

# FRAUD VICTIMIZATION: Risky Business or Just Bad Luck?

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**ABSTRACT:** *Victimology theory recognizes that the characteristics, attitudes, and behaviors of potential victims influence the likelihood of criminal victimization. An important question for victimologists is whether potential victims put themselves at risk by engaging in risky behavior or whether victimization is primarily a result of bad luck. While this question has been investigated extensively with respect to street crime victimization, little attempt has been made to apply it to victimization by fraud. This article investigates the influence of attitudes toward financial risk taking on the likelihood of fraud victimization. Using data from a telephone survey of 400 randomly sampled respondents, we find that age and attitudes toward financial risk taking are significantly related to the likelihood of attempted victimizations but not to successful victimizations.*

## INTRODUCTION

The idea that fraud victims are risk takers and may sometimes share responsibility for their victimizations is a cliché of popular culture. It is captured in such maxims as “you can’t cheat an honest man” and “there’s a sucker born every minute.” These remarks suggest that both the offender and the fraud victim engage in risky business and that bad luck may not be the only factor involved in victimization by fraud. There are also theoretical reasons for suspecting that like other crime victims, fraud victims may play a role in facilitating their own victimizations. This study investigates whether attitudes toward financial risk taking influence the likelihood of victimization by fraud. We find that there is a kernel of truth in the stereotype of the fraud victim. As with the victims of other forms of crime, potential victims of fraud influence their likelihood of victimization through their own risk-taking characteristics.

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We begin by reviewing previous research on fraud victims. Next, we elaborate on why risk-taking attitudes may be linked to this form of crime victimization. Survey data are then used to test the influence of financial risk-taking attitudes on the likelihood of fraud victimization, controlling for selected demographic variables.

## FRAUD VICTIMS

Broadly construed, fraud refers to the "crime type comprising of offenses sharing the elements of practice of deceit or intentional misrepresentation of fact with the intent of unlawfully depriving a person of his or her property or rights" (Rush, 1986, p. 103). Fraud can occur in a variety of forms. Sometimes individuals defraud businesses, as in false insurance claims, or individuals may victimize governmental agencies, as in welfare or medical benefit frauds. In this study, we focus on frauds in which individuals are the victims — that is, offenses in which individuals are intentionally and unlawfully deceived into parting with money or property by another person or organization. According to Bequai (1978, p. 51), these consumer or personal frauds "are essentially confidence games, usually contrived to appeal to the greed of the victim."

Until recently, most previous research on personal fraud focused on the victims of a single offender or on complaints received at a particular consumer protection agency (Blum, 1972; Jesilow, Klemper, & Chiao, 1992; Shover, Fox, & Mills, 1994; Vaughan & Carlo, 1975; 1976). Because these studies tend to be based on small non-random samples, they provide little generalizable information about the correlates of fraud victimization.

Since 1990, however, more reliable statistical data on fraud and its victims have become available. In a national survey of 1,246 respondents, Titus, Heinzelman, and Boyle (1995) found that 58% of the sample had experienced at least one victimization or attempted victimization. Nearly one-third of the sample (31%) had experienced a victimization or attempted victimization in the preceding year. Of the 31% who were approached in the previous year, just under half (48%) suffered successful victimizations. Thus, approximately 15% of the total sample were victimized by a successful personal fraud in the preceding year.

To investigate the characteristics of personal fraud victims, Titus et al. (1995) focused on those victimized in the past year. Contrary to what one might expect and to reports in the popular media, they found that age is negatively related to fraud victimization. Younger persons are more likely to be approached and more likely to lose money or

property than older persons. The only other demographic characteristic significantly related to victimization was education. The persons least likely to be victims of personal fraud are those at the extremes of educational attainment (i.e., having had no high school or having earned a graduate degree). In contrast, persons with some college or a college degree were more likely to receive a fraud attempt (Titus et al., 1995).

Although age and education are related to the likelihood of being approached by a person attempting to perpetrate a fraud, neither of these variables is related to whether the attempt will be successful. Other standard demographic variables, such as income, sex, and minority status, appear not to be related to the outcome of the fraud attempt. Demographic variables do not predict who will be successfully victimized by personal fraud (Titus et al., 1995).

Another source of statistical data on fraud victims is the Fraud Victimization Survey (FVS) conducted as a pilot study by the National Crime Victimization Survey (Boyle, 1992). This was a national telephone survey of 400 respondents conducted in 1990.

We obtained and analyzed the raw data from the FVS. The FVS used a five-year reference period for victimizations rather than the one-year reference period used by Titus et al. (1995). With respect to the demographic correlates of fraud victimization, our analysis of the FVS data set reveals substantial similarities to the findings of Titus et al. As in the Titus study, age is significantly and negatively related to attempted fraud victimization. Younger persons are more likely to be victimized than older persons. Moreover, none of the demographic variables is significantly related to successful victimization.

## THE FRAUD VICTIM STEREOTYPE

What makes some people easy targets for fraud victimization and others not? Interviews with con men suggest that the personalities of fraud victims may affect the likelihood of victimization. In one offender's words,

An honest person will not allow himself to be a party to any scheme in order to gain sudden riches. A man must have larceny in his mind to become a perfect victim (MacDonald, 1939).

That both criminals and victims of personal fraud may contribute to offenses by sharing a common goal has been noted before. For example, according to Delord-Raynal (1982):

During this kind of bargaining, the victims are active, their participation in the dishonest business being manifest. The

victim's desire to gain a high profit easily, even at the cost of using dishonest means, allows us to consider them potential swindlers. The swindler and his victim constitute a couple of accomplices; they are both engaged in the same fraudulent business, they are bound together by a common interest, and they are animated by the same desire to subscribe to a good bargain (p. 258).

Although the idea that victims of personal fraud possess certain personality characteristics that increase their likelihood of victimization is often discussed, it has not been tested empirically. What little empirical evidence there is, however, tends to support the stereotype of the fraud victim.

Blum (1972) interviewed 25 fraud victims. Over half reported engaging in some kind of risky financial behavior. For example, among 10 victims who reported their offenses, Blum found that "most did not budget expenditures," and "six out of 10 men admitted to daydreaming about the lucky day when they would come into a lot of money" (p. 65). Among the 15 respondents who did not report their victimizations, three had gambled within the last month, "about half reported they had swung deals whereby they had gotten something for nothing," and "eight said they were willing to take risks in a new business" (Blum, 1972, p. 76).

Another study, prompted by the prosecution of a fraudulent appliance repair man, was intended to gather descriptive details concerning the victim-offender relationship (Vaughan & Carlo, 1975). The researchers hoped to discover differences in anomie and self-perception between those who reported victimization and those who did not. Although analysis showed no significant differences, the investigators concluded:

Clearly, the efforts of the appliance repairman to deceive his victims were matched at times by some degree of self-deception, carelessness, and desire for gain on the part of the victims themselves. Nearly two-thirds of those interviewed admitted there were steps they could have taken to prevent the fraud (Vaughan & Carlo 1975, p. 158).

These studies suggest that fraud victims may contribute to the likelihood of their victimizations in different ways. Victims may fail to exercise prudence in dealing with others, they may exhibit a willingness to take financial risks for gain or to avoid costs, or they may hold favorable attitudes toward financial risk taking.

## **VICTIMS, RISK-TAKING ATTITUDES, AND THE DYNAMICS OF FRAUD**

Victimologists long have recognized that to understand criminal events, the actions and attitudes of victims as well as offenders must be taken into account. According to von Hentig (1947, p. 385), "we can frequently observe a real mutuality in the connexion (sic) of perpetrator and victim, killer and killed, duper and dupe," and, "in a sense, the victim shapes and molds the criminal and his crime." Fattah (1993, p. 232) argues that "to look upon victims and offenders as two distinct or mutually exclusive populations that have nothing in common is in direct contradiction to the available empirical evidence."

According to contemporary victimology theory, one's likelihood of victimization is increased by engaging in provocative, precipitating, or facilitating behavior. Victim provocation and precipitation are terms most commonly applied to victims of homicide and other violent crimes such as rape (Wolfgang, 1974; 1982; Amir, 1971; Schwartz & Pitts, 1995). In regard to provocation and precipitation, victims provoke offenders by hitting them, calling them names, or purposely goading them in other ways. Victim facilitation refers to "those situations in which victims unknowingly, carelessly, negligently, foolishly, and unwillingly make it easier for the criminal to commit and consummate the crime" (Karmen, 1984, p. 77). Lifestyle theorists perceive facilitating victims as persons who expose themselves to dangerous places, times, and situations (Hindelang, Gottfredson, & Garofalo, 1978). The more likely it is that someone is to place herself or himself in danger, the more likely it is that she or he will become a victim of crime.

The idea of victim facilitation can be extended to fraud victimization. However, the nature of facilitation in fraud is different from that in ordinary street crime because of the dynamics of fraud. By dynamics, we refer to the interaction between offender and victim (or their property) that must occur for the crime to take place. In the case of fraud, this interaction between offender and victim is cooperative. Fraud victimization requires that the victim participate or go along with the offender to some degree.

Personality characteristics that increase the likelihood that a person will cooperate with a fraud perpetrator also increase the likelihood of victimization. Having favorable attitudes toward financial risk taking is one such characteristic. It is reasonable to assume that persons with favorable attitudes toward financial risk taking are more open to the idea of cooperating in fraudulent schemes proposed by others. Hence, we hypothesize that persons with favorable attitudes toward financial

risk taking will experience an increased likelihood of fraud victimization.

Other individual characteristics, such as avariciousness, also may be related to fraud victimization. However, we believe that attitude toward risk taking is a potentially more fundamental determinant of the likelihood of victimization. People may be avaricious in the sense of wanting to have more money than they need or deserve and yet be very unwilling to risk whatever financial resources they already have by engaging in get-rich-quick schemes; they may also be very prudent in how they spend their money in order to keep as much as they can. This type of avaricious person would be less open to fraud victimization than an avaricious person who is willing to take risks in order to augment financial resources. The degree to which avariciousness and risk taking are related is an empirical question that deserves investigation.

## METHODS

### Sample and Data

The data for this study were collected in spring 1994 via a telephone survey of households in Knox County, Tennessee, which is home to the city of Knoxville and the University of Tennessee. The questionnaire was based on the instrument used in the 1990 FVS study (Boyle, 1992). The telephone interviews were conducted by experienced interviewers at the University of Tennessee's Social Science Research Institute using computer-assisted telephone interviewing software.

The sample was drawn using random digit dialing. Of the 835 persons contacted, 400 agreed to be interviewed for an overall response rate of 48%. Although the response rate is slightly lower than desired for a telephone survey, we have two reasons for believing that it did not adversely affect the validity of our findings. First, our results replicate similar studies by Titus et al. (1995) and Boyle (1992) in that we find nearly identical victimization rates and similar patterns of correlation with demographic variables. Second, our sample is representative of the population from which it was drawn.

In general, the sample compares favorably with 1990 US Census data reported for the same area. Demographic characteristics of the sample are comparable to known population characteristics for Knox County. The average age is around 45. The modal category for annual income is between \$15,000 and \$24,000. Females are overrepresented in the sample (60% in the sample versus 53% in the county), but we do not believe this overrepresentation undermines the results. Consistent with previous research, we find that sex is not related to victimization in the present sample. Compared to the FVS and the Titus (1995) sam-

ples, the Knox County sample has a higher percentage of persons who have had some college education. This is probably because the University of Tennessee's main campus is located in the area.

Whether the respondents differ from non-respondents in some other way that is related to fraud victimization is not known. Some of the non-respondents may have been suspicious about the legitimacy of the survey. To treat our potential respondents in an ethical manner, we informed them at the start of the interview that we would be asking questions about fraud victimization. Despite our best efforts to convey to them that we were conducting a legitimate scientific investigation, some non-respondents may have refused to participate because they felt the survey itself was really a scam. If the people who refused to complete the survey are less likely to succumb to frauds because of their skeptical nature, our results may overestimate the extent of fraud victimization. We do not think this is the case because our results replicate those of other researchers.

### **Dependent Variables**

The dependent variable is fraud victimization. Victimization was operationalized by asking respondents whether anyone had attempted to victimize them by means of 13 specific consumer fraud abuses in the past five years (see Table 1). The five-year reference period was chosen for comparability to the FVS study, which was the only study available at the time the survey was designed. The 13 types of fraud selected for study were the ones with the highest reporting rates in the FVS study (Boyle, 1992). We also relied on suggestions from the chief investigator in the Knoxville Police Department's fraud unit and information on the types of complaints filed during the previous year at the state's Consumer Affairs Agency. The offenses primarily represented victimization by means of false or misleading statements, abuses of trust, and failure to deliver products or services as promised. Up to two instances of fraud victimization were tallied for each respondent.

Two measures of victimization were constructed. "Attempted" victimization refers to any fraud attempt, whether successful or not (0 = no attempt, 1 = attempt). This measure, which groups together both successful and attempted victimizations, is the traditional measure of victimization. We also constructed a measure for "successful" victimizations, which refers to those who reported losing money or property as a result of an attempted fraud victimization (0 = unsuccessful attempt, 1 = successful attempt).

**TABLE 1**  
**Types of Fraud Incident and Outcomes**

Type of Fraud	Number of incidents	Percent of Successes
Did you ever make payments for repairs or services on your home, car, or appliances and later find that you had been lied to and that the work was not necessary?	44	75.0
In the past five years, were you ever given an estimate for repairs or services on your home, car, or appliances and later found that you were charged much more than that?	40	47.5
Did you ever make payments for repairs or services on your home, car, or appliances and then the work was not done, or not done as promised?	36	52.8
In the past five years, has anyone told you that you would get a prize, free vacation, or a free sample which later turned out not to be free or ended up costing more than it was worth?	34	5.9
Have you purchased or been offered a guarantee or warranty which you later found out did not cover the things it said it would?	27	51.9
Has anyone tried to get a donation from you claiming to be from a religious organization, some type of charity, or other type of organization that you later found out did not go to that charity?	19	42.1
Has anyone agreed to sell you a product or service for a certain price, but later charged you a lot more than they agreed?	8	50.0
Has anyone tricked you into giving them your credit card number or telephone card number so that they could make charges without your knowledge or permission?	6	16.7
Has anyone sold or tried to sell you life insurance or medical insurance that was worthless or didn't cover what they said it would cover?	5	40.0
In the past five years, has anyone promised to help you improve your credit or finances, convert the equity of your home, or prepare you financially for retirement but actually cheated or tried to cheat you out of your money or property?	2	0.0



Type of Fraud	Number of incidents	Percent of Successes
Has anyone sold or tried to sell you a health, beauty care, or weight-loss product that did not work as claimed?	2	50.0
In the past five years, have you given someone money for advance fees or a lifetime membership in a health club, dance studio, or another organization, which went out of business and did not refund your money or never existed?	1	100.0
Have you gotten involved in an investment deal that turned out to be phony or a scam?	0	0.0

### Independent Variables

To measure attitudes toward financial risk taking, respondents were asked a battery of seven questions. Three items were worded so that positive responses indicated attitudes consistent with financial risk taking.

1. I enjoy making risky financial investments now and then.
2. In regard to saving my money, I live for today, and don't worry too much about the future.
3. I don't mind taking chances with my money, as long as I think there's a chance it might pay off.

Four items were worded so that a positive response indicated non-risky or financially prudent attitudes.

1. I only spend money I think I can afford to spend.
2. I have found that the best way to get what you want is to save your money carefully.
3. I try to arrange my finances so that I always have a little extra set aside to handle emergencies.
4. Having a little money in the bank is more important to me than having lots of new things.

The items were combined by assigning ordinal ranks to the item responses (strongly agree, agree somewhat, disagree somewhat, strongly disagree) and summing them to form a "risk" index, which has a Cronbach's alpha of .58.

Because previous research has found that age and education are related to the likelihood of experiencing a fraud attempt, we included measures for these variables in our model. In addition, controls for race, sex, and household income were also included.

## RESULTS

### Extent of Victimization

A total of 227 respondents reported experiencing at least one attempted fraud in the five years prior to the interview. This yields an attempted victimization rate of 57%. This figure is virtually identical to the "lifetime victimization rate" of 58% reported by Titus et al. (1995), but is higher than that found in the FVS study (see Table 2).

Of those who were approached, 104 said the attempt was successful. Thus, the percentage of attempts that resulted in successful victimizations in the present study is 46%. This rate is very close to the one-year successful victimization rate of 48% found in the Titus study and not far from the five-year rate of 38% found in the FVS study. Considering the sample as a whole, 26% reported being successfully victimized by fraudsters in the past five years.

**TABLE 2:**  
**Victimization Rates for Three Surveys on Fraud**

	Reference Period	
	One Year	Five Years
<i>Attempted Victimization</i>	Percent	Percent
Knox County		57
FVS		35
Titus et al.	31	58
<i>Successful Attempts</i>		
Knox County		46
FVS		38
Titus et al.	48	
<i>Overall Successful Victimization Rate</i>		
Knox County		26
FVS		13
Titus et al.	15	28*

\* This number is an estimate.

### Characteristics of Personal Fraud Victims

Like Titus et al., at the bivariate level we find that the only demographic characteristics significantly related to attempted frauds are age and education (see Table 3). Younger persons are significantly more likely to be approached for victimization than older persons. The relationship between education and attempted victimization is also in the same direction as in the Titus study, but where they found a relative decline in victimization for persons with graduate school experience,

our study does not. None of the demographic variables are related to whether the victimization attempt is successful or not.

The bivariate results for our measure of attitudes toward financial risk taking are mixed. Risk is significantly related to attempted victimization, but not to successful victimization. Persons who score high on our index of financial risk-taking attitudes report more attempted fraud than those who score low. Attitudes toward financial risk taking, however, do not appear to influence whether an attempt will be successful.

**TABLE 3:**  
**Bivariate Chi-square Tabulations for Respondent's Fraud Experience by Demographic Variables**

Variable	Attempt (successes & attempts only / no attempts)		Succeed (attempts only/ successes)	
	Chi-square	Significance	Chi-square	Significance
Age	29.213	.000	4.159	.655
Sex	.303	.582	.870	.351
Race	2.230	.135	1.618	.203
Education	12.652	.027	3.175	.673
Income	8.188	.225	9.144	.166
Risk-taking*	12.569	.001	.149	.699

\* Logistic regression was used to calculate the bivariate relationship between risk and victimization. The reported Chi-square is for the unstandardized coefficient.

### Modeling Fraud Victimization

To determine whether attitudes toward financial risk taking influence the likelihood of victimization independent of age and other control variables, we used logistic regression. First, we analyzed a full logistic model of attempted victimization including risk taking and all of the control variables. In the full model, only age and risk taking had significant coefficients. Diagnostic tests revealed that multicollinearity was not a problem in the full model.

Because many of the variables in the full model did not contribute significantly to attempted victimization, we constructed a more parsimonious model using a stepwise procedure. Both forward and backward modes produced similar results. Two variables were retained in the reduced model (Chi-square = 26.038 with 2 degrees freedom, p-value < .000). The variables selected — age and risk — were the significant variables in the full model. The signs and magnitudes of the coefficients in the reduced model are similar to the corresponding

coefficients in the full model. The statistic for testing the significance of the terms not included in the reduced model is Chi-square = 30.153 - 26.038 = 4.115, with 4 degrees of freedom, p-value > .10.

The results for the reduced model show that age and attitudes toward risk taking have opposite effects on the likelihood of fraud victimization (see Table 4). As age increases, the likelihood of victimization decreases, but as attitudes toward risk taking increase the likelihood of victimization increases. As the standardized coefficients show, age is a more important predictor than our measure of risk. The effect of age is about two and one-half times greater than that of the risk variable (-.26 to .11, respectively).

**TABLE 4:**  
**Logistic Regression for Reduced Model on Fraud**  
**Victimization**

Variable	b	Standardized Coefficient	Probability
Risk	.08	.11	.0350
Age	-.32	-.26	.0000
-2 Log Likelihood		483.734	
Constant		.390	
Model Chi-Square		38.172	Prob. .0000

To interpret the effects of the unstandardized coefficients, we calculated probability estimates derived from the coefficients in the reduced model (Table 5). The estimates show the effect of changes in the probability of reporting across values in an independent variable, with the other variables held at their mean values.

With age at its mean, the predicted victimization rates for those with low risk is 49% and 76% for those with high risk. This is an absolute increase of 27% and a relative increase of 55% in the risk of victimization for high risk takers. With risk at its mean, the predicted victimization rates for persons 18-24 years old is 77%. For those aged 35-44, the predicted victimization rate drops to 63% and decreases to 40% for persons aged 65-74.

Like Titus et al. (1995), we were unable to identify any variables significantly related to the likelihood of successful victimization. Those who scored high on our index of attitudes toward financial risk taking are, as predicted, more likely to receive a fraud attempt. However, contrary to our expectations, risk taking was not significantly related to successful victimization, either at the bivariate or multivariate level.

**TABLE 5**  
**Probability Estimates for Fraud Victimization**

		Estimated Probability of Victimization
<i>Risk</i>	Low	49%
	High	76%
<i>Age</i>	18-24	77%
	35-44	63%
	65-74	40%

## DISCUSSION AND CONCLUSIONS

The point has often been made that fraud offenders seek out particular types of potential victims in order to carry out their offenses. Fraud victims are assumed to have characteristics that make them more susceptible to fraudulent schemes than those who avoid being victims of such crimes. Yet, little empirical work has focused on the characteristics that differentiate fraud victims. This article presents an investigation of one potentially important and previously ignored characteristic: attitudes toward financial risk taking.

The results of our logistic regression analysis indicate that victims of attempted frauds harbor more positive attitudes toward financial risk taking than do non-victims. Controlling for demographic variables, persons who score high on our index of risk taking are significantly more likely to receive a fraud attempt than those who score low.

The other important characteristic influencing the likelihood of attempted fraud victimization is age. Our findings on age and attempted victimization replicate those of Titus et al. (1995) and the FVS study (Boyle, 1992). Contrary to media reports, young persons are more likely to receive fraud attempts than are elderly persons. We suggest two possible explanations for the relationship between age and attempted fraud. One possibility is that fraud perpetrators believe that younger people are more gullible or prone to take financial risks than older people. If so, perpetrators could be expected to target younger victims. Alternatively, older persons may be quicker than younger persons to terminate interactions with fraud perpetrators before an actual fraudulent scheme is proposed. Hence, they report receiving fewer attempts than young people.

The results on age and risk suggest that with some modifications, lifestyle theories of crime victimization may be applied usefully to fraud

victimization. According to lifestyle theory, an individual's risk of victimization increases as one's exposure to criminal offenders increases. Some lifestyles increase exposure to offenders and are called high-risk lifestyles (see Hindelang, Gottfredson, & Garofalo, 1978; Schwartz & Pitts, 1995). Persons who frequent dangerous places are more often victims of common crimes. We suggest that a related logic can be applied to fraud victimization.

Based on our findings on attitudes toward financial risk taking, we speculate that individuals influence their risk of attempted fraud victimization in several ways. Persons who have a greater openness to financial risks may be more likely to listen to fraudulent proposals and get rich quick schemes. Hence, they receive and report more attempted victimizations. Alternatively, because of their favorable attitudes toward risk taking, potential victims may be less able to distinguish reputable from disreputable merchants and service persons or less willing to spend the time to do so than those who avoid fraud victimization. Still another explanation may be that favorable attitudes toward risk taking somehow are made evident to perpetrators of fraud, thus rendering people with these attitudes more likely to receive victimization attempts.

Although we found a significant association between age and risk taking on attempted victimization, we were unable to identify variables that significantly relate to successful victimization. Like other researchers (Titus et al., 1995), we found that the risk of successful victimization appears to cut across demographic lines. It also is not affected by attitudes toward financial risk taking. Perhaps successful victimization is influenced more by risk-taking behavior than by attitudes toward risk taking, since the success of a fraud is dependent on the victim's financial ability to take part in the scam. What appears to matter most in determining successful victimization is receiving an attempt in the first place.

We speculate that our inability to predict successful victimization may be caused by methodological problems. The analysis of successful versus attempted victimization was conducted on a relatively small sample ( $n = 227$ ). This may have hindered our ability to identify significant relationships. In addition, measurement error may be a problem in this dependent variable.

To measure successful victimization, we followed the same procedure as Titus et al. (1995) and the FVS study (Boyle, 1992). For respondents who indicated they had received a fraud attempt, we asked, "Did they actually succeed in swindling or defrauding you, or did they only attempt to?" If the response was affirmative, the subject was counted as a successful fraud victim. We then asked about the dollar amount or property lost by the respondent.

This method of identifying those who are victims of successful frauds may not be reliable. During the telephone interviews, we received informal feedback from respondents that suggested to us that the "success" question was ambiguous. Respondents appeared to interpret the question in three different ways. Some respondents based their answers on whether money or property was lost that was not recovered. Others responded positively to the question even though the loss may have been recovered later. Finally, a few respondents recovered their initial financial losses, but to do so they had to take time off from work and lost wages in the process. Because they lost time and wages, some of these people reported their victimizations as successful.

The different sorts of losses reported as successful frauds by the respondents may have obscured the effects of age and risk on this variable. Whether those who later recovered their losses or who lost only time and wages *should* be counted as having been successfully victimized is a conceptual matter that future researchers should address. In the meantime, we suggest that future researchers should be sensitive to this issue when developing measures of successful victimization. It may take several questions to determine how respondents are defining the term "success."

Although the present study is one of only three that have used random sampling techniques to study fraud victimization, our results must be treated with some caution. Unlike the Titus and FVS studies, we studied a local, not national, sample. Hence, questions can be raised about our ability to generalize our findings. We think it is quite likely that the nature of the fraud problem varies across communities. Fraudulent scams that are common in our area may not be in another. Variation in crime across communities is commonplace, and there is no reason to think that fraud is an exception. On the other hand, to the extent that fraud victimization is a product of general causal processes, regardless of the specific type of fraud, our ability to generalize our results may not be limited to Knox County, Tennessee.

To summarize, just as potential victims may influence the likelihood of street crime victimization, they also influence the likelihood of fraud victimization. The more favorable attitudes toward risk taking an individual has, the higher the likelihood of victimization for both types of crime. In the case of street crime, risk factors involve physical proximity to potential offenders and behavior toward offenders. For fraud, risk factors appear to involve lack of prudence in handling one's money or favorable attitudes toward financial risks. Thus for fraud, risk-taking attitudes as well as behaviors may contribute to victimization.

Although we have noted the importance of attitudes toward risk taking for victimization, we do not wish to appear to suggest that fraud victims are to be blamed for their victimizations. Such a conclusion is clearly just as inappropriate for fraud victims as it is for street crime victims. The perpetrator is always the person who bears the greatest measure of responsibility for crime. To suggest otherwise is to apply a double standard to fraud victims that is not applied to other crime victims (Walsh & Schram, 1980). Nevertheless, we cannot ignore the theoretical and practical importance of attitudes toward risk taking as significant factors in fraud victimization.

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