## The Harsh Reality of Insurance Fraud

One of the reasons so many commit this crime is a failure to recognise it as an offence. It is a common held belief that home insurance companies make vast sums of money out of people's fear and misfortune, and it is therefore acceptable to, for example, claim for a bigger more expensive television, than the old stolen one.

However, insurance fraud is a serious offence, and an individual found guilty of is liable, upon conviction, to a maximum penalty of five years imprisonment. The same applies if you deliberately lie on any aspect of your original home insurance application to achieve a lower premium. For example, stating there are heavier duty locks in place for a cheaper quote is "obtaining a pecuniary advantage by deception", and again, is punishable by up to five years.

It is interesting to note that all these offences are covered by The Theft Act 1968. However, the majority of people involved in this "white collar" crime, would be appalled at the idea of stealing from a shop. It is a both a psychological, and sociological question as to whether people commit home insurance fraud because they think they'll get away it, or whether it is because they think it's something they're entitled to.

Ultimately it is a class issue, and people who commit this type of fraud should examine their hypocritical attitude. They should question their motivations. Why do they think they're entitled to something for free if they believe a mother should be sent to prison for stealing to feed her family? Why are they more entitled to claiming a bigger television than the person who stole theirs in the first place?

Insurance fraudsters claim they are not getting something for nothing. They have paid for their premiums, and they themselves have been a victim of crime. However, home insurance companies argue the reasons their prices are so high is because of the number of fraudulent claims. If this is the case, then fraudsters are doing nothing more than stealing from those more honest than themselves.

There is nothing wrong with insurance fraud per se. However, there is something inherently wrong with hypocrisy. There are no moral justifications - it is about greed. If you're not prepared to support those committing other crimes, often for far better reasons, then don't commit fraud.

The reality is most people engage in insurance fraud because it's a soft option which they can falsely justify to themselves. We need to seriously rethink our attitude towards "crime" and apply some consistency. This could mean we decide to screw capitalists at each and every opportunity. It could simply mean we re-evaluate how we view others committing crime. Or it could mean we banish all crimes of fraud and deception from our lives. Any of these options are better than an erroneous morality only benefiting those already wealthier than the majority of the world's population.

## About the Author

Sarah Maple writing about home insurance.

Source: http://www.articletrader.com