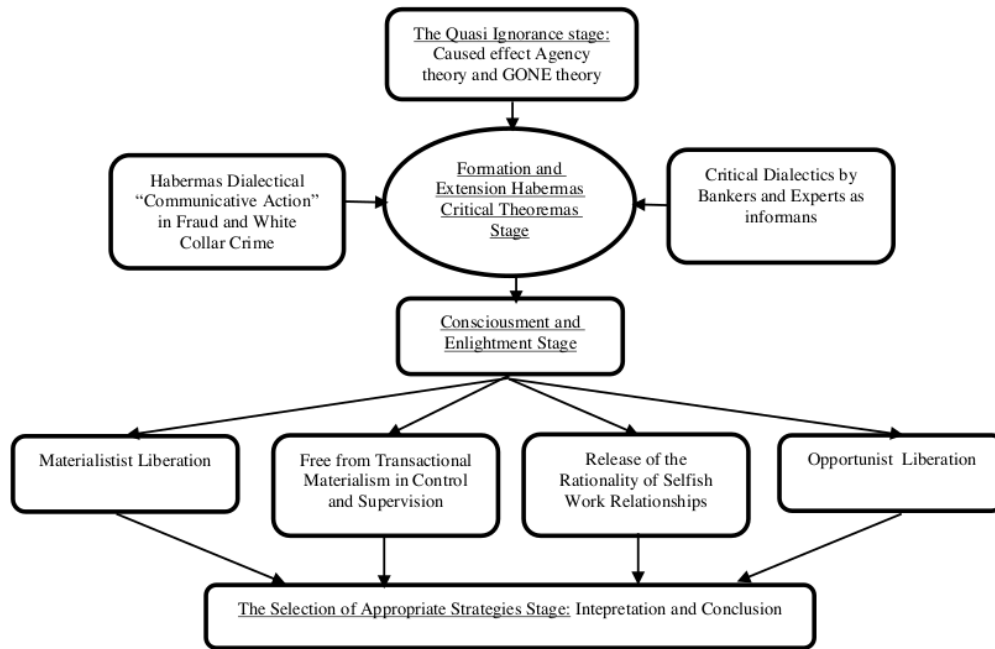


Figure 1, Research Framework
Source: (extended by researcher, 2020)

Conceptually, the research theoretical framework is systematically combined with the research method proposed by Sawarjuwono (2005); Iwan (2014) and Supraja (2018). It is done by carrying out several modifications that have been adjusted to the research object. The following is an overview of the conceptual framework as described as follows:

1. Quasi Ignorance Phase is the preparation stage before research is carried out. It is carried out through a literature review and documentation study.
2. Formation and Extension of the Critical Theorem Stage is the stage of understanding the research object through a process of examination related to social documents, critical dialectics, and interpretation.
3. Consciousness and Enlightenment Stage is part of the process of complaints made by reflecting and it is carried out on the concepts of ethics and morality and spiritual merged with GONE theory.

The selection of the Right Strategy Phase is a conclusion, evaluation, and verification, through a process of synthesis of understanding the meaning of the reality of fraud and white-collar crime in banking.

RESEARCH METHODS

Research Recommendations and Types

This research is a type of qualitative research using the Critical Paradigm of the special paradigm of Radical Humanism in looking at the phenomenon of banking accounting. The Radical Humanism paradigm sees change as done through consciousness and enlightenment. The Critical Paragraph is used because it has a dual purpose, namely about how to apply the applied accounting and at the same time support to find the direction of improvement (Supraja, 2018).

Research Sites and Data Types

This research was conducted in the case of white coral reef crimes at Bank X, with the type of data derived from interviews with the informants and this was carried out completely with the intention that no results could be generalized.

Data Collection Techniques

Data collection was conducted by in-depth interview method by linking the synthesis of the Agency theory and GONE theory through the perspective of the Habermas language paradigm (Iwan, 2014). It can represent the language interpretation, concrete external objectives for social and historical conditions at different times and places. It was through language that can be known how injustice will be revealed and how humans overcome various kinds of problems. Selected informant was informan (F) who as a whistle blower at white collar crime case in his bank, informan (G) is middle management in Bank X who responsible to manage account officer staff and informant (H) is expert scholar in fraud accounting and white collar crime issues.

Data Analysis Techniques: Critical Dialectical Methods

The critical dialectical method proposed in this study is the development of data analysis techniques carried out by (Iwan, 2014) and Supraja (2018). This research began with the process of collecting data in advance through interviews with the informants. After that, it was continued by the data analysis process carried out through three stages such as (a). Data reduction (initial tracing) is a form of analysis that depens, classifies, directs, discards the unnecessary data, and organizes them by making it easier to display. From this, conclusions were drawn and obtained. (b). Data presentation which is a stage of data analysis carried out by dialoguing information presented in each company's sustainability report with social documents supported by sponsored. (c). The results of this critical dialectical process were then presented in the form of narrative texts, then they were interpreted in accordance with the theory of communicative action from Habermas, making it easier to complete conclusions on the accounting facts found.

Conclusion as the final research was finally done. It is a process of analyzing the data taken to draw conclusions that do not include discussion for researchers to verify the conclusions that have been drawn. There is a verification process that supports research to increase confidence in the research findings

RESULTS AND DISCUSSION

Dialectical, Critical, Paradoxal Agency Theory versus GONE Theory

This stage begins with an understanding of the informants' views on the motivations and causes of fraud and white collar crime in banking services through a deep examination process of social documents. This was done by doing an interview with the key informants formed into a critical dialectic condition and then interpreted by the researchers. This process was then referred to as the formation and extension of the critical theoremas stage.

Critical dialectics between these three key informants debates the mode and causes of fraud and white corral crime, using Habermas's communicative action approach. In this case, the researcher is already at the stage of "the formation and extension of critical theoremas stage. It is a stage of understanding that the motives of bank employees commit fraud or white corral

crime because of money and the satisfaction of personal needs, pressure from superiors and a non-conducive work atmosphere. All these have caused employees have deviant behavior to express their behavior due to the pressure. Dialectics is formed from the following conversation between the researcher and the informant (F):

Money laundering crimes in banks are mostly caused by weak internal bank supervision, anti-money laundering (AML) programs. In banks, supervision is generally carried out through a supervisory mechanism by the board of directors and the board of commissioners as well as the existence of internal control procedures performed by the internal auditor work unit (IAWU). The problem is that the monitoring already exists, but the white collar crime involving unscrupulous bank employees also keeps happening ... so in my opinion, no matter how good the bank's control system is if the employees are inclined to a fraudulent motive and their orientation is always towards money, then crime and finally fraud occurs.

Disclosure of the informant (F) if criticized by the critical theory of communication of habermas action informs that the bank has prepared a set of tools to conduct surveillance. However good the monitoring tools are, if the goals and motivations of bank employee performance are money-oriented, the opportunity to commit fraud or white collar crime will occur either. The reason why bank employees have this orientation cannot be separated from the pragmatic influence of dogma inherent in agency theory.

The researcher found weaknesses and errors in agency theory practice in the banking services business that causes bank employees to commit fraud and white collar crime. In this examination process, the researcher found that the perpetrators of fraud and white collar crime in the banking system were trapped in pragmatic agency theory so the results of this study inform as follows:

First, the ideology of agency theory tends to shape bank employees to be materialistic. A study conducted by Donaldson and Preston (1995) and Lan and Heracleos (2010) stated that this theory has already created a materialistic ideology for shareholders (principals) and does not pay attention to the agent's happiness rights (management and employees). As a result, the agent will do fraud and involvement in white collar crime by anticipating the existing rules and exploiting the weaknesses of internal bank supervision. In addition, agency theory has misunderstood the concept of economic management that should be carried out holistically by taking into account economic and non-economic aspects, namely self-recognition, achievement opportunities, the right to balance and justice to get happiness for all stakeholders (Shonhadji & Maulidi, 2020).

Furthermore, the researcher also discovered the fact that employees (agents) in reality often work under the target pressure of the principal principals on credit marketing and funding. The reality of credit marketing in the consumption credit section is often done to ignore the principle of prudence in capturing customers. They offered consumers very aggressively without collateral with an interest of 11% -15% for credit and credit cards. They did it without the need to know the principle of the ability of customers to repay loans so that they use all means to achieve these targets. This can be seen from the statements of the following informants:

The results of interviews with competent research scholars in the area of fraud and white collar crime are said as the following:

Fraud or white collar crimes that are victimized generally have a fictitious credit mode and offer deposits from customers, but withdrawing funds from the customer's account is unknown to the account holder's customers ... this is a structured crime that involves not just one part of the bank.

Informant G also added that unscrupulous employees can do that because it could be due to a pressure from the target amount of funds from the community that can be collected with a very large amount from management. Not to mention the opportunity for unscrupulous bank employees for them to be able to deal directly with money launderers to make commitments that lead to individual interests and money motives.

However, the facts also confirm that banks currently have implemented the principles of good governance and risk management. Therefore, fraud and white collar crime still occur. This cannot be separated from the weak supervision and lack of proper functioning of the bank's risk management (Sridharan & Hadley, 2018). This finally is linked to the professional integrity capacity of the bank employees themselves. This information was obtained from the statement of the informant (H) who did not agree with the statements of the two informants. During an interview, the informant (H) said the information as follows:

... should the bank carry out its supervisory function to support the government's anti-money laundering program through the supervision of directors, supervisory commissioners, good internal control, it will not happen, but we admit that it is only a device ... if a good apparatus but the person is not good, it can still create opportunities for crime and fraud ...

This dialectic creates a communication space for Habermas's statement that the rationality of the working relationship between the principal and agent is formed on the basis of achieving the profit target for the principal. The results of this study provide evidence that agency theory is not widely looking at the working relationship between principals and agents that are motivated by personal and group gain as the ultimate goal. This criticism is very reasonable because the rationality of the relationship between the principal and the reality of the agent in work is not always only with the motive of looking for personal advantage, but there is also a motive of desiring a good work (compulsive behavior), the consciousness to do and want to do something that is considered good (normatively governed behavior) and the desire to do work happily (intrinsic motivation) (Donaldson & Preston, 1995). Reurink (2018) and Mintchik and Riley (2019) added that the motive for rationalizing the relationship between principal and agent was also based on altruistic matters which were oriented towards happiness between agents and principals proportionally.

This critical analysis is reasonable because contextually the actualization of Agency theory in practice is widely used to make the distribution of happiness and welfare between principals and agents disproportionate. Besides that, the percentage of happiness and welfare for principals is too excessive when compared to those allocated to happiness and employee welfare (agents) (Lan & Heracleos, 2010). This opinion is supported and in line with research conducted by who reported that the larger and broader the size of the company, the bigger the distribution of the proportion of income distribution is dependent on management and employees (Lai, Lei, & Song, 2019).

Habermas's critique theory clearly sees and reads social interactions that occur in the phenomenon of fraud and white collar crime in banking is included in the concept of system mechanism. It also includes the target profit pressure from the principal to the agent occurs because of the element of compulsion and occurs not in an atmosphere of communicative action. It is due to the steering media, namely media interest in money (economic considerations) and media power, namely pressure from the principal. When social interaction is triggered by pressure from the principal to the agent with economic interests, it will create and open opportunities for fraud and white collar crime in the banking services business.

Table 1, Paradox Agency Theory and Gone Theory

GONE Theory	Condition of Fraud and White Corral Crime Occured	Agency Theory
<p><u>Greedy</u> The main purpose and motivation of people committing fraud or white corral crime is greed character</p>	<p>The main goals and motivations. White-collar crime arises because of the greedy character of the perpetrators against a background and the main motivation is money. The principal and agent relationship in agency theory is the causality relationship between agents who are given the authority to provide material satisfaction for capital owners (investors) and as a return the performance measure of agents in managing the business entrusted by principals to agents is an increase in remuneration and bonuses. This relationship makes the principal and the agent both materialistic. When this relationship is based more on purpose and motivation, the main thing is material and money, then principal fund agents tend to be greedy</p>	<p>The maain purpose is Material Satisfaction. <u>(Money)</u></p>
<p><u>Opportunity</u> There is an opportunity to commit fraud or white collar crime. It occurs when control and supervision are weak</p>	<p>Control and supervision. White corral crime occurs because of eather weak supervision or too tight supervision. Weak supervision provides a loophole for employees to commit crime. However, supervision that is too tight will also cause employees to feel too restrained and feel not being valued (losing the meaningfulness of life), therefore in Franklich psychology, this condition triggers someone who is under pressure to look for opportunities to commit crimes in retaliation from their feelings of restraint. Principal supervision of the agent is to ensure that business operations run in accordance with the principlas' wishes, when the target principal is met by the agent, the bonus will be given but if not there will be a reduction in bonuses and replacement of directors. Supervision by the principal of this partial agent tends to be transactional materialistic so that it opens opportunities for agents to commit fraud or white corral crime.</p>	<p>Control and Supervision which are <u>transactional materialistic</u></p>
<p><u>Need</u> Fraud and white corral crime occur because of the rationale of economic relations that tends to divert individual needs by all means</p>	<p>Employment Relations Agency theory is too narrow looking at the working relationship between the principal and the agent laden with motives for seeking personal and group benefits as the ultimate goal. The principal agent fund relationship is only concerned with individual interests, the majority of bank employees involved in white collar crime because of the economic need to seek personal gain</p>	<p>Rasionale of working relationship <u>Egoism (individual)</u></p>

Exposure Fraud and white collar crime can occur if perceived crime disclosure is low.	Probability to be expressed Fraud or white collar crime Perpetrators in general are resources that have higher education and professional maturity so they are able to guess the potential for disclosure of fraud or crime behavior. The reality is that fraud or white collar crime is carried out by people who are highly educated, have good and established social and economic status	To become individual who is opportunist
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Consciousness and Enlightenment Stage

The idea of consciousness and enlightenment carried out in this study reflects the concepts of ethics and morality and spirituality merged with GONE theory.

Liberation from the Materialistic Person

This release aims to reduce the greed in a person who is the cause of fraud and white collar crime. According to Sun et al. (2018) the main factor that shapes and influences a person to have a materialistic nature (work orientation only for material interests) is the feeling of interpersonal insecurity that he feels. This feeling occurs if a person feels anxious about his attachment to the environment in his personal circle and the social community. Then, he tends to attach himself to the material, not the person. Because of the material (money), according to him, he will not be able to leave it, unlike other people do.

When bank employees (agents) feel anxious and do not feel safe in their work such as there is anxiety that the salary received is not enough to cost their needs and wants or when they feel depressed because they feel they cannot achieve the target imposed, then the interpersonal character will tend to be materially oriented. The proposed exemption effort is to provide and instill a sense of interpersonal security to all employees in the form of financial security. This financial security is built on the basis of ethical and moral values that the best work is work done in the best way and will result in the best remuneration. The perceived security of material needs will reduce greediness which will have an impact on efforts to eliminate the desire to cheat (Gonzalez & Hoffman, 2018).

Exemption from Transactional Materialism Control and Supervision

This exemption aims to reduce the opportunities for fraud and white collar crime through ethical and moral customer due diligence programs. The customer due diligence program is a step taken by banks in applying the principle of getting to know their customers well. The principle of ethical and moral customer due diligence, will further indicate the bank's prudent attitude in getting to know their customers. This is not only done when someone opens a new account or becomes a new customer, but also when the person is already a bank customer.

The ethical and moral customer due diligence program for new customers is carried out by carefully matching customer information with supporting evidence, such as Identity Card, Driving Licence and other supporting evidence if needed, filling out a complete deposit form, especially information on specific funding sources above 100 million rupiah. It must be with evidenced by supporting documents that strengthen information on the source of funds. The bank must also ensure that the identity of the original customer is not using a pseudonym, to avoid misuse of accounts, one of which is related to money laundering. The bank will also conduct face-to-face validation to validate the truth of the customer's identity which is not only done once, but can also be repeated by matching data in BI (BI checking). However, the customer due diligence program when they have become customers is carried out by looking at the historical compatibility of the transaction with the customer's profile (Metekohy & Nurhayati, 2012).

Researchers assess the crime of money laundering can also be said as an external threat

to the bank. The best way for banks to protect themselves from these threats is to try to understand and get to know each customer as best as possible, along with what activities are carried out by the customer concerned in connection with account activities (customer due diligence). In addition, the principle of customer due diligence used as a concept and idea of release is how much the level of bank vigilance in assessing the ethical and moral profile of customers. This is due to the white collar crime which is committed by people with an economically respected social profile and social status, but is weak in their ethical and moral profile. Thus, the higher the vigilance of banks in assessing the ethical and moral profile of their customers, the less chance of money laundering is. This method will be the main protector for banks to prevent them from being used by criminals impersonating customers to carry out money laundering. In relation to this matter, Azam (2018) and (Mira, 2014) explains that customer due diligence is one of the main tools in preventing money laundering. In addition, customer due diligence is important for the application of prudential banking principles to protect banks from various risks in the relationship between customers and counter-party transactions.

The researcher also believes that imperfect customer due diligence principles can result in banks having to deal with banking risks associated with assessing the public, customers or partners of bank transactions. This is done with respect to the bank concerned, namely reputation risk, operational risk, legal risk, and concentration risk. In addition, the reputational risk relates to matters have the potential to influence the public's assessment of the practices carried out by banks. This, eventually, can result in reduced public trust in bank integrity. In this case, banks are very vulnerable to reputation risk because they are the main target or the place for criminal activities that the customers can commit.

Operational risk is related to losses that directly or indirectly originate from internal or external banks. Legal risk relates to the possibility of banks being subjected to sanctions for not complying with customer due diligence standards. Banks may be subject to fines or sanctions by bank supervisory authorities or courts. Settlement of problems through the courts can have enormous cost implications for banks. Concentration risk is related to the assets and liabilities of the bank. In the practice of supervision, bank supervisors are not only concerned with information systems to identify the concentration of credit carried out by banks, but also the application of the precautionary principle by banks in channeling credit to creditors. Without knowing the identity of the customer for certain and understanding the relationship between one customer and other customers, it is difficult for banks to overcome the risk of concentration concerned. However, on the liability side, concentration risk is related to the risk of funds, especially in the event of a sudden withdrawal in large numbers by customers which results in bank liquidity.

Release of the Rationale of Selfish Work Relationships (Individualist)

This liberation aims to reduce the rationality of economic relations that tend to prioritize individual needs in all ways. The consciousness process becomes the release media which is by raising consciousness of bank employees who commit acts of fraud or white collar crime or whoever is in the banking services business to avoid these two types of crime through consciousness of their life's meaningfulness. In that condition, a meaningfulness-life is a central theme of the existential personality theory of Victor Frankl (Earnshaw, 2004). Frankl (2017) believes that the happiness of one's life is mainly supported by the passion to find meaningfulness in life and the purpose of his personal existence.

As a bank employee, the existence of life is happiness in providing bank services to their customers sincerely. This purpose is to be created so that there must be a strengthening of the spiritual value that is instilled in the souls of each bank employee in his function as an agent according to agency theory (Bukhori, 2012). The reality is that agents behaving are not always

encouraged and are encouraged to reduce tensions in the working relationship with the principal to gain balance but to direct themselves towards certain goals that are appropriate for themselves, namely meaningfulness-life. Meaningfulness-life arises when a person feels spiritual maturation, so that the purpose of his life will be devoted to happiness for worship (Fadhli & Subandi, 2020; Fridayanti, 2013).

When the quality of the agent's appreciation is on how much he can develop and actualize the potential and capacity, he will work and move to achieve the meaningfulness of his life. This process can reduce the selfish and individualistic nature that has been inherent and vice versa. It can change into a person who is to realize the shared happiness. Consiousness of the meaningfulness of life that is no longer selfish is the responsibility of the individual agent and cannot be entrusted to others because the agent himself feels and experiences the meaningfulness of his life.

Liberation Becomes an Opportunist

This exemption aims to reduce the perpetrators' possibility using weaknesses in disclosing crime to commit fraud and white corral crime more and more broadly. Exemption is carried out through a process of logotherapy that seeks to provide consiousness about e.g., First of all, the creative value or creativity, the agent in working relations with the principal must prioritize attitudes and ways of working that involve work dedication, sincerity and truly love his work (Badua, 2019; Frankl, 2003). By doing this, the agent in his duty is to provide service to customers and maintain good relations with those in the banking services business. Then, it produces the highest quality work while providing meaning. Secondly, it is the process of consiousness about the value of appreciation. The way to do this is to understand, appreciate, and believe that fraud and white corral crime have been open to opportunity. It is a crime that must be believed that it is a crime.

If the agent is aware of the value of the act, the next process is to make aware of and foster an attitude of not wanting to commit a crime even though the level of disclosure of legal and social sanctions is considered small. This argument is supported by research conducted by Salama (2014); Mintchik and Riley (2019) stating that the motive and psychological processes of people committing crime is the lack of consiousness and meaningfulness in their lives that greediness and opportunism are the beginning to commit corruption crimes.

The appreciation of the creative value, the appreciation value, and the attitude value that are incorporated in logotherapy can facilitate the compliance of bank employees (agents) with the banking regulation. This regulation is applied as part of the logotherapy process as an effort to apply the precautionary principle in sound banking practices. In this case, when the bank withdraws their customers to use the services of the bank concerned, it is expected that each transaction carried out by the customer through the bank is in line with sound banking practices and it does not conflict with applicable regulations. Thus, since the beginning of the relationship between the bank and their customers, the bank not only knows what things will be done by their customers but also they can prevent illegal transactions in banks and involving both the bank itslef and customers.

CONCLUSION

It can be infered that the existence of an idea of consiousness and liberation is in the form of giving and instilling a sense of interpersonal security to all bank employees in the form of financial security. In addition, the financial security is built on the basis of ethical and moral values. The principle of ethical and moral customer due diligence will further demonstrates the bank's prudent attitude in getting to know their customers. This is done for reducing the relationship based on transactional materialism.

This study also makes us aware that the life of an agent is primarily supported by the spirit to find meaningfulness in life and the purpose of his personal existence. As a bank

employee, the existence of life is happiness in providing bank services to their customers with sincerity, ethics and morals. Finally, this study also offers the idea of liberation in the form of consciousness of the appreciation value for the agent and principal in its elaboration in agency theory. The way to do this is to understand, appreciate and believe that fraud and white collar crime that has been open to opportunity is a crime that must be believed as an act of crime not as an opportunity used for the sake of money and ego.

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