White collar crimes

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White collar crimes are those that are committed by high ranking business people. These people devise new and new strategies to take over the markets such as financial markets (Johnston, 2014). They with their genius minds challenge the financial markets. Some of these wins and others lose, leading to huge loses. One such crime was committed by Haim Bodek, aka The Algo Arms Dealer. He with his new technique of algorithms came against Wall Street.

Super quick computers and advanced mathematical formulas have largely taken over trading over the financial markets from human beings. This digital revolution on Wall Street is multifaceted and has resulted in the splitting of the financial system. This system is very hard to understand and only those people can understand the system who built it. The machinery behind our financial market is a system of mathematical models. Now there is a use of more and more high-frequency trading which is a system of automating transactions in milliseconds. Eric Hunsader's company, Nanex also sells financial data. He searches for abnormal patterns in data streams as he has an idea about what is happening on the financial markets in the milliseconds. This happens during the trading of billions of dollars in the financial markets.

Haim Bodek was a quant who specialized in artificial intelligence. He worked for Hull Trading and knew the system from the inside as he participated in its creation. Barrt C. Keller mann organizer Battle of the Quants explained his experience(vpro documentary, 2013). One day he got the call and was asked to contact Haim Bodek, as he had information related to high-frequency trading, which is a subject that is treated as the Battle of the Quants. So he made a call to him and got the system. But had no idea how to use that as those were the system of order types that if used properly would result in profit and if used improperly would result in loss. The same happened with 2011, the high-frequency trading company of Bodek, Trading machines that go bankrupt. Before that, it made huge profits with THF.

In addition, organizations and their leaders must focus on their ethical and legal liabilities. If a leader is ethical then he has a strong character and this is also shown in its organizational culture. When leaders and organizations have no accountability when they commit crimes. They must pay attention towards the ethical liability which attests of their character along with the legal liability which is a test of their smartness. This will not put them in the dilemma of committing different crimes(TEDx Talks, 2015). Thus, the most common form of unethical leadership is the permitting of unethical conduct to endure. This can be seen in college sports; the scandal of Penn State in which coach Sandusky was involved in sexual abuse. Moreover, in the case of Rutgers Coach Rice was involved in bullying and violence. All these were being operated in these educational institutions as leaders allowed to happen. All these issues cannot be related to the support cultural issues but these are truly the leadership issues.

Another reason for this poor leadership in higher education scandals is the lack of consequences for the leaders above their legal liability (Tonry, 2011). Leaders face problems with university leadership as leaders in educational institutions mostly have long tenures and due to their years of services everyone like them(TEDx Talks, 2015). Furthermore, leaders are also sources of unethical behaviors. These foster the unethical culture and allow people to have unethical behaviours. If some people speak against these behaviors they get punished. Leaders must remember that only fulfilling the legal liability is not enough and they must pay attention to the ethical behaviors.

References

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