I. Crime

A. Types

1. traditional street crime

2. crimes against the moral order

3. organized crime

4. white collar crime

5. political crime

6. corporate crime

B. Traditional street crime: statistics

1. Uniform Crime Reports

a. types: property and person

b. rate: 1996-2009

i. violent crime

ii. property crime

2. National Crime Victimization Survey

a. types

b. rate

i. violent crime

ii. property crime

3. Comparison

a. crime rate

b. incarceration

4. Cost

5. Perception and Punishment

1. Media: news and entertainment: “If it bleeds, it leads.”

-Street crime

-Crimes against the moral order

1. politicians: “tough”

-3 strikes

-mandatory and determinate sentencing: crack cocaine

-capital punishment

1. public

-surveys

-Annenberg study

d. criminal justice system

II. Corporate crime

A. Definition

B. Cost

C. Example

1. Development

2. Problems

3. Deaths/Injury

4. Cost benefit Analysis

5. Pay outs and gag orders

6. Taking responsibility?

7. Victim rights?

8. punishment: civil courts (law suits) or regulatory hearings (fines)

D. Types and consequences

1. Knowingly selling dangerous and defective products.

a. 27,000 deaths annually (U.S. Consumer Products Safety Commission)

b. Merck/Vioxx(100,000 +)

c. Ford-Firestone (200)

2. Knowingly polluting the environment with toxic and hazardous waste.

a. death and disease

b. Monsanto/ Anniston, AL

c. GE and Hanford, WA/ Hudson River

d. Kerr-McGee and Navajo Nation

e. PG&E

3. Knowingly exposing workers to dangerous and hazardous conditions (intentionally concealing from the workers those conditions)

a. 60,000 deaths annually, 340,000 permanently disabled

b. W.R. Grace and Libby, Montana

c. John Mansville and asbestos

d. Mining industry

4. Corporate fraud: deceptive and illegal economic practices

a. avg year: $200 billion vs $4 billion

b. National City Lines and mass transit

c. Bank of America, Chase, Citigroup, Countrywide

i. rigged municipal bond auctions

ii. bribery

iii. overcharged mortgage bills (10,000 military families)

iv. defrauded borrowers for home loans

d. 60%/500 corps

e. Overcharging: KBR/Iraq

5. Violation of labor laws

a. time card fraud b. off the clock OT

c. illegal workers d. gender discrimination

e. illegal anti-union activities

6. Human rights violations: Unocal, Shell, Enron, Occidental Petroleum,

Mobil, Freeport McRoMan, Halliburton, Chevron Texaco

a. Funded extra-legal violence against indigenous people (Shell, Chiquita)

i. Ogoni people: non-violent march

ii. response: fund paramilitary “Kill and Go”

b. Used forced and slave labor as workers (Target, Gap)

c. Violated health and safety regulations

d. Acted with governments engaged in ethnic cleansing (Unocal)

e. Knowingly polluted environment: Chevron Texaco

E. Ecuador v Texaco

1. Class Action Law Suit : 30,000 Ecuadorans, incl several indigenous tribes.

"They accuse Texaco of causing vast destruction to the Oriente, a spectacular stretch of rainforest that dips beneath the Andes Mountains to form the eastern half of Ecuador.

2. Texaco's acts

a. oil spills totaling 16.8 million gallons

b. discharged 4.3 million gallons of highly toxic 'produced

water" per day

c. dumped heavy metals into unlined pits

d. when pits got too full, T burned them over

resulting in "black rain"

e. Vegetation turned black and creeks line with

petroleum

3. consequences

a. indigenous people forced off the land and

b. locals that remain have a 400% cancer rate

c. animals poisoned

F. Perception and Punishment

1. Mass media

a. news: “a few bad apples”

b. entertainment: Law and Order: Corporate Crime?

c. Lee Iacocca and Jack Welch for President: Time Magazine cover

i. model CEO

ii. GE 1990-2001 42 criminal violations for which it was fined or ordered to pay restitution

iii. selling defective nuclear reactor parts,

defective jet engine parts, polluting air and

water of Hanford, WA with radioactive waste,

creating the biggest Superfund site.

2. Politicians: “not tough on corporate crime”

a. tort reform laws: limit corporate liability

b. regulatory agencies

i. limit funding

ii. limit enforcement

iii. revolving door

B. Treatment

1. no UCR, no “three strikes”, no mandatory and determinate sentencing

2. Civil courts or regulatory hearings

a. punishment: fines

<http://www.thedailyshow.com/watch/thu-august-8-2013/the-big-bank-fury>

b. gag orders

c. “guilty pleas”: branch of company with no assets

3. Criminal courts

a. resources

b. deferred and non prosecution agreements

1. commit a crime

2. agree not to do it again

3. time period

4. no prosecution

4. Mandatory Arbitration

1. one study: 93% of employment and 77% of consumer contracts
2. kangaroo courts

1. private business

2. arbitrators

i. usually chosen by corporation from firms friendly to corporations

ii. corporations choose venue/location

iii. do not have to be lawyer or know law relevant for case

iv. procedural rules for evidence gathering and sharing don’t need to be followed

v. hearings and deliberations closed to public

vi. arbitrator need not explain reason for decision.

vii. no right to appeal in court

1. three reports on who decisions favor: 99.6%, 95%, 100%

d. one arbitrator: 68 cases in one day/100%

e. corporations don’t like them when they have a problem with other corporations

<http://www.thedailyshow.com/watch/tue-may-7-2013/residential-evil>

<http://www.thedailyshow.com/watch/wed-january-9-2013/bank-wankers---hsbc>