White-Collar Crime in Ghana's Public Sector: Nature, Challenges, and Management Strategies

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ABSTRACT

White-collar crime within Ghana's public service sector poses a significant threat to governance, economic stability, and public trust. This paper examines the prevalence, forms, and institutional responses to white-collar crime in Ghana's public sector, analyzing high-profile cases and policy gaps. Drawing on Routine Activity and Agency theories, the paper identifies common forms of white-collar crime in Ghana, including embezzlement, procurement fraud, payroll manipulation (notably "ghost names"), and misuse of administrative discretion. High-profile cases such as the National Cathedral fund misappropriation and the exposure of over 81,000 ghost names on public payrolls underscore the severity of the issue (Interpol, 2025; Reuters, 2025). The review critically assesses the role and effectiveness of institutional responses such as the Office of the Special Prosecutor (OSP), Economic and Organised Crime Office (EOCO), the Auditor-General, and whistleblower protection legislation. Despite existing frameworks, enforcement challenges, political interference, and resource constraints continue to impede progress. The paper concludes with strategic recommendations, including enhancing institutional autonomy, investing in forensic audit capacity, expanding whistleblower protections, and promoting digital governance systems. These interventions are essential to fostering accountability, safeguarding public resources, and reinforcing ethical standards in Ghana's public service.

Keywords: white-collar crime, Ghana public sector, accountability, fraud, whistleblower.

INTRODUCTION AND BACKGROUND

Misconduct by individuals in positions of trust and authority poses a significant challenge in Ghana's public service sector. Such offences include embezzlement, procurement fraud, payroll abuses like "ghost names," and corruption within government agencies (Interpol, 2025; Reuters, 2025). These activities undermine public trust, misallocate vital resources, and slow national development efforts. In response, Ghana has created a sophisticated institutional framework, including the Office of the Special Prosecutor (OSP), aimed at investigating and prosecuting public-sector corruption (Office of the Special Prosecutor, 2018). However, the effectiveness of these interventions is frequently undermined by enforcement issues, political interference, and insufficient resource capacity (Modern Ghana, 2025; Mondaq, 2024). This review paper aims to offer a scholarly examination of the current nature and management of white-collar crime in Ghana's public service, assessing the existing legal mechanisms, and institutional challenges.

White-collar crime in Ghana's public service encompasses a variety of financial misconducts. The National Cathedral scandal, where former Finance Minister Ken Ofori-Atta allegedly diverted US$58 million in public funds, led Interpol to issue a red notice after he failed to appear before investigators (Interpol, 2025). Another high-profile case involves approximately 81,000 fictitious "ghost names" on the National Service Authority payroll, resulting in over 226 million Ghanaian cedis in probable leakages, prompting a presidential inquiry (Reuters, 2025). These examples illustrate the systemic nature of such crimes and their severe fiscal impact.

Ghana's primary anti-corruption body, the OSP, was established in 2018 under Act 959 to act as an independent, full-spectrum agency with investigative, prosecutorial, and asset-recovery powers (Office of the Special Prosecutor, 2018). By early 2025, the OSP had logged over 200 investigations, secured asset recoveries, and suspended disbursement of inflated contracts, including one with the Northern Development Authority that saved taxpayers GHS 5 million (OSP, 2024; OSP, 2025). In February 2025, the OSP also prosecuted individuals involved in payroll fraud and retained custody of redacted case files such as the Cecilia Dapaah financial misconduct scandal (OSP, 2023; Reuters, 2025).

However, critiques highlight significant limitations. Despite formal autonomy, the OSP operates with a staff of just three investigators seconded from Ghana Police Service, and lacks its own prosecutors, which impairs enforcement capacity and delays investigations (Modern Ghana, 2025; Mondaq, 2024). Additionally, the reluctance of institution heads to enforce interdiction or administrative suspension during investigations undermines deterrence (Modern Ghana, 2025). This suggests that legal instruments alone are insufficient without structural supports and resource allocations.

PURPOSE OF THIS REVIEW

This review paper assesses the nature, and management of white-collar crime in the public sector in Ghana. Specifically, the paper explores the common types of white-collar crime, the characteristics of white-collar crime, and strategies for combatting white-collar crime. The paper interrogates the effectiveness of existing detection and prevention strategies using examples of recent cases in Ghana. Ultimately, the paper aims to contribute to policy and academic discourse on institutional accountability and integrity in Ghana's public sector. This review is timely given recent corruption allegations and integrity breaches reported across the media in Ghana.

THEORETICAL APPROACH

The Routine Activity Theory and Agency Theory were employed as complementary theoretical frameworks to guide both the data collection and analysis. These theories informed the structure of the literature search, selection criteria, and the thematic synthesis of findings from scholarly publications, government reports, audit findings, and grey literature.

Using Routine Activity Theory, data were collected by identifying and reviewing sources that addressed the convergence of the three core elements proposed by Cohen and Felson (1979): motivated offenders, suitable targets, and absence of capable guardians. Literature on the conduct of public officials, such as misappropriation of funds and procurement fraud, was analyzed to understand the roles and opportunities that enabled such offences. Official reports from Ghana's Auditor-General, Commission on Human Rights and Administrative Justice (CHRAJ), and the Economic and Organized Crime Office (EOCO) were examined to identify instances where weak oversight (absence of guardians), availability of public funds (suitable targets), and corrupt intent (motivated offenders) facilitated white-collar crime (Felson, 2002). These cases illustrated how routine administrative environments characterized by bureaucratic loopholes and unmonitored discretion, created fertile ground for crime.

Concurrently, the Agency Theory (Jensen & Meckling, 1976) was applied to collect and analyze data related to the principal-agent relationship within the public sector. This focused on understanding how agents (public servants and officials) entrusted with state responsibilities often act in ways that conflict with the interests of their principals (citizens and oversight institutions). Literature and reports were selected based on their relevance to key agency challenges such as information asymmetry, moral hazard, lack of monitoring mechanisms, and weak enforcement of sanctions. Data were coded to highlight how these agency problems manifest in the Ghanaian public sector, particularly in areas like contract inflation, payroll fraud, and ghost workers. These insights were instrumental in demonstrating how failures in institutional design and control systems create environments where agents exploit their positions for personal gain (Eisenhardt, 1989).

Together, these theories informed a structured thematic analysis of the data. Themes such as *opportunity structures, weak oversight, moral hazard*, and *institutional vulnerabilities* were derived from the intersection of

both theories. This dual-theoretical approach allowed for a deeper understanding of the systemic nature of white-collar crime in Ghana, going beyond individual culpability to focus on organizational and environmental enablers.

REVIEW OF LITERATURE ON THE SUBJECT

Definition and Nature of White-Collar Crime

White-collar crime refers to non-violent, financially motivated offenses typically committed by individuals in positions of trust and responsibility within organizations (Sutherland, 1949). These crimes are characterized by deceit, concealment, or breach of trust, and are primarily intended to achieve financial or professional gain without physical force or threats (FBI, 2023). In recent years, the prevalence and complexity of white-collar crimes have intensified globally, aided by technological advancement, institutional weaknesses, and lax enforcement regimes (Zippia, 2023).

Historically, the term "white-collar crime" was first coined by Edwin H. Sutherland in 1939, in a ground-breaking address to the American Sociological Association. He defined it as "a crime committed by a person of respectability and high social status in the course of his occupation" (Sutherland, 1940). Sutherland's conceptualization was significant because it shifted the academic and legal focus from street-level, violent crimes (often associated with lower socioeconomic groups) to the elite misconduct occurring in corporate, academic, and governmental settings. Sutherland's intention was to challenge the prevailing notion that crime was mainly a problem of the poor. He argued that people in positions of privilege also commit crimes, and in many cases, these crimes cause far more damage in terms of financial loss and societal trust (Friedrichs, 2020). However, contemporary scholars argue that Sutherland's definition overlooks cyber-enabled crimes.

Over time, various institutions and scholars have refined the definition of white-collar crime. The FBI describes white-collar crime as "those illegal acts which are characterized by deceit, concealment, or violation of trust and which are not dependent upon the application or threat of physical force or violence. The motivation behind these crimes is to obtain or avoid losing money, property, or services, or to secure a personal or business advantage" (FBI, 2023). Similarly, the Association of Certified Fraud Examiners (ACFE) emphasizes the occupational and fraudulent dimensions of white-collar crime, categorizing it under occupational fraud, the use of one's position for personal enrichment through the deliberate misuse of an organization's resources or assets (ACFE, 2024).

In the Ghanaian context, white-collar crime is pervasive and remains one of the most underreported and under-prosecuted categories of crime, despite its profound implications for governance, public trust, and economic development (Awolugutu, 2012; Asafo, 2017). These crimes range from procurement fraud, payroll manipulation, students' enrolment manipulations, academic credential falsification, and misappropriation of internally generated funds, to abuse of office and systemic corruption in administrative practices. While white-collar crime is a global phenomenon, its manifestations in Ghana reflect unique institutional and cultural vulnerabilities. The situation is exacerbated by complex bureaucratic systems, limited internal control mechanisms, and a culture of impunity that emboldens offenders while discouraging whistleblowing. Thus, Asafo (2017) links Ghana's bureaucratic opacity to the prolonged concealment of fraud.

In the face of evolving forms of white-collar criminality, ranging from cyber fraud to embezzlement and procurement-related improprieties, there is an urgent need for innovative and robust management responses that align with international best practices. As Shapiro (1990) and Clarke (1990) suggest, the low visibility and embedded nature of white-collar offenses within legitimate occupational routines demand context-specific and proactive interventions.

Different Shades of Collared Crimes

There are other colours which describe some aspects of this form of criminality as outlined in a 1989 study by Dr Kathleen Daly, then of Australia's Griffith university called 'Gender and varieties of white-collar crime' which was covered by journalist Samantha Larson in 2019 who discusses other colours of this type of crime.

- *Black collar:* sometimes used to describe clergy who are charged with a criminal act, though indeed depending on what is alleged may well be dealt with by the church.

- *Blue collar:* is the colour attached to practically all forms of 'normal' crimes generally asserted as being committed by working class society members. (but certainly not always)

- *Green-collar:* this colour refers to criminal acts committed against the environment for monetary reward in a variety of ways.

- *Grey collar:* is the colour sometimes attached to perpetrators of most forms of cybercrimes where the victim never meets the perpetrator physically and which affects individuals, organisations and governments.

Pink-collar: the doctor in explaining 'pink collar' crime is simply put as being predominantly perpetrated by *"lower to mid-level office women who steal from their employers".* Though this is clarified by stating that the pink colour of the crime is not gender biased as it applies to the employed position which also includes men, such as bookkeepers, accountants and secretaries amongst many other office jobs.

Common Types of White-Collar Crime

From the discussion so far, we appreciate that white-collar crime encompasses a wide range of non-violent offenses committed primarily for financial gain, often by individuals in positions of trust or authority. These crimes are typically complex, involve manipulation or deceit, and can have widespread economic and social consequences. Below are some of the major types of white-collar crimes, explained in detail:

1. *Fraud*: Fraud is one of the most common and broad categories of white-collar crime. It involves intentional deception to secure unfair or unlawful gain. There are several types:

- **Financial Statement Fraud**: Manipulation of financial records to mislead stakeholders. Often committed by corporate executives to inflate earnings or hide losses.

- **Insurance Fraud**: Filing false claims or exaggerating damages to receive compensation.

- **Bank Fraud**: Illegally obtaining funds from a financial institution through deceit.

2. Securities Fraud: Includes insider trading, Ponzi schemes, and falsifying investment information.

3. Embezzlement and Asset Misappropriation: This occurs when someone entrusted with money or property steals it for personal use. It is especially prevalent in administrative, payroll, and procurement settings. The most common form of occupational fraud found in 86% of white-collar crime cases is *asset misappropriation*. This refers to the unauthorized or fraudulent activities carried out by employees that involve the misuse of an organization's resources or assets for personal benefit. This type of fraud can include various schemes such as theft of cash, inventory, or other company assets.

4. Corruption: Corruption involves the abuse of power for personal gain. This type of white-collar crime can occur in both public and private sectors and is particularly damaging in developing economies such as Ghana. This includes conflicts of interest, such as public officials steering procurement contracts to firms where they or their relatives hold ownership stakes. Corruption may include the following:

- **Bribery**: Offering, giving, or receiving something of value to influence decisions.

- **Kickbacks**: A portion of contract payments returned to the person who awarded the contract.

- **Conflict of Interest**: Undisclosed relationships that affect decision-making business transactions.

- **Extortion**: Using threats to gain money, property, or services.

5. *Cybercrime*: This involves criminal activities conducted through digital means. It has become a major category of white-collar crime in the 21st century. According to IBM (2023), the average global cost of a data breach is $4.45 million. It is projected that cybercrime damages will reach $10.5 trillion annually by the end of 2025 (Cybersecurity Ventures, 2022). Examples include:

- **Hacking and Data Breaches**: Unauthorized access to corporate or institutional data.

- **Phishing Scams**: Fraudulent emails or websites used to steal sensitive information.

- **Identity Theft**: Stealing personal information to commit financial fraud.

- **Ransomware**: Encrypting systems and demanding payment for decryption.

6. *Money Laundering*: Money laundering involves concealing the origins of money obtained through illegal activities, such as drug trafficking, corruption, or embezzlement. The primary goal is to transform "dirty money" into "clean money" that can be used without raising suspicion. Money laundering often involves a three-step process, namely, placement, layering, and integration.

- Placement: injecting the crime money into the financial system by depositing it into a bank account registered to an anonymous corporation or a professional middleman.

- Layering: moving or spreading the injected funds over various transactions in different accounts of the same country and other countries where anti-money laundering laws are not so stringent, thus, making it difficult to trace the source.Transactions like the purchase of tradable assets like expensive cars, artwork, and real estate can also be included in layering the funds.

7. *Integration*: such well-placed and well-layered money again enter the financial system, obliterating the original association with crime and using such laundered money as if it came from clean sources, thus defeating the law.

8. *Tax Evasion and Tax Fraud*: Tax crimes occur when individuals or organizations intentionally avoid paying their lawful tax obligations by underreporting income, inflating deductions, or hiding money in offshore accounts. Similarly, Tax Fraud involves filing false tax returns or engaging in fraudulent tax schemes.

9. *Bribery and Influence Peddling*: This involves giving or receiving anything of value to influence a public or corporate official's decisions or actions. It overlaps with corruption but is typically more transactional in nature. For example, a faculty or staff receiving payment for influencing student grades or admissions.

10. *Insider Trading:* Insider trading occurs when individuals use confidential or non-public information to trade in securities, gaining an unfair advantage. For *example,* a company's Finance Director using internal budget cuts news to influence stock decisions related to vendors or investment funds. The *consequences of insider trading* include civil and criminal penalties, as well as imprisonment and financial restitution.

11. *Intellectual Property Theft*: This involves the unauthorised use, reproduction, or distribution of copyrighted works, patents, or trade secrets. This type of white-collar crime is prevalent in academic and corporate research environments. For instance, plagiarism of research work or leaking of proprietary data developed by university researchers.

12. *Environmental Crimes*: When corporations or public officials violate environmental laws for cost-saving or profit-driven purposes. For *example,* improper disposal of laboratory chemicals, illegal deforestation for construction. These are increasingly prosecuted as white-collar crimes due to their intentional, profit-driven nature and long-term societal impact.

Characteristics of White-Collar Crime

White-collar crimes are distinguished not only by the socioeconomic status of the perpetrators but also by the

methods used, primarily deceit, concealment, and abuse of trust. Understanding the unique characteristics of white-collar crime is essential for identifying, preventing, and addressing it effectively, particularly in institutions such as universities, government agencies, and corporate settings.

1. *Non-Violent in Nature***:** One of the defining traits of white-collar crime is that it is non-violent. Unlike traditional street crimes that involve physical harm or threats, white-collar crimes rely on deception, manipulation, or breach of trust to achieve unlawful goals. Although these crimes do not cause physical injuries, they can lead to significant psychological stress and financial devastation for individuals, organizations, and even entire economies. For instance, a university administrator diverting scholarship funds to a personal account can truncate the academic future of a poor beneficiary student without any physical confrontation. A Head of Department manipulating student enrolment records to fraudulently inflate budgetary allocations. According to Benson and Simpson (2018), white-collar crimes are less about direct confrontation and more about calculated exploitation of systems.

2. *Perpetrated **by Persons in Positions of Trust and Authority***: White-collar crimes are usually committed by individuals who hold respectable positions in society. These may include managers, executives, academics, civil servants, or professionals like lawyers, administrators, accountants, and engineers. Their positions provide access to sensitive information or assets, and their social status often grants them a level of immunity or delayed scrutiny. Friedrichs (2020) is of the view that the authority and autonomy granted to professionals are often exploited for personal gain in white-collar offenses. For example, a procurement officer in a public university awarding contracts to a relative's company in exchange for kickbacks, and ensures the all the laid down procedures are followed may go unnoticed.

3. *Complex and Sophisticated Execution*: White-collar crimes are often complex and require a higher level of planning, intelligence, and technical know-how than most conventional crimes. Gottschalk (2017) argues that the complexity of white-collar crime lies in its methodical nature, making detection and prosecution difficult. Offenders exploit gaps in organizational systems, regulatory frameworks, or technological infrastructure. Because these crimes are intricately designed, they often go undetected for long periods. For instance, an academic falsifying research data across multiple publications to attract grants or promotions may go unnoticed for a long time.

4. *Hidden and Difficult to Detect:* According to ACFE (2024) white-collar crimes like fraud often goes undetected for approximately 14 months. These crimes are mostly concealed behind legitimate business or bureaucratic operations, making them hard to detect and investigate. For instance, inflating procurement invoices and splitting contracts to bypass oversight thresholds. White-collar criminals may often create false records, manipulate data, or exploit bureaucratic inefficiencies to hide their misconduct.

5. *Financially Motivated:* White-collar crimes are primarily committed for financial gain. The goal is to illegally obtain money, assets, or economic advantage through fraud, manipulation, or misuse of power. Overstating university's student population in reports to receive inflated government subventions. Benson (2012) identifies greed, opportunity, and rationalization as the key drivers behind financially motivated crimes. These motivations distinguish white-collar crimes from crimes driven by passion, ideology, or revenge.

6. *Breach of Trust and Ethical Standards*: Another key characteristic is the violation of trust. Victims, whether individuals, institutions, or the public, place their trust in the perpetrator to act ethically and lawfully. Levi (2020) argues that the betrayal of organizational and social trust is central to lasting psychological impact of white-collar crimes. For example, a faculty member using institutional funds meant for student research for personal projects constitutes a fundamental betrayal of that trust.

7. *Under-Reported and Under-Prosecuted:* White-collar crimes often go unreported due to embarrassment, reputational risk, or the complexity of proving intent. Pontell & Geis (2020) observe that white-collar criminals frequently receive lenient treatment due to their social status and access to legal resources. Even when reported, prosecution is infrequent and may result in lighter penalties compared to street-

level crimes. A department quietly forcing the resignation of a staff involved in grave financial misconduct instead of pressing charges to punish the staff and recover the lost funds.

8. *High Economic and Social Cost:* Despite being non-violent, white-collar crime often causes far greater financial loss than street crimes. ACFE (2024) estimates that the global losses from occupational fraud exceed $4.7 trillion annually. Beside this huge economic loss, white-collar crime also undermines public trust, reduces investor confidence, and can destabilize institutions and economies.

White-collar crime, though non-violent, poses a serious threat to institutional integrity and economic stability, demanding vigilant prevention, accountability, and systemic reforms.

Strategies for Combating White-Collar Crime in The Public Sector

White-collar crime in the public sector, including embezzlement, payroll fraud, procurement manipulation, bribery, and academic corruption, undermines the integrity of institutions and results in significant financial losses. It is typically perpetrated by individuals in positions of authority and trust. Addressing such crimes requires a **comprehensive, multi-pronged strategy** involving governance reform, internal controls, legal enforcement, and ethical leadership (Friedrichs, 2020).

1. Strengthening Internal Controls and Audit Systems

Robust internal controls constitute the primary safeguard against fraud and abuse in university governance. Effective measures include the rigorous enforcement of standard operating procedures (SOPs) across administrative and financial functions, the implementation of dual-authorization protocols for all high-risk transactions, and the scheduling of regular, independent audits accompanied by prompt remediation of identified weaknesses. In addition, comprehensive risk-management frameworks should be instituted to anticipate and mitigate emerging vulnerabilities. Empirical evidence underscores the utility of these measures: organizations with well-designed internal controls detect fraudulent activity 50 percent more quickly and experience 54 percent lower associated losses than those lacking such controls (Association of Certified Fraud Examiners [ACFE], 2024).

2. Promoting Transparency and Accountability

Institutional transparency complements internal controls by discouraging collusion and enhancing public trust. Best practices in this regard include the publication of detailed annual financial statements, procurement decisions, and audit summaries; the adoption of open, competitive tender processes for all major contracts; and the maintenance of publicly accessible project-monitoring dashboards on the university's website. Transparency International (2023) observes that such initiatives not only curb corruption within public institutions but also bolster stakeholder confidence in the integrity of institutional decision-making processes.

3. Establishing and Enforcing Clear Ethical Codes and Policies

A clear code of ethics reinforces a culture of accountability and discourages unethical conduct. Universities should begin by developing a comprehensive, institution-wide Code of Ethics that outlines acceptable standards of behaviour. This should be complemented by the requirement for all staff and administrators to submit annual conflict-of-interest declarations, ensuring transparency in institutional dealings. Zero-tolerance policies against fraud and bribery must be clearly communicated and strictly enforced. Additionally, ethics training should be integrated into staff orientation and professional development programs to cultivate a sustained awareness of ethical expectations. As Friedrichs (2020) asserts, institutions that actively establish and enforce ethics policies are less likely to have employees rationalize unethical behaviour.

4. Leveraging Technology for Monitoring and Detection

Technological tools are essential in providing real-time visibility into university operations and can significantly aid in detecting financial and administrative anomalies. Institutions can deploy Enterprise Resource Planning

(ERP) systems to automate and monitor processes such as procurement, payroll, and budgeting. Biometric verification can be implemented to eliminate ghost names from payroll systems, reducing payroll fraud. Moreover, the use of data analytics can uncover irregular transactions and patterns indicative of misconduct. Gottschalk (2017) emphasizes that digital audit trails and automated alerts substantially enhance the ability of institutions to detect white-collar crimes early and accurately.

5. **Creating Whistleblower Protection Mechanisms**

Whistleblowers are vital to uncovering internal misconduct, yet they often face significant personal and professional risks. Universities should therefore provide anonymous reporting platforms that allow individuals to report unethical behaviour without fear of exposure. Establishing and publicizing a clear Whistleblower Protection Policy assures potential informants of confidentiality and safety. Institutions may also consider offering incentives or public recognition for verified reports that lead to corrective action. According to the ACFE (2024), 42% of occupational fraud cases are detected through tips, highlighting the critical role of effective whistleblower systems.

6. **Enhancing Leadership and Governance Structures**

Ethical leadership is fundamental to shaping institutional culture and driving compliance. Universities must appoint leaders with proven records of integrity and transparency, who can model appropriate behaviour for others. Governance structures, including audit committees and university councils, should be independent, competent, and empowered to act. Moreover, shared governance should be promoted by involving staff, faculty, and students in key decision-making processes. Levi (2020) found that the likelihood of unethical behaviour is significantly reduced when top management consistently reinforces institutional values through their actions.

7. **Legal and Disciplinary Action**

The consistent enforcement of laws and institutional rules acts as a strong deterrent against white-collar crime. Universities should collaborate with national agencies such as the Ghana Audit Service, CHRAJ, and EOCO to investigate and prosecute misconduct. Clear disciplinary guidelines must be in place to ensure that violators are held accountable through swift and transparent processes. Additionally, a database of sanctioned individuals should be maintained to prevent their reemployment within the university system. Pontell and Geis (2020) argue that deterrence only works when enforcement is credible, consistent, and visible to all stakeholders.

8. **Building a Culture of Integrity and Accountability**

Creating a culture that prioritizes integrity is essential to reducing white-collar crime in the long term. Universities can institutionalize values by hosting annual events such as "Ethics and Integrity Week," which engage faculty, staff, and students in conversations about ethical conduct. Recognizing departments or individuals who demonstrate exemplary ethical behaviour through awards can reinforce these values. Furthermore, embedding anti-corruption and ethics education into academic curricula ensures that students, future leaders, internalize these principles early in their professional development. Benson and Simpson (2018) argue that sustainable reductions in white-collar crime depend on building organizational cultures that value long-term integrity over short-term gain.

Nature of White-Collar Crime from Recent Examples in Ghana

White-collar crime in Ghana is typically committed by individuals in professional, managerial, or political positions. They often involve breach of trust, financial manipulation or fraud for personal or institutional gain, and are usually difficult to detect and prosecute due to the offenders' access to privileged information and control over organizational processes.

Common types of white-collar crime in Ghana include public sector embezzlement, where officials divert public funds for personal use. A notable case in Ghana is the "National Cathedral" scandal involving former government officials, accused of misappropriating state funds (AP News, 2025). Procurement fraud is also prevalent,

exemplified by the "Contract for Sale" exposé, which led to the dismissal of the CEO of the Public Procurement Authority for allegedly selling government contracts through shell companies (Springer, 2024). Additionally, investment fraud schemes such as the Menzgold debacle caused significant financial losses, affecting over 46,000 investors with claims exceeding US$40 million (Springer, 2024). Cybercrime is another growing threat, particularly among tech-savvy youth, and includes online romance scams, fake business transactions, and mobile money fraud (Amankwaa, 2023).

Several structural issues contribute to the prevalence of white-collar crime in Ghana. These include weak regulatory oversight and persistent political interference in the operations of law enforcement bodies, which undermines the integrity of investigations (Awolugutu, 2012). In addition, low salaries in the public sector increase susceptibility to bribery and other unethical practices (Gunter & Watkins, 2025). Cultural norms, such as gift-giving and patronage systems, also blur the lines between ethical and unethical behaviour, inadvertently normalizing corrupt practices (Osei-Tutu, 2023).

To address the menace of white-collar crime in country, Ghana has established a range of legal and institutional frameworks. The Criminal Offences Act, 1960 (Act 29) criminalizes fraudulent activities, corruption, and abuse of public office. The Economic and Organized Crime Office (EOCO) is mandated to investigate and prosecute financial crimes, while the Office of the Special Prosecutor (OSP), established under Act 959 in 2017, focuses on prosecuting high-profile corruption cases involving public officials. The Financial Intelligence Centre (FIC) works in accordance with the Anti-Money Laundering Act to track suspicious financial transactions. Furthermore, the Whistleblower Act, 2006 (Act 720) offers legal protection to individuals who report corrupt activities, although enforcement of this law remains limited.

Some notable efforts have been made by these institutions. For instance, the OSP has investigated and frozen the assets of several public officials, including former government officials, found with large sums of unexplained cash (GhanaWeb, 2023). Additionally, EOCO collaborates with international bodies like Interpol, issuing red notices for wanted individuals, including former public officials involved in financial crimes (AP News, 2025).

Ghana's approach to managing white-collar crime benefits from several strengths. The country has adopted comprehensive legal tools and has ratified global anti-corruption treaties such as the UN Convention Against Corruption (UNCAC). The OSP operates with a degree of independence from the Attorney General, allowing it to investigate without political direction (OSP Act, 2017). EOCO and auditing institutions have increasingly adopted forensic accounting techniques and data analytics to uncover and prosecute cases of financial impropriety.

Despite these advancements, significant challenges persist. The prosecution rate for white-collar crime remains low. Many cases are either dropped or delayed due to lack of evidence, political interference, or legal technicalities (Yamoah, 2014). The influence of political actors continues to hamper investigations and institutional performance, reducing public confidence in anti-corruption agencies (Awolugutu, 2012). Moreover, limited funding and resources impair the ability of institutions like EOCO and the OSP to carry out thorough investigations. There is also the issue of whistleblower intimidation. Although the law exists to protect whistleblowers, fear of retaliation and insufficient follow-through discourage potential informants from coming forward.

FINDINGS AND DISCUSSIONS

Opportunity Structures

The review clearly identifies opportunity structures as a core factor in the prevalence of white-collar crime in Ghana's public sector. These structures arise primarily from systemic access to resources without commensurate controls. Public officials and administrators are often in positions where they can manipulate procurement processes, payroll systems, and budget allocations with minimal detection. For example, the ghost name scandal, where over 81,000 fictitious names were discovered on the National Service Authority payroll (Reuters, 2025), is a stark demonstration of how institutional routines intended for good can be exploited when the system lacks

real-time monitoring tools or verification protocols. The paper draws from Routine Activity Theory to argue that motivated corrupt officials take advantage of suitable targets such as, public funds in the absence of capable robust auditing systems, thus enabling crime to flourish (Felson, 2002). Additionally, these opportunities are reinforced by repetitive, unsupervised tasks within bureaucracies that allow individuals to embed fraudulent activities into otherwise legitimate administrative procedures. For instance, the routine processing of allowances, reimbursements, and procurement documents is often conducted with inadequate segregation of duties, creating pathways for fraudulent behaviour to go undetected for extended periods.

Weak Oversight

The review also attributes a major portion of Ghana's public sector white-collar crime problem to weak institutional oversight. Although Ghana has established significant anti-corruption frameworks including the Office of the Special Prosecutor (OSP), Economic and Organized Crime Office (EOCO), and the Auditor-General, these agencies are hampered by limited staff, political interference, and lack of prosecutorial independence. The OSP, for instance, is cited as having only three investigators and no dedicated prosecutors, which severely limits its investigative scope and timeliness (Modern Ghana, 2025). Despite legal provisions for independence under Act 959, enforcement capacity remains low. This weakness is further illustrated by the inability of heads of institutions to interdict or suspend public servants under investigation, which undermines both accountability and deterrence. The lack of real-time audits, slow judicial processes, and absence of internal checks in many public sector entities all contribute to an enforcement environment in which white-collar crimes are not only possible but often overlooked. According to the literature, this lack of enforcement credibility emboldens wrongdoers, and in some cases, encourages repeat offenses.

Moral Hazard

By applying Agency Theory (Jensen & Meckling, 1976), this review highlights moral hazard as a central driver of white-collar crime. The principal-agent relationship is compromised when agents (public officials) act in their own interest rather than that of their principals (the state or the citizens). With little risk of detection or sanction, public servants may manipulate systems for personal benefit, fully aware that sanctions are unlikely or lenient. The Contract for Sale scandal, involving the Public Procurement Authority, serves as an example. The CEO allegedly sold public contracts to shell companies in which he had personal interests (Modern Ghana, 2022). Here, the agent not only disregarded public trust but actively used insider information and institutional access to generate private gain. Such actions reflect information asymmetry, where the agent holds more knowledge than the principal and exploits it without adequate supervision or consequence. Moral hazard is worsened by the low likelihood of prosecution, the lenient administrative responses, and the high-level political shielding often enjoyed by elite public officials. As the literature suggests, when agents realize they can benefit without bearing the cost of misconduct, the system fails.

Institutional Vulnerabilities

This paper also comprehensively explored Ghana's institutional vulnerabilities that enable white-collar crime to persist. These vulnerabilities include:

- Bureaucratic opacity: Complex and non-transparent administrative systems prevent citizens and oversight bodies from scrutinizing public spending and decision-making.

- Resource constraints: Most anti-corruption institutions lack the technical and human resource capacity to investigate complex financial crimes, especially those involving cyber fraud or multi-layered procurement schemes (ACFE, 2024; Awolugutu, 2012).

- Cultural norms and social tolerances: Practices such as nepotism, gift-giving, and patronage are normalized within many institutions, often blurring ethical boundaries (Osei-Tutu, 2023).

- Weak whistleblower protection: While the Whistleblower Act (Act 720) exists, the review noted that intimidation, poor follow-up, and lack of anonymity discourage citizens and insiders from reporting corruption.

- Low salaries and poor incentives: As highlighted by (Gunter & Watkins, 2025), public sector salaries are often insufficient, making staff more susceptible to bribes, kickbacks, or unauthorized income-generating activities.

These institutional weaknesses form the enabling environment in which white-collar crime thrives. They do not only increase the opportunity cost of doing right but also minimize the consequences of wrongdoing.

CONCLUSION

From the on-going discussions, it can be concluded that white-collar crime is multifaceted, often hidden behind layers of complex transactions, and perpetrated by individuals in positions of responsibility. While it is non-violent, the financial and social costs are immense, undermining institutions, eroding public trust, and destabilizing economies. The growing integration of technology, global finance, and organizational complexity necessitates robust governance, transparency, and law enforcement mechanisms to mitigate these offenses. Though often invisible and non-violent, white-collar crime is a deeply damaging form of misconduct that affects individuals, institutions, and societies. Its defining characteristics, non-violence, complexity, concealment, and betrayal of trust, make it particularly challenging to detect and punish. In public service where ethical standards and public accountability are paramount, understanding and addressing these characteristics is critical to safeguarding resources and institutional integrity. Combating white-collar crime requires a strategic blend of strong governance, ethical leadership, technological tools, transparent systems, and cultural transformation. Adopting these strategies will not only safeguard resources but also uphold integrity and public accountability.

RECOMMENDATIONS

The following recommendations are based on the findings of the Routine Activity Theory which suggests reducing opportunity and increasing guardianship and correcting agency problems such as ensuring that public officials act in the interest of the state.

1. **Strengthen Institutional Oversight and Enforcement**

- Empower and resource anti-corruption institutions such as the Office of the Special Prosecutor (OSP), CHRAJ, EOCO, and the Auditor-General's Department with adequate staff, training, independence, and forensic tools to effectively detect, investigate, and prosecute white-collar crimes.

- Enforce real-time auditing and monitoring systems, including digital procurement tracking, biometric payroll verification, and automated financial reporting, to close opportunity gaps exploited by corrupt officials.

- Establish mandatory internal audit units in all public institutions and require quarterly reports to be reviewed by an independent audit review board.

2. **Strengthen Legal and Sanctions Regimes**

- Review and amend existing anti-corruption laws to eliminate loopholes and delays in prosecution and to enforce clear penalties for white-collar crimes.

- Introduce mandatory interdiction or suspension of public officers under investigation to prevent interference with investigations or evidence tampering.

- Establish a public corruption offenders' register, to name and shame convicted individuals and bar them from holding future public office.

3. **Address Moral Hazard through Performance and Ethics Reforms**

- Introduce performance-based incentives and sanctions for public officers to align their behaviour with institutional goals.

- Strengthen codes of ethics and conduct, with compulsory annual ethics training for all public servants.

- Promote role clarity and accountability through well-defined job descriptions and deliverables, reducing discretionary abuses.

4. **Improve Transparency and Public Access to Information**

- Enforce the Right to Information Act to allow civil society and media access to procurement data, budget implementation reports, and audit findings.

- Develop open government portals for real-time publication of contracts awarded, payments made, and project status updates.

- Support data digitization and records management systems in public institutions to minimize opportunities for document forgery and manipulation.

5. **Protect and Incentivize Whistleblowing**

- Fully implement and reform the Whistleblower Protection Act (Act 720) to guarantee anonymity, physical protection, and rewards for individuals who report white-collar crime.

- Establish independent whistleblower reporting platforms with hotline and digital options accessible to the public.

6. **Promote a Culture of Integrity and Civic Responsibility**

- Integrate anti-corruption and civic education into school curricula at all levels to foster ethical consciousness from an early age.

- Conduct public campaigns that highlight the cost of corruption to development and celebrate integrity in public service.

- Encourage traditional and religious leaders to champion values of honesty and public accountability.

7. **Depoliticize Public Appointments and Anti-Corruption Work**

- Ensure that leadership appointments to anti-corruption bodies, public procurement boards, and key state institutions are merit-based and not politically motivated.

- Promote cross-party consensus on anti-corruption reforms to insulate institutions from political manipulation.

Conflict Of Interest

There is no potential conflict of interest in this study. This paper is the outcome of the review of empirical literature, media reports, and public records on the subject. All publications referred have been duly and properly acknowledged. It is therefore the original work of the authors.

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