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Corporate Crime and the Corporate Agenda for Crime Control: Disappearing Awareness of Corporate Crime and Increasing Abuses of Power

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While Michelle Alexander's book *The New Jim Crow* (2012) has captured public attention and a place on the best-seller list, criminology and public policy would be well served by similar attention paid to Gregg Barak's *Theft of a Nation* (2012). Having a white guy redirect attention from race is not unproblematic, even though it supports Alexander's conclusion that the path forward lies in disregarding the civil rights movements in favor of Martin Luther King's vision of a human rights approach. Alexander writes of the poor and working class needing to come together in a multiracial alliance, not to do better within the existing political and economic structure, but (in King's words) to "create an era of revolution… We are called upon to raise certain basic questions about the whole society" (in Alexander 2012:259). That's what Barak's book does as well.

Theft of a Nation raises basic questions that need to be addressed about power, money, corporate crime and the performance of a democratic government. While capturing considerable nuance, it exposes how the major financial institutions are ongoing criminal enterprises; the government acts as a corrupted protection racket that betrays a public interest shared by, if not the poorest 99%, then certainly the poorest 90%. The implication is not just that the *Rich Get Richer and the Poor Get Prison* (Reiman and Leighton 2013), but also that the governments in the U.S. and other developed nations are "weak, quasi-states" that have been "reduced to the (useful) role of legal police precincts, securing a modicum of order required for the conduct of business, but need not be feared as effective brakes on the global companies' freedom." Meanwhile, the "janitors of the suitably weakened states" need to prove their worth, so fighting street crime "becomes indispensable in creating legitimacy" (Christie 2004:37; Leighton and Reiman 2014).

This paper explores some implications of *Theft of a Nation* that deal with economic inequality and the criminological imagination. Although these issues are important, they are a narrow slice of the rich and profound concerns raised by Barak's book because it does such an admirable job with its core topic. He has done a great deal of onerous work digesting a non-criminological literature that is vast, complex, and ideologically charged, and presenting it in a coherent criminological framework that skewers the rhetoric hiding the injustices of this crisis. (Given that some of Barak's earlier works have been vast and/or complicated, I should note that this book on financial fraud is modest-sized and quite readable without being superficial.)

Barak rejects President Obama's facile statements that actions leading up to, and following the financial crisis, were immoral but not illegal. He exposes the industry lobbying, donations and influence that lead not just to the hobbling of regulators, but "regulatory colluding": regulators failed to restrict no-documentation ("liar's") loans, Congress allowed banks to speculate with customers' deposits, regulators agreed that banks could borrow 30 to 40 times their assets to invest, all authorities worked to keep complex and risky derivatives from being regulated and allowed banks to use their own pricing models to demonstrate they had adequate risk controls.

Barak illustrates the declining interest in major criminal fraud cases, for example not borrowing the strategy of the Enron Task Forces, which garnered hundreds of convictions and several multi-decade sentences. The Department of Justice also disbanded Bush's Corporate Fraud Task Force for a more narrowly focused Financial Fraud Enforcement Task Force that quickly lost focus on corporations and investigated individuals who victimized financial institutions as well as individual investors. The Attorney General reports thousands of such indictments for mortgage fraud as evidence that the administration has done something and is on the case, but Barak highlights the complete lack of criminal prosecutions for major financial institutions or their executives. Governmental crime statistics are distorted and misleading because during the collapse of Enron and other companies in 2001 – when accounting fraud cost investors 70 to 90 percent of their money and top officials of those companies "were getting immensely, extraordinarily, obscenely wealthy" (Reiman and Leighton 2013:146) – the Department of Justice reported that "property crimes had continued their downward trend and fallen to an all-time low" (Barak 2012:73). The Dodd-Frank reform bill provides "loopholes… to reproduce the recent history of banking" (2012:153).

Theft of a Nation is thus a necessary reality check to agnotology, which is the study of ignorance (rather than epistemology, the study of knowledge and belief), and particularly culturally constructed ignorance from special interests creating confusion and thus obscuring the truth. Ignorance is a strategic ploy: "we rule you, if we can fool you" (Proctor and Schiebinger 2008: 11). Financial institutions portray themselves as the victims of the crash rather than the cause, and this "big lie" is repeated by many who had a hand in the deregulation that ultimately was a cause of the crisis (Ritholtz 2011a and b). They try to blame government "over"-regulation and even the Community Reinvestment Act of 1977, which tried to increase minority homeownership rates but did not apply to the financial institutions generating the largest volume of subprime loans (Ritholtz 2008).

Moreover, Barak's book is a necessary antidote for a time when too much research on white collar crime is decontextualized: it discusses non-street crimes without attention to the power dynamics between the perpetrator and victim. Perhaps Black's (1976) *Behavior of Law* is now too dated to be studied, so scholars have forgotten that there is less law in an "upward direction" (such as when the relatively weaker/poorer are victimized by the stronger/richer) than vice versa. Perhaps the violations of equality under the law no longer need documenting. Perhaps criminology is reflecting – and recreating – a world where officially defined corporate crime is disappearing even as corporate abuses of power are becoming more brazen, depraved and harmful.

The unmasking of oppression is a hallmark of Barak's scholarship; it combines with brilliance and creativity to make him a standard citation in many areas of criminology. But it would be a shame if *Theft of a Nation* became a standard citation simply because of a dearth of criminological research – especially book-length investigations – of this latest episode of financial disorder and looting. Instead, this volume should find a place in the criminological literature because it more generally inspires criminologists to refocus some attention onto the acts of the powerful, their enablers in government, and forms of widespread public victimization.

To reverse this process, the remainder of this paper explores some of the factors that corrupt the criminological imagination about crimes of the powerful and especially corporate power. In many ways, the concern is ideology, which is "when ideas, however unintentionally, distort reality in a way that justifies the prevailing distribution of power and wealth, hides society's injustices, and thus secures uncritical allegiance to the existing social order" (Reiman and Leighton 2013:183). The problems that come to widespread attention are those which do not challenge the fundamental fairness of the social order and only require tinkering with the system. These ideas, sincerely held by elites and those who own the mass media, are most frequently repeated and become "commonsense" understandings. Real problems – including the "basic questions about the whole society" that King raised – become invisible; our ability to imagine a more just social order and the criminological imagination become corrupted.

My hope is that *Theft of a Nation* will inspire others to study the wrongdoing of the powerful and adopt a theoretically critical perspective toward it, so the remainder of this paper provides a brief overview of some key points along which an ideology of the "crime problem" is created. The first section, "Size matters," helps stimulate thinking about the sheer size of corporations and why it is important. Subsequent sections briefly review the impact this has on law making and enforcement. Equally problematic is the lack of white collar and corporate crime in national "crime" reports. This is especially a problem when governments partner with financial institutions to address fraud, and where industry funds research reports on its own victimization without similar resources going to study victimization of the public by industry and commerce. A final section provides a reminder about the corporate ownership of media.

SIZE MATTERS

Mooney notes that while "class remains a primary determinant of social life," most public "discourses about modern society have been largely de-classed" (2008:68). The neglect of class occurs in a context where "the scale of this inequality is almost beyond comprehension, perhaps not surprisingly as much of it remains hidden from view" (2008:64). This statement applies as well to understanding corporate power, which is an important but especially neglected aspect of economic inequality, itself receiving less attention than race, class or sexual orientation.

Braithwaite nicely summarizes the problem of inequality by explaining that inequality "worsens both crimes of poverty motivated by *need* for goods for use and crimes of wealth motivated by *greed* enabled by goods for exchange" (1992:81, emphasis original). For Braithwaite, "need" can be either absolute or based on "advertising and dramatization of bourgeois lifestyles" (1992:83). In general, then, "the more unequal the class structure, the more scarce national wealth is devoted to gratifying greed among people whose needs are satisfied, the less is devoted to satisfying unmet needs" (1992:83). As suggested by opportunity theory, where legitimate means to achieving such needs are blocked, illegitimate and criminal means for satisfying needs become more likely.

Even when the rich have their needs met, additional dollars still have value to them and they pursue additional wealth "to signify their worth by conspicuous consumption, to prove success to themselves, to build an empire, to leave an inheritance" (Braithwaite 1992:84). If legitimate means are blocked, the rich can purse existing illegitimate means – *or create new types of illegitimate means*. The limitation of traditional opportunity theory is that it is not applied to the wealthy, and, notes Braithwaite, "if they are powerful enough, [wealthy] criminals can actively constitute illegitimate opportunities" (1992:86). Further, these novel illegitimate strategies "excel because they cannot be contemplated by those who are not wealthy" (1992:88), and at times they cannot be contemplated even by regulatory agencies. Inequality makes the wealthy more prone to criminality by allowing them to be unaccountable for the harms they do: "power corrupts and unaccountable power corrupts with impunity" (1992:89). The limit to this process is where corporate harm threatens the legitimacy of the state.

The intense concentration of wealth in corporations generates considerable political power, makes accountability increasingly difficult, and increases inequality in a way that is largely invisible to criminological theory. One way to problematize the size of corporate personhood is to compare the revenue of a corporation against the gross domestic product (GDP) of a country. (GDP is a measure of the value of all goods and services produced by a country).This process results in a list of the largest economies in the world and an abbreviated version is presented in Table 1. (A list of the top 100 economies is provided in Appendix A).

This list is not challenging to put together but is not regularly done. Simply by focusing for a moment on the financial institutions, the list calls into serious question the consolidation of "too-big-to-fail" banks with other larger financial institutions that were failing. This was one of a number of strategies used to resolve the financial crisis, and one that paved the way for fewer financial firms that are even larger. An important policy question not addressed is at what point a firm becomes too big to be regulated and subjected to the rule of law of a country, even a developed country or groups of developed countries? When companies become too big to prosecute criminally, wrongdoing is settled by fines that are a cost of doing business. At that point, there is an obligation to break the law by CEOs trying to maximize shareholder value if the fine is less than the profit from wrongful conduct. But breaking up the big banks was not seriously considered and anti-trust law has done little to stop megamergers that vault more corporations further up this list, creating greater inequality with non-corporate persons and the regulatory resources of countries.

LAW MAKING

The impact of money on politics is both well-known but missing from many criminology books that assume the criminal law reflects consensus. Criminal laws against murder, rape and assault do reflect consensus, but laws against corporate wrongdoing are a battleground where industries and commercial enterprises can assert themselves at the expense of the broader public interest. One observer suggested that "the bicameral whorehouse on Capitol Hill works like a vending machine. You put coins in the slot, select your law, and the desired legislation slides out" (Ritholtz 2012). White collar crime researchers routinely note that this allows the wealthy the biggest advantage – not having harmful acts they do appear as criminal laws. Harmful corporate acts are far more frequently prohibited by regulations rather than criminal law, are misdemeanors rather than felonies, and seemingly large fines can be measured in the hours it takes a corporation to generate an equivalent amount of revenue (Reiman and Leighton 2013). The point is not to create a system for corporations that mimics the over-criminalization and zero-tolerance approaches currently applied to individuals. Rather the goal is an enforcement pyramid for corporations and business entities that starts with effective regulation and extends to meaningful and proportionate criminal penalties for egregious and/or repeated violations.

To further stimulate the criminological imagination, consider some of the corporate crime codes in other nations that the U.S. is unlikely to ever consider. For example, Australia's Criminal Code Act of 1995 modernized the country's criminal code to clarify how it applied to increasingly complex organizations. The Australian Capital Territory went further and passed an industrial manslaughter act in 2003 to facilitate the prosecution of corporate bodies and managers responsible for employee deaths: "The Act inserts the offence of 'industrial manslaughter—senior officer offence' into the Crimes Act 1900. This offence provides that senior officers can be prosecuted where it is proven that their negligence or recklessness led to the death or serious injury of an employee under their supervision" (Haines and John 2004:7; Wheelwright 2004). Canada's Bill C-45 of 2004 also focused on clarifying criminal law about worker safety and sought to "establish a legal duty for all persons directing work to take reasonable steps to ensure the safety of workers and the public" (Haines and John 2004:13).

***Table 1*. World's Largest Economies: GDP and Fortune 500 Revenue, 2010**

Overall rank	Country rank	Company rank	Country/Company	GDP/Revenue (in billions of US $)
1	1		United States	$15,064.80
2	2		China	$6,988.50
7	7		United Kingdom	$2,481.00
11	11		Canada	$1,758.70
29	29		South Africa	$422.00
30		1	Wal-Mart Stores	$421.80
31	30		United Arab Emirates	$358.10
32		2	Exxon Mobil	$354.60
51		3	Chevron	$196.30
52	49		Romania	$185.30
53		4	ConocoPhillips	$184.90
57	53		Kuwait	$171.10
62		6	General Electric	$151.60
63	57		Hungary	$147.90
65		8	General Motors	$135.60
66		9	Bank of America Corp.	$134.20
67		10	Ford Motor	$128.90
70	58		Vietnam	$121.60
71		13	J.P. Morgan Chase & Co.	$115.50
72	59		Bangladesh	$115.00
73		14	Citigroup	$111.10
75	60		Iraq	$108.60
77		17	AIG	$104.40
78	61		Morocco	$101.80
79		18	IBM	$99.80
82		20	Freddie Mac	$98.40
83	63		Slovak Republic	$97.20
86		23	Wells Fargo	$93.20
131	79		Guatemala	$46.70
133		53	Merck	$46.00
134		54	Goldman Sachs Group	$46.00
136	81		Uzbekistan	$43.70
146	84		Costa Rica	$40.00
147		63	Morgan Stanley	$39.30
148	85		Ghana	$38.60

Source: Fortune 500 from http://money.cnn.com/magazines/fortune/fortune500/2011/full_list/ . International Monetary Fund, World Economic Outlook Database, September 2011. Gross domestic product is expressed in current (2011) U.S. dollars. http://www.imf.org/external/pubs/ft/weo/2011/02/weodata/index.aspx.

Further, the United Kingdom enacted the Corporate Manslaughter and Corporate Homicide Act of 2007, under which an organization is guilty "if the way in which its activities are managed or organised causes a death and amounts to a gross breach of a relevant duty of care to the deceased" (Ministry of Justice 2008:2). This "new offence allows an organisation's liability to be assessed on a wider basis, providing a more effective means of accountability for very serious management failings across the organization" (Ministry of Justice 2008).

Where are the Corporate Assault laws, and/or Corporate Reckless Endangerment laws in the United States?

REGULATION AND ENFORCEMENT

This area is also well covered by the existing literature on white collar and corporate crime. Much of the problem is that regulatory agencies see problems the way the industry does because of regulatory capture: people in regulatory industries come from industry and commerce, and they regulate with a light touch in anticipation of lucrative jobs with the private sector after public service. Less visible in discussions is the ability of corporations to lobby during the appropriation process to weaken the agencies that regulate them. Fewer resources for the regulator mean fewer studies, fewer rules, fewer inspectors, and less money for enforcement. Congressman Barney Frank, co-author of the Dodd-Frank financial reform legislation, says the bill is "facing a death through a thousand cuts" because of such tactics (Rivlin 2011).

Routine activities theory, typically applied to street offenses and resulting in "target hardening," suggests that crime is more likely in the absence of a suitable guardian. Neither criminologists nor policy makers apply this straightforward criminological understanding to the regulation and policing of corporate conduct (Alvesalo, Tombs, Virta, and Whyte 2006). Financial institutions, among others, have shown themselves to be motivated offenders and the economic inequality makes the public vulnerable potential victims or "suitable targets." Ritholtz, the CEO of a financial research firm and author of *Bailout Nation*, suggests that we wouldn't allow the Super Bowl to be played without referees because "we *know* that players would give in to their worst impulses" – and the financial system is the same (Reiman and Leighton 2013:148). But he argues that the Securities and Exchange Commission is "defective by design" (Reiman and Leighton 2013:149). The SEC is funded not by taxes from citizens, but fees from the financial industry. Rather than allowing the SEC to set its own budget, Congress controls the SEC's budget, which allows industry to lobby Congress to ensure that the police covering the Wall Street beat are understaffed, underpaid, under-resourced and have inadequate technology. Politically-appointed Commissioners – who come from Wall Street and return to it – can also kill investigations or frustrate them by erecting many procedural hoops for staff to jump through.

Meanwhile, ideology triumphs because the popular belief is that regulatory agencies do too much and need to leave business alone. Instead, the problem is that under-resourced regulatory agencies pander to big business while and enforce rules against smaller businesses and individuals.

CRIME REPORTS

National "crime" reports focus on street crime and anchor the socially created reality that the limited range of harmful acts defined as crime deserve our exclusive attention. Excluding corporate perpetrators who victimize the public from the government discourse about crime, shapes: (1) media reporting of the "crime problem;" (2) the information in criminology books; and (3) research that uses available data (which can then get reported in the media and criminology books). In this sense, the problem is not just the lack of a regular national report on white collar crime, but the failure to integrate white collar and corporate crimes into annual reports that are supposed to represent a picture of criminal victimization in the nation. To be genuinely useful to the public, policy makers and the criminal justice system, it should tabulate *all* crimes, not just street crimes (Leighton and Reiman 2014).

This point is not new but it does bear repeating: the U.S. does not have a report to the nation about white collar crime – which by *any* estimate is larger than street crime property losses – nor are categories of corporate crime included in annual crime reports. The National Crime Victimization Survey does not have any questions about white collar crime even though the National White Collar Crime Center completed large scale surveys in 1999 and 2005 – and found that half of the households were aware of experiencing a white collar victimization (Friedrichs 2010:47). The Federal Bureau of Investigation data about property crime includes the offenses of burglary, larceny-theft, motor vehicle theft, and arson. Larceny-theft includes purse-snatching but not embezzlement; shoplifting but not con games; and stealing from buildings and cars but not fraud (Federal Bureau of Investigation 2012: Table 7). While many arrests for small-scale scams and cons are not central to the study of white collar crime, the exclusion of these categories from the main body of a report on crime further removes white collar crimes from public consciousness.

While the British system also leaves much to be desired, at least its report on crimes known to the police includes under the "theft" category: "fraud by a company director," false accounting and fraud by abuse of position

(Home Office 2012:19). Further, homicide does include acts charged under the Corporate Manslaughter and Corporate Homicide Act 2007 (2012:16).

CRIME REPORTS WHEN GOVERNMENT PARTNERS WITH INDUSTRY AND COMMERCE: THE BRITISH CASE

In the British victimization survey (CSEW), fraud data are supplemented by "non-National Statistics" from the National Fraud Intelligence Bureau (NFIB). This bureau is part of the City of London's metropolitan police, which partners with industry to collect and process information about fraud (City of London Police 2013). The victimization survey conceptualizes fraud as: scams involving charities, corporate employees, computer misuse, investment, insurance-related, advance fee, corporate procurement, telecommunications industry, banking/payment, and business trading (Office for National Statistics 2012a:58). However, business trading is only about ("illegitimate") businesses set up to commit scams, not the scams of "legitimate" businesses. Telecommunications industry fraud refers to mobile phone fraud by individuals directed at telecom companies, not behavior of the telecom companies or telemarketing firms. The banking and payment fraud largely involves check/cheque fraud and (credit and debit) "plastic card" fraud, which means unauthorized purchases that victimize financial institutions rather than institutional wrongdoing. The corporate employee fraud refers to "an employee making a fraudulent claim for travel or subsistence" (Office for National Statistics 2012b:35) rather than the behavior of executives perpetrating frauds on their employees, shareholders, customers, or government.

A publication by the British National Fraud Authority (NFA) – an executive agency within the Home Office that also partners with industry – has estimates of fraud *against* insurance companies and mortgage lenders (National Fraud Authority 2012:17), but not corresponding estimates of fraud done *by* these industries against the public to boost profits. The NFA's discussion of fraud against individuals included "mass marketing fraud," which means unsolicited communications for money (National Fraud Authority 2012:8-9) rather than false advertising or deceptive trade practices. "Insider-enabled fraud" is "staff fraud" and "employee fraud" (2012:24). But notably absent from the reports of both fraud agencies is control fraud, which is perpetrated by executive-level insiders. Executives who control a company create fictitious profits to turn corporate assets into personal assets (through stock awards, bonuses, etc.) and ultimately defraud a variety of people, like shareholders. Businesses "report sensational profits, followed by catastrophic failure" (Barak 2012:73) – a pattern that should be immediately recognizable to the British and citizens of every developed nation.

In each of these cases, police are working with powerful institutions (e.g., the UK Cards Association) to prevent losses perpetrated by individuals, with no effort even to recognize that individuals are victimized by institutions. Agencies have a mission that includes sharing data between public and private sectors, but the data from the private sector is about their own victimization at the hands of individuals, so the resulting crime reports are lopsided in their coverage of harms. While there is nothing inherently wrong about the government working with industry, when government's partnerships with industry are stronger than with consumer groups, reports and data will reinforce the view of crime as interpersonal and individual against business; corporate victimization of the public, however prevalent in the real world, will make token appearances at best.

Unfortunately, the situation in the U.K. will get worse before it gets better: the British are starting a survey about the victimization of business establishments that will be incorporated into future releases of the regular CSEW survey reports (Office for National Statistics 2012a:79), but there seems to be no consideration of expanding the survey to include more victimizations of consumers, employees and communities by business establishments. In the U.S., criminal definitions and data collection practices make it likely that our crime reports will increasingly come to share this bias.

CORPORATE RESEARCH ON THEIR OWN VICTIMIZATION

The *Rich Get Richer and the Poor Get Prison* is one of the only efforts to regularly tabulate the costs of white collar crime (Reiman and Leighton 2013:132). The lack of a precise definition of white collar crime no doubt hinders this task. There are very few independent efforts to collect information on pieces of the puzzle. I was involved with research on earlier editions of the *Rich Get Richer* long before I became a co-author, and one very noticeable trend within white collar research has been the increase in industry-funded studies about their own victimization without a symmetrical effort to look at the losses those industries inflict on the public.

Perhaps the clearest example is the insurance industry, which has real losses from customers who file false or inflated claims about their cars, health care and property. But there is no accounting of the losses to customers who have claims wrongly denied, even within the context of an insurance policy carefully written to falsely appear to be more comprehensive than it really is. These losses are also real to the people who suffer them and are an inherent problem in the business model of insurance, where the industry directly profits when they do not pay on a valid claim. In an article entitled "Home Insurers' Secret Tactics Cheat Fire Victims, Hike Profits," Bloomberg News noted that "paying out less to victims of catastrophes has helped produce record profits." Although they do not put a total dollar amount on such losses, "insurance companies routinely refuse to pay market prices for homes and replacement contents, they use computer programs to cut payouts, they change policy coverage with no clear explanation, they ignore or alter engineering reports, and they sometimes ask their adjusters to lie to customers, court records and interviews with former employees and state regulators show" (Dietz and Preston 2007).

This pattern replicates itself across industries, but these industry-funded studies get picked up by the media, used in political speeches, cited in policy briefs, are referenced in journal articles and used in other ways that reinforce a corporate agenda of crime control. The effects are less powerful than when government is a direct partner, but they collectively reinforce the crime problem as being about individuals and not corporations. The existence of numerous reports about the victimization of industry needs to be a warning to my earlier recommendation that national crime reports need to include white collar crimes. A national report on crime that included interpersonal crime and the white collar crimes of individuals against businesses could conceivably be worse than the current national crime reports because corporate perpetrators would be omitted from what would appear to be a comprehensive report on crime.

CORPORATE OWNERSHIP OF THE MEDIA

It is widely known in journalism that "if it bleeds it leads" and media favor sensational stories about street crime over white collar crimes. This reinforces the idea that "crime" means "street crime." The local news is especially likely to cover street crime rather than white collar crime, while the national media covers sensational white collar crime cases like Madoff's Ponzi scheme rather than more ordinary business practices that harm workers, consumers and the environment.

But the corporate ownership of media adds a new and important dimension by adding vested corporate interests to the process of selecting stories about wrongdoing, framing, inviting experts for comments, etc. Consider the case of GE, which until 2011 held a majority stake in NBC Universal, which owns NBC television (and A & E, USA, and others), MSNBC and the financial news outlet CNBC. GE is a prolific corporate criminal across several decades (Barak, Leighton and Flavin 2010:191-194), partly because they have a diverse manufacturing base that includes appliances, parts for power plants, jet engines, nuclear power plants, wind farms and medical equipment. Its lending division provides more than half of their profit, so "many Wall Street analysts view G.E. not as a manufacturer but as an unregulated lender that also makes dishwashers and M.R.I. machines" (Kocieniewski 2011).

GE reported $5 billion in profits from US operations in 2010, but paid no corporate income tax – and "in the last five years, G.E. has accumulated $26 billion in American profits, and received a net tax benefit from the I.R.S. of $4.1 billion" (Kocieniewski 2011). The story ran on ABC's network TV news and Fox, but not NBC nightly news or the NBC public affairs program *Meet the Press* (several commentators on MSNBC and CNBC, which have substantially smaller audiences, talked about it). A *Washington Post* article on the "missing story" noted that the director of Fairness and Accuracy in Reporting "cited a series of GE-related stories that NBC's news division has underplayed over the years, from safety issues in GE-designed nuclear power plants to the dumping of hazardous chemicals into New York's Hudson River by GE-owned plants" (Farhi 2011).

Financial news outlet CNBC is essentially an economic infomercial because of the rather obvious but little discussed conflict of interest between owning a financial news network and being one of the world's largest financial operations. GE created a number of finance arms to help people and companies buy its products. So most people know GE "for light bulbs and home appliances, but GE Capital is one of the world's largest and most diverse financial operations, lending money for commercial real estate, aircraft leasing and credit cards for stores such as Wal-Mart. If GE Capital were classified as a banking company, it would be the nation's seventh largest" (Gerth and Dennis 2009). Although GE was not originally eligible for government support through programs enacted to help with the financial crisis, they engaged in lobbying and received $74 billion in loan guarantees that helped the company finance its operations at low cost (Gerth and Dennis 2009). GE is one of the entities sued by the Federal Housing Finance Agency over "securities law violations or common law fraud" in the sale of mortgage-backed securities to Fannie Mae and Freddie Mac (FHFA 2011).

CNBC video should have had a disclaimer "crawl" across the bottom of the screen and every page of its website: "CNBC is substantially owned by GE, which has derived a majority of its revenue from bank-like financing operations. GE received federal bailout money and been charged with fraud in the sale of mortgage-backed securities." That might not stimulate the criminological imagination, but it would make viewers appropriately skeptical of the outlet's objectivity.

GE's influence over NBC Universal also means it also oversaw the USA network, which has been airing a series called *White Collar*. In it, Neal is a convicted art forger who joins forces with an FBI agent to solve white collar crimes. But the crimes portrayed on *White Collar* are a narrow apolitical set of white collar crimes—and they are ones that do not challenge abuses of power by corporations or government (Leighton 2010). Art theft or the other variations on the show tend to be interpersonal crimes: one-on-one crimes, either without a clear power dynamic or one in which an individual is protected by the FBI from a more powerful group of obvious "bad guys" like organized crime trafficking in expensive artifacts or career criminals. Absent are episodes where someone or some entity with power and prestige who is seen as a respectable person or corporation victimizes the less powerful, which is the essence of white collar crime and the common theme of most definitions. The show had an episode about mortgage fraud that involved an individual judge – *perhaps* in collaboration with someone high in the FBI – improperly signing papers in a series of less than ten real estate frauds. Among the real corporate frauds it did not expose were predatory lending; fraud and abuse of power by financial institutions; misrepresentations in securitized mortgage products; high executive pay and bonuses for those who drove the economy to crisis; insider trading by executives who sold shares before the crash; or an assault on private property rights by institutions that commit perjury by hiring "robosigners" to file foreclosure affidavits that swear to facts they do not know.

CONCLUSION

Economic inequality is one of the defining issues of our time, one that has a profound influence on the shape of justice but is generally neglected by criminology. The neglect of class and especially corporate power impoverishes criminology by limiting the scope of its inquiry, its analytical tools and explanatory power. But economic inequality, especially as it includes corporate persons, is an inconvenient truth (Leighton and Reiman 2014). Many have vested interests in the current system and many others are more focused on getting ahead (legally or otherwise) within the existing system rather than asking the basic questions about alternative social orders.

Curiously, Alexander understands the need for a revolutionary era along the lines of class even though the *New Jim Crow* focuses tightly on the issue of African Americans – at least until the last three pages, where she tells the traditional civil rights movement, "without a hint of disrespect: adapt or die" (2012:260). In Alexander's indictment, there is black race but no class, as if the prisons contained scores of middle class blacks and the scattering of black bankers at major financial institutions. The *New Jim Crow* is fueled by racism, but the operations of capitalism are nowhere to be seen: no "bodies destined for profitable punishment" (Leighton and Selman 2012), no criminal justice-industrial complex, no private prisons, no links with a political economy of punishment (and a massive deindustrialization in the U.S. that had something to do with the incarceration binge) (Selman and Leighton 2010). Alexander writes movingly of black former felons denied the right to vote and thus situated similarly to their ancestors who were disenfranchised. But part of the current injustice is that *Citizens United v FEC* (08-205, 2010) expanded the notion of corporate personhood to give corporations the right to spend unlimited amounts in political campaigns – and that this right is rooted in the 14th Amendment that was supposed to empower newly freed slaves.

The exclusion of corporate power and agency from Alexander's book is noteworthy because of the conclusion she arrives at with respect to social change, but the invisibility of economic inequality is widespread. As I have become more involved in understanding this issues, I have become increasingly fond of Reiman's admonition that philosophical reflection on the concept of crime is necessary for criminology to establish its "intellectual independence of the state, which to my mind is equivalent to declaring its status as a social science rather than an agency of social control, as critical rather than servile, as illumination rather than propaganda" (Reiman and Leighton 2013:243).

This quote does not mean that all criminology working to protect the powerful against victimization is propaganda. But it is a warning that the discipline, especially because its defining concept is a government product, can be easily captured by the state pursuing a corporate agenda. Reproducing FBI property crime rates from the 1990s to the present without noting the Savings and Loan looting, Enron era scams and the latest episode of barely contained looting is tantamount to propaganda.

Vigilance against ideology is necessary. Use the "critical thinking" directives from the university for this end. Think more about the power relationships between perpetrators and victims. Take some steps to focus more on perpetrators who have power. Apply Routine Activities to corporate crime control. Apply Rational Choice theory to the rich. Apply strain theory to the rich. Make corporate persons and corporate entities part of the study of criminology and problematize the lack of capable guardians to control motivated corporate offenders. Finally, read *Theft of a Nation* to learn more about financial crime, the piercing of ideology to bear witness to injustice and public victimization, and embrace a model of speaking truth to power.

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APPENDIX A: The 100 Largest Economies: GDP v Corporate Revenue, 2010				
Overall rank	Country rank	Company rank	Country/Company	GDP/Revenue (in billions of US $)
1	1		United States	$15,064.80
2	2		China	$6,988.50
3	3		Japan	$5,855.40
4	4		Germany	$3,628.60
5	5		France	$2,808.30
6	6		Brazil	$2,517.90
7	7		United Kingdom	$2,481.00
8	8		Italy	$2,245.70
9	9		Russia	$1,884.90
10	10		India	$1,843.40
11	11		Canada	$1,758.70
12	12		Spain	$1,536.50
13	13		Australia	$1,507.40
14	14		Mexico	$1,185.20
15	15		Korea	$1,163.80
16	16		Netherlands	$858.30
17	17		Indonesia	$834.30
18	18		Turkey	$763.10
19	19		Switzerland	$665.90
20	20		Sweden	$571.60
21	21		Saudi Arabia	$560.30
22	22		Poland	$531.80
23	23		Belgium	$529.00
24	24		Taiwan Province of China	$504.60
25	25		Norway	$479.30
26	26		Islamic Republic of Iran	$475.10
27	27		Argentina	$435.20
28	28		Austria	$425.10
29	29		South Africa	$422.00
30		1	Wal-Mart Stores	$421.80
31	30		United Arab Emirates	$358.10
32		2	Exxon Mobil	$354.60
33	31		Denmark	$349.10
34	32		Thailand	$339.40
35	33		Colombia	$321.50
36	34		Greece	$312.00

37	35		Venezuela	$309.80
38	36		Finland	$270.60
39	37		Singapore	$266.50
40	38		Malaysia	$247.60
41	39		Nigeria	$247.10
42	40		Hong Kong SAR	$246.90
43	41		Israel	$245.30
44	42		Chile	$243.00
45	43		Portugal	$241.90
46	44		Egypt	$231.90
47	45		Ireland	$222.30
48	46		Czech Republic	$220.30
49	47		Philippines	$216.10
50	48		Pakistan	$204.10
51		3	Chevron	$196.30
52	49		Romania	$185.30
53		4	ConocoPhillips	$184.90
54	50		Algeria	$183.40
55	51		Kazakhstan	$180.10
56	52		Qatar	$173.20
57	53		Kuwait	$171.10
58	54		New Zealand	$168.80
59	55		Peru	$168.50
60	56		Ukraine	$162.90
61		5	Fannie Mae	$153.80
62		6	General Electric	$151.60
63	57		Hungary	$147.90
64		7	Berkshire Hathaway	$136.10
65		8	General Motors	$135.60
66		9	Bank of America Corp.	$134.20
67		10	Ford Motor	$128.90
68		11	Hewlett-Packard	$126.00
69		12	AT&T	$124.60
70	58		Vietnam	$121.60
71		13	J.P. Morgan Chase & Co.	$115.50
72	59		Bangladesh	$115.00
73		14	Citigroup	$111.10
74		15	McKesson	$108.70
75	60		Iraq	$108.60
76		16	Verizon Communications	$106.50
77		17	American International Group	$104.40

78	61		Morocco	$101.80
79		18	International Business Machines	$99.80
80	62		Angola	$99.30
81		19	Cardinal Health	$98.60
82		20	Freddie Mac	$98.40
83	63		Slovak Republic	$97.20
84		21	CVS Caremark	$96.40
85		22	UnitedHealth Group	$94.20
86		23	Wells Fargo	$93.20
87		24	Valero Energy	$86.00
88		25	Kroger	$82.20
89		26	Procter & Gamble	$79.70
90		27	AmerisourceBergen	$78.00
91		28	Costco Wholesale	$77.90
92	64		Azerbaijan	$68.50
93		29	Marathon Oil	$68.40
94		30	Home Depot	$68.00
95		31	Pfizer	$67.80
96		32	Walgreen	$67.40
97		33	Target	$67.40
98	65		Oman	$66.80
99		34	Medco Health Solutions	$66.00
100	66		Ecuador	$65.30

Source: Fortune 500 from http://money.cnn.com/magazines/fortune/fortune500/2011/full_list/ . International Monetary Fund, World Economic Outlook Database, September 2011. Gross domestic product is expressed in current (2011) U.S. dollars. http://www.imf.org/external/pubs/ft/weo/2011/02/weodata/index.aspx.

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