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What Do We Know About Stock Market Crimes? A Systematic Review and Qualitative Meta-Synthesis

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Abstract

Stock market crimes represent a sophisticated form of financial crime, often involving individuals with specialized knowledge, resources, and access to financial technologies. These offenses are typically planned rather than spontaneous and may be associated with crimes of privilege. This qualitative study conducts a systematic review and qualitative meta-synthesis of seven scholarly sources retrieved from Academic Search Complete, JSTOR, and SAGE Journals. The analysis identifies four key themes: market manipulation and fraud, regulatory and legal challenges, the evolution of financial crime, and technology-based fraud prevention. The findings highlight the importance of examining stock market crimes within criminal justice and financial regulation. Greater awareness among investors is also essential because they may become direct or indirect victims of these offenses. The study contributes to the literature by highlighting emerging risks and supporting preventive strategies aimed at reducing investor victimization.

Keywords: Stock Market Crime, Market Manipulation, Financial Fraud, Regulatory Challenges, Financial Technology, Investor Victimization.

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1. Introduction

Crime is often thought of or referred to as violent, like robbery or murder. These types of crimes are often referred to as “blue-collar crimes” since they’re usually committed by people of a lower socioeconomic status. Stock market and white-collar crimes fall in a more sophisticated category of crime, as not all people don’t have access to stock markets or technology to commit these crimes. These types of crimes are more often crimes of privilege, as they’re well-planned and aren’t sporadic, violent actions toward victims. The various crimes that fall in this category serve to manipulate the stock market and raise or drop stocks on the market illegally. This is done with the hope that the person committing the crime can make money from their actions (Akram et al., 2021). This study addresses a significant gap in the literature by synthesizing existing research on stock market crimes, with particular attention to how these offenses have evolved in the post-COVID-19 era.

Most scholarly articles use terms like stock market manipulation instead of stock market crime, so there isn’t a definitive definition. Stock market manipulation is defined as an “illegal practice in an attempt to raise or lower stock prices by creating an active trading appearance” (Riyanto & Arifin, 2018). Stock market manipulation is often split into three categories: action-based manipulation, trade-based manipulation, and information-based manipulation (Zulkifley et al., 2021). Similarly, there aren’t specific examples of stock market crimes, as the phrase “securities crimes” is used instead. They all share similar definitions of manipulating the market illegally for personal gain. Some examples of specific stock market crimes include pump and dump schemes, spoofing, and benchmark techniques.

There are no specific rates for stock market crimes, as different regions use varying phrases. The U.S., Korea, India, Canada, and Africa are some of the main hubs for financial crimes and stock market manipulation. Specifically, some of the main schemes have been committed in the U.S., Europe, and Asia (De Batz & Kočenda, 2023). As of 2023, Libya has the highest financial crime score globally. Their corruption often comes from individuals in leadership positions at banks and important corporations committing various types of fraud, embezzlement, or lying about funds and stealing from citizens (The Organized Crime Index, n.d.). Iraq and Iran are also in the top three countries with high financial crime scores, and in some of these cases, terrorism is used as a tool to influence stocks (Memdani & Shenoy, 2019).

During the COVID-19 pandemic, countries that suffered from stock manipulation and fraud experienced an increase in crimes. This was a direct result of the panic and terror that the pandemic brought, as well as some of the rules implemented. For example, Kamensky (2021) discusses in his article the change from in-person to remote working, and how this gave remote workers the chance to partake in fraudulent behavior with less risk of getting caught. The financial strain that jobs and businesses experienced during COVID-19 removed the focus from day-to-day work, as bosses strived to keep their businesses open. The pandemic also accelerated the use of digital platforms for trading, creating new opportunities for manipulation while making detection more challenging for regulators.

The perfect victim of a stock market or white-collar crime is simply an investor who trusts. Trust is the most significant factor when it comes to financial crime victimization because a person has to trust that a financial agent has their best interest at heart and plans to help them instead of deceiving them. According to Spalek (2001), situations where people have been victimized often don't decrease the level of trust a person has towards financial advisors, agents, or markets. People often assume that "financial institutions are trustworthy", so contracts and legal agreements are rarely in the picture (Fukuyama, 1996). As a result of the assumed trust, there are very few laws against stock market crimes. In countries that experience stock market manipulation, financial companies and markets are expected to follow guidelines that ensure the money people are investing is eventually returned to them, but that's often the extent of the expectations. COVID has not affected the perfect victim of this crime, as the only people who would be susceptible are investors.

Offenders are also a very specific group, as they usually work for firms that assist with financial investing. Studies lack thorough descriptions of what a typical offender looks or acts like, but data does show that the stock market has a negative response to companies that commit financial crimes (Davidson et al., 1994). Firms will try to target clients that they know will trust them and use the money in their portfolios towards their personal endeavors instead of using the money the way a client may have intended. In some situations, they may commit violations in their reports or fail to include information to misplace funds (Davidson et al., 1994). In some situations, offenders may be hackers or people online who post suggestive messages that encourage people to invest in specific stocks or divest in others (Akram et al., 2021). There's no evidence that COVID has affected what the typical offender is described as.

The main motivation behind committing stock market crimes is personal financial gain. For example, one of the tactics offenders use is called runs, where a person will spread rumors about the increase or decrease of a stock's price to draw attention and gain more traders. Once they have collected an acceptable amount,



they'll "dump" all the money into their own account and take full profit from the run (Alexander & Cummings, 2020). This technique is also referred to as a pump and dump scheme because they pump funds into a stock dishonestly and then empty the stock into their own pocket. For companies, the motivation may be to expand their funds for selfish reasons, or to bring down competitors.

Stock market crimes are weaponless assaults. As opposed to targeting victims with guns or knives, stock market crimes target accounts and finances. They can involve multiple perpetrators if a company is working to commit stock market crimes as a unit, but oftentimes, each crime is committed by an individual offender. There can, however, be multiple victims at a time. If we use the pump-and-dump example again, we'll see that the multiple victims would be the people who unknowingly invested in the scam and got their money stolen. There is no way these crimes occur and can have various offenders and victims in a scenario just as equally as there may only be one (Fukuyama, 1996).

Conducting studies on stock market crimes is imperative to the criminal justice field because it creates a clear explanation of the crimes. Being able to fully understand stock market crimes give investigators the ability to catch the crimes as they happen and eventually recognize the signs to prevent them. Since the topic of stock market crimes often has vague research and studies attached to it, a more in-depth understanding will offer solutions for various issues. For example, thorough research of the topic offers potential victims the ability to expand their level of knowledge on the crime and decrease the likelihood of them being targeted. Research can also help prevent fraud and scams within the stock market, as companies will know what to look for to prevent the manipulation of their stocks.

This study aims to explain different types of stock market crimes, the techniques used to execute the crimes, and some of the ways companies are reforming their systems to detect stock manipulations before it's too late. This research will elaborate on the knowledge we have on stock market crimes to maximize the understanding of these crimes.

2. Method

The research question for this paper is "*What do we know about stock market crimes?*" A systematic review and qualitative meta-synthesis are the methodology being utilized for this research. Meta-synthesis is used to gather and compare information on a topic with the intention of expanding the knowledge and understanding of said topic. In this case, this research will serve to expand understanding of stock market crimes and explore the evolution of understanding and combating stock market crimes.

The main databases used while conducting the research were Academic Search Complete, JSTOR, and SAGE Journals. These databases assisted in finding articles to read and review and then choosing to pursue or conduct more in-depth reviews. The search terms used in the article search to collect results varied by database. In JSTOR, two sources were found to utilize using the search term “stock market” and were chosen to look through the years 2010–2025 to find articles that had the phrase in their abstract. In SAGE Journals, two articles were found using the phrase “stock market manipulation” in the abstract of articles published between 2020–2025. Two articles were also found using the same filtering in the database with the phrase “securities fraud”. In Academic Search Complete, one article was found searching for the phrase “market manipulation” in the abstract of articles published between 2020–2025. In total, seven sources were selected for final analysis.

For this research, the aim was for the sources to be as recent as possible, so the results were originally curated to show articles from 2021 and beyond. It was felt that the articles used to understand and discuss stock market crimes should be recent since stock market crimes have modernized in the world of technology and are more accessible than they were before. Stock market crimes are constantly evolving, and understanding the various types of stock market crimes helps investigators find new solutions. Because of this, old, outdated definitions and examples of a constantly evolving crime were avoided. However, it’s important to understand the evolution of stock markets and the crimes committed, so some sources are between 2010 and 2025.

All sources are in English, although some review data from various countries. This was not necessarily a decision, but more of a default setting on the databases chosen. The searches were conducted alone, as the sole researcher. Some of the strengths included being able to read and sift through articles while knowing what was in mind for the research. A challenge faced was finding useful sources for the research, as it was difficult to find articles about stock market crimes. Working with other researchers may have made the task of reading through potential articles easier.

Between the three databases, 136 articles were reviewed in total. Specifically, JSTOR offered two usable articles out of the 26 articles presented and reviewed from the searches. SAGE Journals offered four usable articles out of the 56 articles presented. Academic Search Complete offered one article from the 54 results presented in the search. Out of the 136 reviewed, seven articles were kept to review in the research.

To screen for articles, the introduction was used as a starting point. Keywords that defined the topic were used to search for articles to read. In every search, advanced searches were used to seek articles that included the phrase in



the abstract and were published in at least the last two decades. The databases that allowed it were specified to receive criminal justice articles specifically. As results were searched through, titles were read to see which aligned with the topic. If it seemed as though it resonated, the abstract of the article was read, and this ultimately resulted in the decision to use articles or not.

The 129 articles that were abandoned in the search were not usable simply because they didn't include any information related to the topic. It was challenging to find articles specifically about the stock market and crimes that accompany the market. The few that were used in this research were the only articles that were relatively relevant to the topic and research question.

Both articles chosen from JSTOR discussed trade. Cosme's article is suitable for the research because it discusses stock market crimes and criminal liability to discourage individuals from committing crimes. He uses a court case as an example to support his theory. Lo's research delves into gangs in Hong Kong and how their transition from street crimes to financial crimes may have played a role in the decline of leadership integrity and the increase of financial crimes in the area. Half of the articles from SAGE Journals dissect the use of AI in detecting stock market manipulations, as well as the effectiveness of these programs. The other half of the articles from this database discuss stock market crimes in Indonesia and Utah, and offer insight on examples of stock market crimes, offenders, and victims. The article from Academic Search Complete also explains and observes how AI can be used to combat stock market crimes.

To ensure rigor in the qualitative synthesis, the authors employed Braun and Clarke's (2006) six-phase thematic analysis framework. This involved: (1) familiarization with the selected sources, (2) generating initial codes, (3) searching for themes, (4) reviewing themes, (5) defining and naming themes, and (6) producing the final report. The selected articles were read multiple times to identify recurring patterns, concepts, and relationships. Initial codes were generated and organized into potential themes, which were then reviewed and refined to ensure coherence and distinctiveness. Four principal themes emerged from this analysis: (1) Market Manipulation and Fraud, (2) Regulatory and Legal Challenges, (3) Evolution of Financial Crime, and (4) Technology's Role in Fraud Prevention.

3. Literature Review

1. Cosme, O. (2019). Regulating high-frequency trading: The case for individual criminal liability. *The Journal of Criminal Law and Criminology*, 109(2), 365–394.
<https://scholarlycommons.law.northwestern.edu/jclc/vol109/iss2/5/>

As stock exchanges became more mainstream, high-frequency trading also became more popular. Even though it has its benefits, like allowing traders to access the market at any time, it also allows for illegal trading and spoofing. There are no laws against illegal actions in the stock market because it can be so challenging to catch someone illegally trading, but this research aims to explain HFT and some potential solutions for holding traders accountable for their crimes. The author hopes to prove that criminal law would be the solution to deter people from committing trading crimes. Cosme uses the court case *The United States vs. Coscia* to support his idea that prosecuting traders who commit crimes in the market should be taken seriously, and criminal acts should be met with criminal punishments.

Cosme's assessment of the HFT market proves that while it can be effective for companies to trade faster and more efficiently, the high-speed nature can also cause the market to crash faster. HFT also makes it more difficult to set a boundary between acceptable market behavior and market manipulation, especially because traders can use any excuse to validate their actions without the system flagging or disapproving of their behavior. In *The United States vs. Coscia*, the evidence against Coscia and his testimony showed how easy it was to manipulate the market in HFT. He explained how he used other programs to place and cancel orders in no time at all. Doing this affected the stock prices and allowed Coscia to make money without doing much of anything. It showed the flaws in HFT, and in holding Coscia criminally liable, it changed the narrative and target of punishment when dealing with market manipulation.

Oftentimes, companies would be charged with market manipulation schemes. The case against Coscia encouraged the government to hold individuals accountable instead. The main point in Cosme's research that aligns with this topic is the point that HFT makes the ability to commit stock market crimes more accessible. His main solution is criminal liability for offenders, to scare and potentially deter others from committing the same crimes. It can be hard to regulate a system that can't be understood, so the suggestion is appropriate.



2. Guo, D. (2024). Identification and prevention of financial securities fraud based on deep learning. *Journal of Computational Methods in Sciences and Engineering*, 24(4-5), 2673-2688.
<https://doi.org/10.3233/JCM-247497>

As global markets expand and financial transactions become more complex, financial securities fraud becomes increasingly popular. Advanced technology is often the only way to keep track of the frauds being committed since methods used to detect traditional fraud is outdated in these scenarios. Guo's study aims to show how deep learning could potentially be an effective tool in learning about and identifying fraud as it occurs. Guo uses previous studies that have looked into deep learning and other fraud detection programs in an effort to offer solutions that will improve the programs that are already in use to eventually make them foolproof. Guo's method of research includes model construction, data selection, empirical verification, and result interpretation.

Model construction uses information from previous theoretical research to determine some of the factors that help to predict financial fraud. After these are gathered, data selection uses theoretical research to find relevant data, and this data is often from public securities trading data and financial report data from companies. Once this data is collected, the deep learning model is trained and programmed based on the information gathered. This training uses a 100-sample test set to represent as close a match as possible to genuine deep learning results. The results will be based on how the model processes and breaks down the information.

The results of Guo's research show that the deep learning model in this research has high accuracy and precision when it comes to fraud detection, and can be effective in supervising the stock market. Some of the limitations Guo includes are the quality of the data being used, as it will affect the outcome of the deep learning model, as well as the ability to interpret the models. Guo suggests that the data chosen is carefully picked and well-suited to increase the likelihood of a successful model, as well as developing more advanced algorithms so the models can be better interpreted.

3. Hao, Y., Vand, B., Delgado, B. M., & Baldi, S. (2023). Market manipulation in stock and power markets: A study of indicator-based monitoring and regulatory challenges. *Energies*, 16(4), 1894.
<https://doi.org/10.3390/en16041894>

This research was conducted to address the growing challenges associated with the prevention of market manipulation in two global markets: the stock market and the power market. Although both markets are affected and deal with large transactions often, we'll be focusing on the analysis of market manipulation within the stock market. The openness and complexity of the stock markets make them susceptible to unethical practices, such as market manipulation, which undermines fairness and market integrity. The research in this article explains some of the regulatory challenges that market officials may experience, as well as some of the AI interfaces used to facilitate trade and occasionally facilitate fraud. The study uses a literature review of various countries' stock markets to develop an understanding of how to detect manipulation in the market. The sample consists of Hong Kong, the U.K., the U.S., and the European Union.

The literature reviews compare the different ways each country's government chooses to respond to financial and stock market crimes, and how the stock markets operate in general. The authors believe that a more accurate and concise method of data collection may prevent market manipulation. This way, the market can be consistently and better monitored, which will increase the integrity of traders. To keep up with the constantly evolving market, the authors believe that the regulatory system should be advanced enough to keep up with the evolution of the stock market and should be able to document data and information well enough to notice when there is a flaw or manipulation.

4. Lo, T. W. (2010). Beyond social capital: Triad organized crime in Hong Kong and China. *The British Journal of Criminology*, 50(5), 851–872.
<https://doi.org/10.1093/bjc/azq022>

Lo's article aims to explore transformations of Chinese triad societies from street crimes to stock market and financial crimes. These groups were originally built on strong patriarchal views and sturdy hierarchy. They committed crimes that were common amongst gangs, but as they evolved, they got more involved in business crimes like stock market and white-collar crimes. This research aims to explore the role that social networks play in organized crimes like stock market manipulation. This research also aims to gain more of an understanding of how these organized crimes helped facilitate financial crimes across Hong Kong.

The method section of this article states that the sample for this research is the Sun Yee Oh triad society because of their historical importance in Hong Kong. The data collection is based on documentary and media analysis, as well as written reports from police departments and a financial crime case study. The author's results showed that social interactions like links with political figures facilitate the more organized crimes that triads commit. This aligns with the research because it



shows that some illegal traders have social benefits, oftentimes, and will gain loyalty and trust from bosses, politicians, and sometimes even government officials so they can be excused for their illegal actions.

The author expresses that a limitation of this research included the struggle to find inside information about triads because they are often secretive. They also suggest searching more intensely for the long-term effects that these social interactions may have on society. The author suggests studying the long-term effects on underground gangs as well as legitimate businesses to understand if there's an increase or decrease in illegal business and government legitimacy.

5. Maheshwari, S., & Chatnani, N. N. (2025). Applications of Artificial Intelligence and Machine Learning-based Supervisory Technology in Financial Markets Surveillance: A Review of Literature. *FIIB Business Review*, 14(5), 586–604.

This article discusses the importance of surveilling the market for any type of manipulation and reviews the efficiency of Supervisory Technology models powered by AI and ML with the hopes that these models can be used officially by banking and market regulators as well as investors. This research also hopes to bridge the gap between research that already exists about using AI to regulate stock markets and unanswered questions about the efficiency of AI in these spaces. The authors reviewed 310 articles in total and ended up choosing 55 for the official study. They include charts that share the varying topics gathered from each article, as well as search methods and publication periods. Charts also include four different analysis phases, application areas, and SupTech models.

The results of the research show that SupTech is beneficial for banks to adjust monetary policies. It also shows that SupTech can increase investor confidence and market integrity on all levels and would be effective in monitoring stock market actions. The authors offer spaces that require further research as well to encourage future researchers to cover information about using SupTech for other financial purposes. Some of the topics they share include using SupTech to detect potential financial crises, using SupTech for demand and consumption management, and using SupTech to identify and address inflation. This article relates to the research as it explains the usefulness of AI as one of the main solutions of stock market crimes.

6. Payne, B. K., & Pitman, L. (2023). Technology, white-collar cybercrime, and white-collar crime: An analysis of Utah's white-collar crime registry data. *Journal of White Collar and Corporate Crime*, 4(2), 139–149. <https://doi.org/10.1177/2631309X221128622>

This research was conducted to understand why cybercrimes have been increasing for the past two decades, in addition to studying how the increase in technology has changed the way people choose to commit crimes. As researchers see white-collar and cybercrimes increase, the rate at which traditional crimes are being committed is at a steady decline. The effort to understand how the age of technology affects crime will allow researchers to offer solutions and preventative measures. To gather data, authors used the White-Collar Crime Offender Registry of Utah. The registry includes crimes like securities fraud, money laundering, and mortgage fraud from 2005 forward.

The two key concepts for this research are white-collar crimes and cybercrimes, and combined they cover fraud and financial securities fraud that have been committed online or with the use of technology. Results showed that men are most likely to commit white collar crimes, with a small percentage being men of color. Results also showed that targets are usually random, and business owners, employers, and acquaintances are the most common targets. A percentage of these crimes are also committed at work, instead of in a person's free time. The authors included various data-filled charts that answered their research questions and provided information about typical offenders, victims, crimes, and the category the crimes fall into. One of the limitations in the article includes the fact that Utah's information cannot be generalized and used for other states. They also mention that the information they've included is lacking in some areas, and more thorough research may be helpful to collect more specific data moving forward.

7. Sergi, B. S., Wongkar, N., & Suhariono, K. L. (2024). Manipulation and financial market misconduct in Indonesia. *The American Economist*, 70(1), 80–93. <https://doi.org/10.1177/05694345241256233>

The research in this article specifically studies market manipulation in Indonesia. It defines stock manipulation as artificially influencing a price or trading volume to benefit an individual or group. The research explains different manipulation tactics and emphasizes some of the concerns that accompany regulating market manipulation. The research does well at exposing the complexities of the stock market and manipulations within the market. The method section discusses how data was gathered from the yfinance API to understand daily price data and



volume data. The Indonesia Stock Exchange was also used to gather stock data about potentially suspicious stocks.

The data was analyzed regularly to find any patterns that were out of the ordinary and may suggest market manipulation. The results showed that if stocks fluctuate constantly, that's often a sign that some type of manipulation is occurring in the market. Price surges that exceeded 20% were consistent with manipulation as well. In the limitations, the authors suggest studying the market more closely than they did to find any abnormalities. They also suggest studying the market for a longer period to be able to notice abnormalities based on the consistent pattern. Overfitting was also a limitation that was mentioned to prevent researchers from using data to make future predictions inaccurately by accident.

3.1 Synthesis of Literature Review

Across the seven reviewed sources, several key patterns emerge. First, stock market manipulation takes various forms, including spoofing, pump and dump schemes, and high-frequency trading abuses (Cosme, 2019; Sergi et al., 2024). Second, regulatory frameworks vary significantly across countries, with some nations having robust oversight while others lack adequate legal mechanisms (Hao et al., 2023; Lo, 2010). Third, technology plays a dual role—both enabling sophisticated manipulation and offering solutions through AI and deep learning detection systems (Guo, 2024; Maheshwari & Chatnani, 2023). Fourth, offenders are typically individuals in positions of trust, often working for financial firms or leveraging social connections to facilitate crimes (Payne & Pitman, 2023; Lo, 2010). Fifth, the COVID-19 pandemic created new opportunities for stock market crimes through remote working and increased digital trading (Kamensky, 2021). These patterns highlight the complex interplay between technology, regulation, and offender behavior that sustains stock market crimes globally.

4. Thematic Analysis

The four main themes in this thematic analysis include market manipulation and fraud, regulatory and legal challenges, evolution of financial crime, and technology's role in the prevention of fraud. The analysis serves to review and summarize each theme.

4.1 Theme 1: Manipulation and Fraud in the Stock Market

This theme explains the various types of manipulation and fraud that occur in financial markets and includes examples. Market manipulation consists of actions like spoofing, which changes asset prices and creates a false high demand

(Cosme, 2019). Researchers are often able to find a consistent pattern in stock markets with minimal manipulation. A random outlier or data that's drastically different may indicate that there's been some type of manipulation or fraud committed (Sergi et al., 2024). AI is often offered as a solution, but AI can also be a flaw that enables and commits fraud unknowingly (Hao et al., 2023). Because there are many ways to commit financial fraud, researchers strive to gather a full understanding of how fraud could be occurring within the market in an effort to dismantle any market manipulations. Market manipulation is problematic because it ruins market integrity and investor trust, so diminishing the amount of manipulation within markets ensures the honesty of the markets and builds trust for market investors (Hao et al., 2023). The COVID-19 pandemic may have exacerbated these manipulations as remote trading and market volatility created new opportunities for fraud (Kamensky, 2021).

4.2 Theme 2: Regulatory and Legal Barriers

This theme sheds light on some of the legal efforts that governments will make to deter people from committing market crimes but also discusses some of the challenges and barriers that may exist in the process. It can sometimes be difficult to prove that financial crimes were intentional, which can in turn make them difficult to prosecute, but penalizing individuals who commit these crimes may send a message to others and reduce fraud (Cosme, 2019). Countries approach financial crimes differently, and the level of punishment may vary and make it more challenging to enforce universally. For example, the U.K. has various departments and organizations that are responsible for monitoring, regulating, and correcting stock market traders and investors, while Hong Kong has one (Hao et al., 2023). While both countries have regulations in place, they may have different crime rates and different levels of understanding towards criminal actions, which in turn affects their ability to regulate these behaviors. Another regulatory barrier includes corruption in political circles that may allow fraud and manipulation to occur in the benefit of an important social figure (Lo, 2010). In these situations, it can be difficult to regulate the crime while it's being permitted. The pandemic highlighted limitations of existing regulatory frameworks, as remote working made monitoring and enforcement more challenging (Kamensky, 2021).

4.3 Theme 3: Evolution of Financial Crimes

This theme is more of an underlying theme in the literature used, and it explains the changes that have occurred in financial crimes. The evolution of technology allowed financial crimes to become cyber crimes, which made them more accessible to scammers and frauds (Payne & Pitman, 2023). In some scenarios, gangs have evolved from committing typical street crimes to committing more



sophisticated crimes, like financial crimes, because it was easier for them to commit and get away with (Lo, 2010). Financial crimes became an evolved way for organized criminals to commit illegal acts for their own benefit that was also safer as opposed to robbing someone. Before technology, it was more unlikely for fraud to be committed because AI couldn't commit it accidentally, and it wasn't easily accessible for people to openly trade. Creating an online market also created an open market, where anything can happen, and crimes are more likely to occur (Hao et al., 2023). The COVID-19 pandemic accelerated this evolution, as remote work and increased digital trading created new pathways for financial crimes (Kamensky, 2021).

4.4 Theme 4: Fraud Prevention: The Role Technology Plays

This theme discusses the many ways technology and AI play an important role as a tool that can detect and eventually prevent fraud. Technology allows for trade to happen quickly and conveniently, which makes it more efficient for people to use (Cosme, 2019). At the same time, the technology needs to be monitored to ensure it's working properly and honestly. The most important factor for the technology to effectively monitor the market and successfully prevent fraud is for the technology to be advanced and up to date (Guo, 2024). When AI and technology are utilized properly, they can facilitate trade and be able to regulate the market simultaneously (Maheshwari & Chatnani, 2023). Since stock market fraud can be difficult for humans to track and is often tedious to study, the proper use of AI can ensure this job is done well and reduce the amount of fraud committed on the market. Although technology can encourage fraud unintentionally, it can also reduce fraud when programmed well. Post-COVID, the role of technology in fraud prevention has become even more critical, as the shift to digital platforms has created new vulnerabilities that require advanced detection systems (Guo, 2024).

5. Discussion

Understanding stock market crimes is significant for lawmakers and everyday citizens. This way, laws can be enacted against these crimes, better programs can be put into place to reduce the amount of market manipulation, and potential victims of stock market crime can understand and effectively avoid victimization. The findings in this article explain how these crimes have evolved in an age of technology, and some of the perspectives and potential solutions globally. Research has shown that the expansion and accessibility of the stock market create more issues, and reform is necessary (Guo, 2024).

This research showed that in a post-COVID era, updated technology and AI play an important role in combating stock market crimes and market manipulation. During COVID-19, stock markets became more accessible, and remote working made it easier to commit these crimes without getting caught (Kamensky, 2021). The level of sophistication for stock market crimes makes it challenging to trace the crimes themselves, but the implementation of AI offers a solution. The use of AI, while helpful in most scenarios, can also manipulate the market unintentionally. Creating advanced programs that monitor stock market users can effectively reduce, and eventually eliminate, market manipulation as a whole (Guo, 2024). Technology literacy courses could reduce victimization of stock market investors or technology users in general.

While AI and technology play an important role, legal regulations also play a pivotal role in the reduction of market manipulation. Historically, prosecuting stock market manipulators has been challenging because courts are often unsure of where to place the blame (Cosme, 2019). Countries are taking the time to understand, through research, exactly how the market works and how they can hold fraudulent investors accountable as a result (Hao et al., 2023). Legal action against stock market manipulation enhances the seriousness of the crime, and is an imperative step towards reducing the rate in which the crime is being committed.

In addition to legal action against fraud, countries would also need to regulate and monitor social interactions amongst their leadership, to ensure that social relationships aren't based on criminal behavior. Findings in this research showed that gangs who commonly commit blue-collar crimes will socially connect with someone of status and will transition into committing white-collar crimes, like market manipulation and fraud (Lo, 2010).

The COVID-19 pandemic appears to have amplified several factors that contribute to stock market crimes: increased remote working, market volatility, economic uncertainty, and greater reliance on digital trading platforms (Kamensky, 2021). While overall enforcement may have been disrupted during lockdowns, the shift to remote work created new opportunities for fraud as oversight mechanisms were weakened. Understanding these pandemic-related shifts is essential for developing effective, time-sensitive interventions.

The findings support and extend theories of white-collar crime by demonstrating how technology and opportunity structures interact to produce stock market offenses. While Sutherland's (1949) theory of white-collar crime emphasizes the role of opportunity and social status, the findings suggest that technological access and regulatory gaps also play critical roles. Additionally, the study contributes to routine activities theory by highlighting how offenders exploit the convergence of motivated offenders, suitable targets (investors), and absent



capable guardians (regulators)–conditions that were amplified during the pandemic.

Previous research on stock market crimes has often focused on individual cases or specific geographic regions. This study builds on that foundation by synthesizing findings across multiple regions–North America, Asia, and Europe–to identify common patterns. The findings confirm earlier research on the role of high-frequency trading (Cosme, 2019) and organized crime (Lo, 2010) while extending understanding by showing how AI and technology can serve as both enablers and solutions. The study also extends previous work by examining the impact of COVID-19 on stock market crime patterns, a relatively underexplored area in the literature.

Overall, this research created a deeper understanding of the vital factors of and around stock market crimes and market manipulation. This research offers insight into a post-COVID stock market and how the market has evolved in that time.

6. Policy Implications

The findings of this study have several important policy implications for addressing stock market crimes:

1. Individual Criminal Liability: Charging fraudulent investors as individuals as opposed to charging a whole company is a crucial policy reform (Cosme, 2019). Specific deterrence will encourage other fraudulent investors to stop committing crimes within the market. This allows companies to continue to operate instead of penalizing them for one person's behavior, while sending a message to other individuals that they will be held accountable for their crimes.

2. Investment in AI and Technology: Governments and regulatory bodies should invest in advanced AI and deep learning technologies for market surveillance (Guo, 2024; Maheshwari & Chatnani, 2023). These technologies can detect manipulation patterns that humans might miss and provide real-time monitoring of market activities. Regular updates to these systems are essential to keep pace with evolving criminal tactics.

3. Regulatory Harmonization: Countries should work toward harmonizing financial crime regulations to close enforcement gaps (Hao et al., 2023). International cooperation on financial crime investigations and prosecutions would enhance global market integrity.

4. Investor Education: Public awareness campaigns can educate investors about the risks of stock market manipulation and how to recognize potential scams. Technology literacy courses could reduce victimization of investors (Payne & Pitman, 2023).

5. Enhanced Oversight of Social Networks: Governments should monitor social interactions between business leaders and political figures to prevent corruption and fraud (Lo, 2010). Transparency in these relationships could reduce the influence of organized crime in financial markets.

6. Post-COVID Adaptation: Regulatory frameworks should be updated to address the new realities of remote working and digital trading that emerged during the pandemic (Kamensky, 2021). This includes enhanced monitoring of remote trading activities and clearer guidelines for compliance in virtual work environments.

7. Limitations

This study had several limitations. First, there is a lack of research on this topic, making it challenging to gather up-to-date research that applies to the topic. Second, it was difficult to find articles that could offer specific, in-depth definitions and explanations of aspects of the stock market. Third, the reliance on English-language sources only may have excluded important research published in other languages. Fourth, the study lacks victim-centered perspectives, as the analysis focused primarily on offender behavior and detection methods. Fifth, the small sample size (seven articles) limits the generalizability of the findings. Sixth, the single-researcher approach may have introduced selection bias, despite efforts to implement structured screening protocols. Researching the topic from an economic perspective in the future may provide a deeper understanding of the topic, as the topic of stock markets is more developed than the crimes attached.

8. Conclusion

In summary, stock market crimes are important to understand and prevent because they affect economics. Understanding the impact technology has on crime is also essential, especially because it's constantly evolving and improving. This research created a deeper understanding of stock market crimes and how they've changed because of factors like technology. This research played a vital role in understanding the technological aspect of stock markets and the crimes committed as a result. Dissecting the evolution of stock market crimes created a vast understanding of how technology caused the market to evolve, which caused the crimes to evolve as well. The COVID-19 pandemic accelerated these changes, creating new vulnerabilities and opportunities for fraud that require updated regulatory responses.

As this is a new discussion, there is more research to be done on stock market data and abnormalities so a more intensive understanding can be adopted. Future research should focus on primary data collection, comparative studies across regions with different regulatory frameworks, and the long-term impact of AI-



based detection systems on reducing market manipulation. Research incorporating victim perspectives is also needed to fully understand the human cost of these crimes. Overall, reducing stock market crimes will require a comprehensive approach that combines stronger criminal justice responses with technological innovation and regulatory reform.

STATEMENTS

Ethical Approval

Not applicable. This study is a systematic literature review and does not involve primary data collection from human participants, animals, or sensitive personal data. All data analysed were derived from previously published peer-reviewed articles, institutional reports, and grey literature available in the public domain. No ethical approval was required for this research.

Consent to Participate

Not applicable. This study does not involve human participants, surveys, interviews, or any form of primary data collection that would require informed consent. The research is based exclusively on the analysis of existing published literature and publicly available documents.

Consent to Publish

Not applicable. This manuscript does not contain any person's data, images, or identifiable information. All authors have reviewed and approved the final manuscript for publication.

Data Availability Statement

All data analysed during this systematic review are included in this published article. The search strategy, eligibility criteria, and data extraction protocols are fully documented to ensure transparency and reproducibility. The data-extraction workbook used during the review process is available from the corresponding author upon reasonable request. No primary data were collected, and no datasets were generated or analysed beyond those reported in the included studies.

Authors' Individual Contributions

Caesura Dennis contributed to the conceptualization and methodology of the study, carried out data collection and analysis, and prepared the original manuscript.

Praveenrao Bolli (Corresponding Author) contributed to the conceptualization, provided theoretical guidance and supervision, critically revised the manuscript for important intellectual content, and gave final approval for submission.

Both authors reviewed and approved the final version of the manuscript and agreed to be fully accountable for all aspects of the work.

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Competing Interests

The authors declare that they have no competing interests.

Declaration of Generative AI Use

The authors declare that ChatGPT (GPT-5.5-mini) was used in some cases solely for language-related assistance, including grammar checking, spelling correction, and improving manuscript clarity and readability. Generative AI was not used to develop research ideas or contribute to the substantive intellectual content of the manuscript. The authors remain fully responsible for the accuracy, originality, and integrity of the research and the final manuscript.

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