

# What an Art Forger Can Teach Us About Manipulation and Non-Compliance

## *The Manipulator's Spell*

Gerry Zack, CCEP, CFE, CIA

CEO

SCCE & HCCA

Minneapolis, MN

[gerry.zack@corporatecompliance.org](mailto:gerry.zack@corporatecompliance.org)



# The Manipulator's Spell

Based in part on the book

*"The Forger's Spell: A True Story of Vermeer, Nazis,  
and the Greatest Art Hoax of the Twentieth Century"*

By Edward Dolnick



# Compliance Manipulators

CAN YOU RECOGNIZE THEM BEFORE IT'S TOO LATE?

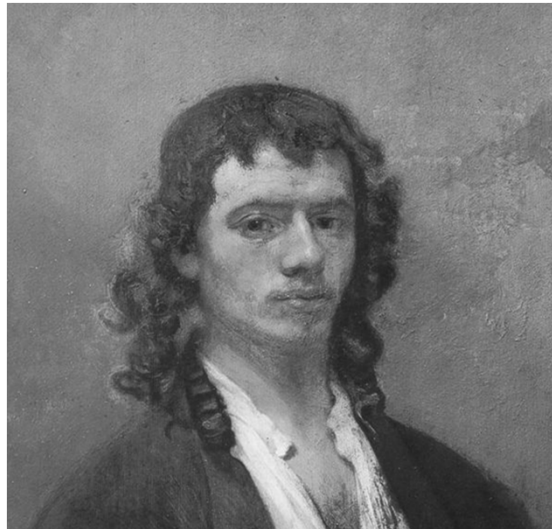
## Today's Topics:

- Characteristics of a compliance manipulator
- Why they do it
- How they do it
- How to prepare and protect your organization



## Johannes Vermeer

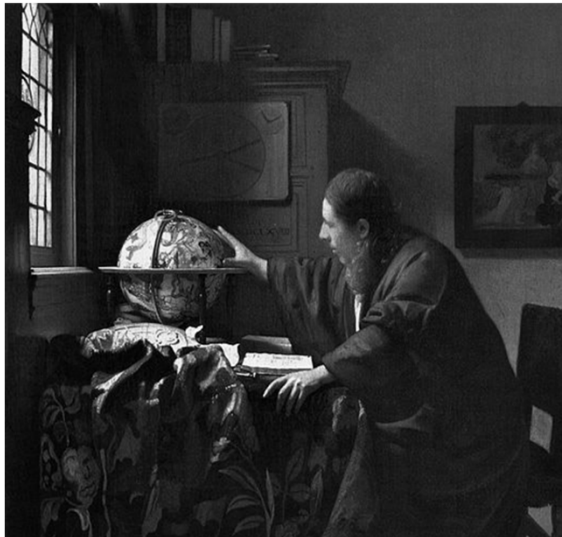
- Lived from October 1632 to December 1675
- Dutch painter of modest success during his lifetime
- Worked very slowly, using expensive pigments
- Masterly treatment and use of light
- Only 34 known works
- Rediscovered in the 19<sup>th</sup> century
- Is now acknowledged as one of the greatest painters of the Dutch Golden Age



Girl With a  
Pearl Earring



The Astronomer



Christ at Emmaus



Christ in the House of Mary and Martha

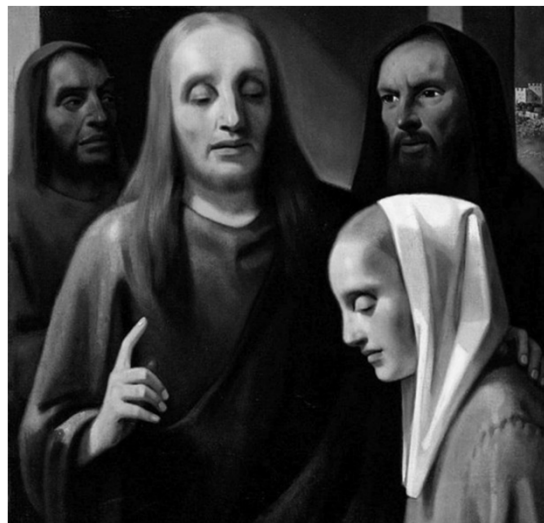




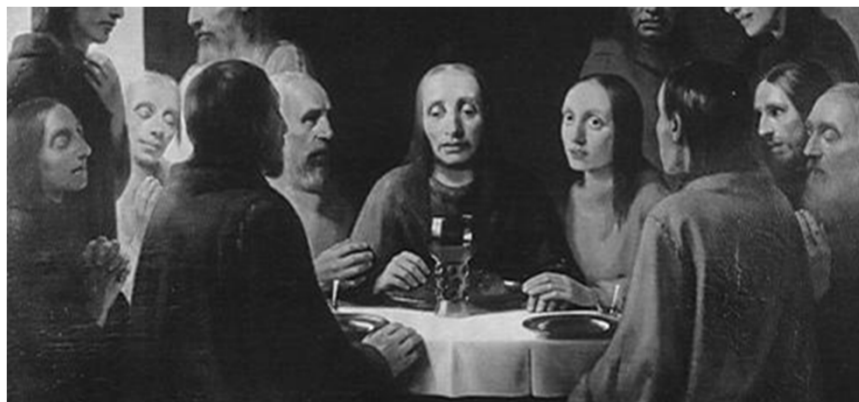
The Milkmaid



Christ with the  
Woman Taken in  
Adultery



## The Lacemaker



## The Last Supper



The Geographer



The Washing of Christ's Feet



Isaac Blessing  
Jacob



Head of Christ



Lady at the  
Virginals with a  
Gentleman



## **But, There's a Problem**

**MOST OF THESE WORKS WERE  
NOT PAINTED BY VERMEER**



**Han van Meegeren**  
Born October 1889





## WHY DO COMPLIANCE MANIPULATORS DO WHAT THEY DO?



## Sparks That Ignite Compliance Violators

- Personal vs organizational
  - Greed
  - Resentment
  - Pressure to perform
  - Wanting to help the company
  - Ignorance of the law
  - Perception that everyone does it
  - Paying bribes is how you do business here
  - Perception that compliance is not necessary
- But sometimes it's more complicated.....



## Han van Meegeren

One art critic described van Meegeren as:

“a gifted technician who has made a sort of composite facsimile of the Renaissance school, he has every virtue except originality”





## The Spark

### PSYCHIATRISTS DESCRIBED VAN MEEGEREN AS HAVING:

- A “special vulnerability” to criticism and
- “An abnormal need to avenge himself”

#### Van Meegeren’s testimony:

“I wanted to strike at the art world for always belittling me.”



## Becoming Corrupt

Gradual process or abrupt act?



## HOW DO THEY DO IT?



## They Find Their Opportunity

- Sometimes they are already aware of it, but previously never took advantage of it
- Sometimes they stumble upon it accidentally
- Sometimes they take advantage of circumstances
- Sometimes they develop an opportunity



## Van Meegeren's Opportunity

- The art world craved works from the Dutch Golden Age and jumped at the chance to acquire newly discovered works.
  - Americans in the 1900-1920s
  - Dutch before and during WW II
- Van Meegeren spent six years perfecting his technique for making a painting appear to be 300 years older than it really was.



## Opportunity

- A handful of experts decided what was or wasn't authentic
- Most relied on the word of these experts over their own judgement, even if something looked and smelled bad
- Van Meegeren needed to convince just one of these experts that his forgery was authentic



## Establishing the First Scheme

- Once the first fraudulent transaction is successfully carried out, executing additional similar transactions becomes successively easier
- For van Meegeren, the first was “Christ at Emmaus”



## The Profitability Achievement Task Force

EVEN CROOKS NEED COMMITTEES



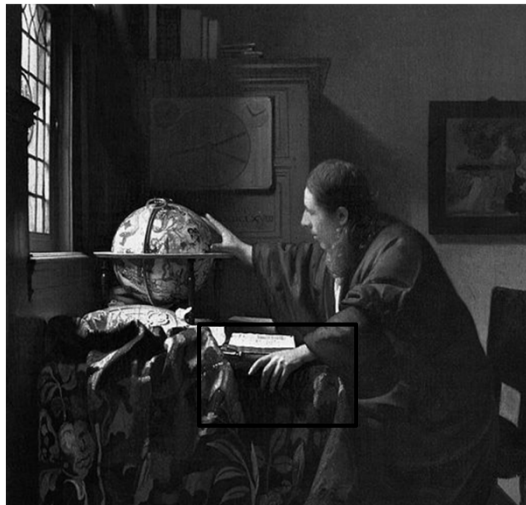
## Violators Need to Base Their Schemes on Reality

- To make their actions appear legitimate, criminals often copy exactly, or at least partially mimic, legitimate transactions or activities
- This is known as “priming”
  - An implicit memory effect in which exposure to one stimulus influences a response to another stimulus.

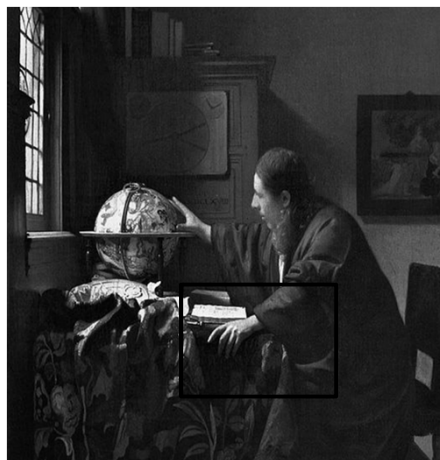


### The Effects of Priming

Vermeer's "The Astronomer"



Van Meegeren's  
"Christ at Emmaus"



# Bias

- *Bias* is the inclination or tendency to present or hold a partial perspective that is preconceived or unreasoned. Bias can lead to the unfair treatment of people.
- Bias can also lead to inaccurate interpretation of information and records. The result is a deterioration of the impartiality that is at the core of all internal controls, management, compliance oversight, and audit functions.



## Types of Unconscious Bias

Affinity bias	Confirmation bias	Bounded awareness
Priming	Anchoring and adjusting	Availability bias
Group think	Rush to solve	Negativity bias



## Group Think

A phenomenon in which the desire for harmony or conformity in a group results in an irrational or dysfunctional decision-making outcome.



## Group Think

- In the case of van Meegeren, “the public oohed and ahed at *Emmaus* because everyone else was doing so. *Emmaus* was in fashion.”
- In our work settings, it is difficult for anyone to express concerns about someone who is viewed very positively
- Success gives people a “pass”
  - “Don’t question our most successful sales team”





## Incrementalism

A series of small incremental changes instead of a few large jumps



## What do you see?



Now what?



Do you see something different?



Now for sure – It's a mouse!



## Focusing the Victim's Attention

- Much like any criminal “The forgers main task is to trick his victims into focusing their attention where it does not belong.”
  - “Look here, not there”!



## Is it Real?

- Experts proved easy to fool because of priming and other techniques
  - Teller (of Penn & Teller): “When you’re certain you cannot be fooled, you become easy to fool”
- Once we buy in we tend to double down
  - Psychologist Leon Festinger: “A man with a conviction is a hard man to change. Tell him you disagree and he turns away. Show him facts or figures and he questions your sources. Appeal to logic and he fails to see your point.”



## Randomness

- One of the keys to avoiding detection is to make improper transactions appear random, to blend in with legitimate ones
  - For example, in financial frauds, the perpetrator sometimes makes an effort to use different numbers for each fraudulent transaction, not wanting to leave a pattern
- Van Meegeren carefully planned his randomness much like many manipulators



## Hierarchy

- If a criminal can trick a senior executive with the first violation, will anyone below the senior executive dare to question future fraudulent transactions?
  - This would call into question the reliability or skills of the senior executive



Manipulators often surround  
themselves with an under-qualified  
team of supporters



## Loyalty

Are your employees loyal to the  
organization or to their supervisor?



## Why do They Keep Doing it?

- The initial rationalization is often abandoned
- Many criminals describe it as an addiction
  - Van Meegeren:
    - *"I could not stop, your honor. It became an addiction. I wanted to prove myself over and over again."*
- The initial financial pressure or other spark may be replaced by this addiction



With Confidence Comes Brazenness  
Compare Christ in *Emmaus* with *Head of Christ*



## **Who was van Meegeren?**

- Insecure, craving recognition as a great artist
- Felt he was unfairly criticized
- Obsessed with revenge against art critics
- Divorced in 1923 on the grounds of having had numerous affairs
- Heavy drinker
- Chain smoker
- Addicted to morphine-based sleeping pills
- Spent lavishly on prostitutes and parties



## **How he Explained his Wealth**

- Purchased 50 houses and nightclubs
- Stashed wads of cash everywhere
  - In 1942, when the government required that all 1,000-guilder bills be turned in, Van Meegeren submitted 2,800 of them, each worth \$400 in 1942!
- His explanation – that he had won the French lottery
- When he accumulated even more wealth – he won the French lottery a second time!
- And everyone believed him!





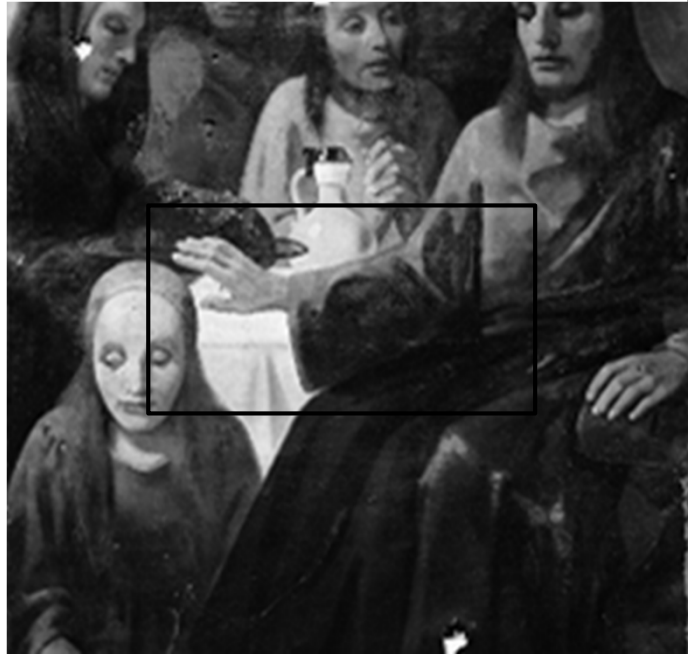
## Violators Become Careless

Fueled by the fact that their victims have firmly established their criminal behavior as the norm, the person gradually strays from what made the scheme successful – the care that was taken the first time.



Remember this painting?  
**The Washing of Christ's Feet**





## The Perception of Internal Controls

- The perception of preventive and detective internal controls is powerful



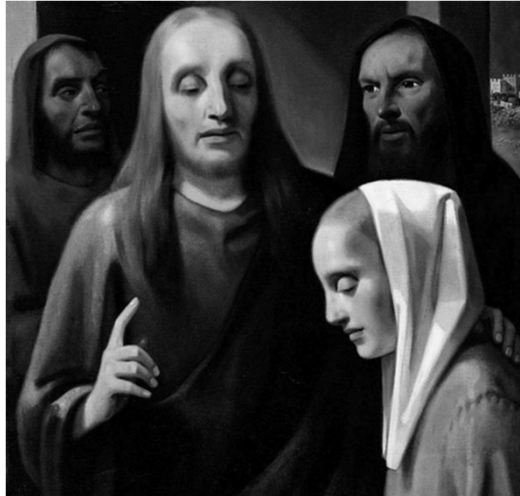
## How the Story Ends



**Hermann Göring,**  
recognized as Adolf  
Hitler's successor and  
deputy in the Nazi party



## Christ with the Woman Taken in Adultery



Remember this painting?



## A DECISION FOR VAN MEEGEREN

Nazi Collaborator

or

Art Forger?



## **Violators Rarely Confess Unless They Think It's Their Best Option**

During his pre-trial interrogation, van Meegeren finally said:

*"Idiots! You think I sold a Vermeer to that fat Goering.*

*But it's not a Vermeer. I painted it myself!"*





Han van Meegeren painting *Jesus Teaching in the Temple* for the authorities to prove he was a forger- not a Nazi collaborator!!

One newspaper's headline: "He Paints for his Life"



Beware of Anachronisms – do you see it?



One final jab by van Meegeren



## The Forgery Trial Begins



Han van Meegeren at his trial in October 1947



## EPILOGUE



## What Happened to Goring?





## Jacques van Meegeren

- Han van Meegeren had a son (1912 – 1977)
- When his father suggested he visit an exhibition to see a newly discovered Vermeer, “Supper at Emmaus,” Jacques came back and said:
  - “It is a masterpiece of this century, certainly no Vermeer”
- Jacques went on to have a successful career
  - Forging his father’s works !!



## Some Final Takeaways

- People are eager for something are easier to manipulate
- Be careful in determining who should approve things and when (most influential person last)
- Design monitoring around performance of internal controls
- Perception of detection is key
- Be alert to behavioral and environmental characteristics
- Beware the incremental change
- Consider the different reasons why someone would be noncompliant – this often informs the methods
- Interviews are often more valuable than tests



**THANK YOU !!**

**Gerry Zack, CCEP, CFE**

**CEO**

**SCCE & HCCA**

**Tel: +1 952.567.6215**

**[gerry.zack@corporatecompliance.org](mailto:gerry.zack@corporatecompliance.org)**

