

**SOCIOLOGY 560**  
**CORPORATE AND GOVERNMENT CRIME**  
**SPRING SEMESTER 2004**

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**COURSE DESCRIPTION:**

This course will describe and explain corporate and government (state) crime from a sociological perspective. Although we will deal with the general topic of white collar crime, our specific focus will be on organizational offenders such as business corporations and government or state agencies. First, we will examine the history of the concept of white collar crime and analyze a number of important definitional and conceptual issues related to that concept. Then we will describe the nature, extent and costs of organizational crime and explore the theories that attempt to explain these crimes. Next we will investigate the various forms of corporate and government (state) crime. Finally, we will discuss the problems of attempting to control these organizational crimes.

**REQUIRED TEXTS:**

David O. Friedrichs, *Trusted Criminals: White Collar Crime in Contemporary Society*. Second Edition. Belmont, California: Wadsworth Publishing Company (2004).

Noam Chomsky, *Power and Terror*. New York: Seven Stories Press (2003).

Rahul Mahajan, *Full Spectrum Dominance: U.S. Power in Iraq and Beyond*. New York: Seven Stories Press (2003).

Charles Derber, *People Before Profit: The New Globalization in an Age of Terror, Big money, and Economic Crisis*. New York: Picador (2003).

Dan Butts, *How Corporation\$ Hurt Us All: Saving Our Rights, Democracy, Institutions, and Our Future*. Victoria, British Columbia: Trafford (2003).

**COURSE OUTLINE AND READING ASSIGNMENTS:**

- I. INTRODUCTION AND OVERVIEW
  - A. Criminology and the Study of White Collar Crime
  - B. Focus on Organizations: Crime and Criminalization
  - C. The Structural Context: Capitalism and Imperialism
  - D. Globalization and Neoliberalism
  - E. Politics, Social Movements and Public Policy

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- II. HISTORICAL BACKGROUND ON THE CONCEPT OF WHITE-COLLAR CRIME (WCC)

- A. Edwin H. Sutherland and the Discovery of White-Collar Crime
- B. Keeping the Flame Alive: Clinard, Cressey, and Geis
- C. Watergate and the Social Movement against WCC
- D. Critical Criminology: Quinney
- E. The Organizational Turn
- F. Bringing the State In: Chambliss

Reading Assignment: Friedrichs, Chapter 1.

- III. THE DEFINITIONAL ISSUE: FROM WHITE-COLLAR CRIME TO ORGANIZATIONAL CRIME

- A. Sutherland's Definition
- B. Occupational Crime
- C. The Edelhertz Modification
- D. Organizational Crime
- E. Crimes of Capital
- F. State-Organized and State-Corporate Crime
- G. A Typology of WCC (Friedrichs)

Reading Assignment: Kramer, "Corporate Criminality: The Development of an Idea"; Kauzlarich and Kramer, "Introduction: State Crime and the Nuclear State" Chapter 1 in Crimes of the American Nuclear State; Poveda, "From Sutherland to the Justice Department: The Evolution of a Concept" Chapter 3 in Rethinking White Collar Crime; and Schrager and Short, "Toward a Sociology of Organizational Crime." (On Reserve in the Education Library).

- IV. IS ORGANIZATIONAL CRIME REALLY CRIME?

- A. What is Crime? Two Criminological Paradigms
- B. Choosing the Standards to Classify Behavior as Criminal
- C. Law and White Collar Crime
- D. International Law as a Legal Framework

E. The Criminalization Process

Reading Assignment: Friedrichs, Chapter 9. Also Kramer, "Defining the Concept of Crime: A Humanistic Perspective" (On Reserve).

V. STUDYING WHITE COLLAR CRIME: EXTENT, COSTS AND VICTIMS

- A. Research Methods
- B. Measuring White Collar Crime
- C. The Costs and Consequences of White Collar Crime
- D. Victims of White Collar Crime

Reading Assignment: Friedrichs, Chapter 2.

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VI. THEORY: EXPLAINING ORGANIZATIONAL CRIME

- A. Traditional Criminological Theory and White Collar Crime
- B. Organizational Perspectives
- C. The Structural Level: Political and Economic Institutions
- D. Integrated Theories of Organizational Crime

Reading Assignment: Friedrichs, Chapter 8. Also: Kauzlarich and Kramer, "Explaining and Controlling the Crimes of the Nuclear State" Chapter 7 in Crimes of the Nuclear State; Braithwaite, "Criminological Theory and Organizational Crime"; Coleman, "The Theory of White Collar Crime: From Sutherland to the 1990s" Chapter 2 in Schlegel and Weisburd, White Collar Crime Reconsidered; Shover and Bryant, "Theoretical Explanations of Corporate Crime," Chapter 6 in Blankenship, Understanding Corporate Criminality. (On Reserve).

VII. THE NATURE AND EXTENT OF GOVERNMENT (STATE) CRIME

- A. Government Violence: State Terrorism in International Affairs
  - 1. Nuclear Weapons and Crimes of the Nuclear State
  - 2. War and Aggression (Case Study: The U.S. War on Iraq)
  - 3. Foreign Intervention and State Sponsored Terrorism (Case Study: U.S. Intervention in Latin America)
  - 4. Structural Violence: Inequality, Poverty and Economic War
  - 5. Environmental Violence
- B. Government Violence: Domestic Repression By States
  - 1. Genocide and other People's Rights Violations
  - 2. Political Harassment, Surveillance and Intimidation
  - 3. Political Prisoners and Torture
  - 4. Military Death Squads

- 5. Police Brutality
- C. Imperialism and Militarism
- D. Political White Collar Crime

Reading Assignment: Friedrichs, Chapter 5; Butts, Chapter 3; Chomsky, Power and Terror; and Mahajan, Full Spectrum Dominance.

#### VIII. THE NATURE AND EXTENT OF CORPORATE CRIME

- A. Corporate Violence
  - 1. Against the Public: Unsafe Environmental Practices
  - 2. Against Consumers: Unsafe Products, Foods and Drugs
  - 3. Against Workers: Unsafe Working Conditions
- B. Predatory Globalization: Transnational Corporations
- C. State-Corporate Crime
- D. Corporate Abuse of Power, Fraud and Economic Exploitation
  - 1. Defrauding the Government and Tax Evasion
  - 2. Price Fixing, Price Gouging and False Advertising
  - 3. Economic Exploitation and Corporate Theft

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- 4. Unfair Labor Practices and Surveillance of Employees
- 5. Monopolistic Practices and Theft of Trade Secrets

Reading Assignment: Friedrichs, Chapters 3 and 6; Butts, Introduction and Chapters 1, 2, 4, 9, 10, 11, 12, 15 and 16; and Derber, Chapters 1-5. Also: Kramer, Michalowski and Kauzlarich, "The Origins and Development of the Concept and Theory of State-Corporate Crime" (On Reserve).

#### IX. THE SOCIAL CONTROL OF ORGANIZATIONAL CRIME

- A. The Criminal Justice Response
- B. The Regulatory System Response
- C. Private Policing and Self-Regulation
- D. Civil Suits
- E. The International Response

Reading Assignment: Friedrichs, Chapters 10 and 11.

#### X. RESPONDING TO THE CHALLENGE OF ORGANIZATIONAL CRIME

- A. Raising Consciousness
- B. Responding to Organizational Crime as a Moral Issue
- C. Law and the Coercive Response
- D. Organizational Intervention

- F. Structural Transformation
- G. Global Democracy

Reading Assignment: Friedrichs, Chapter 12; Butts, Chapters 7, 8, 17, 18 and 19; and Derber, Chapters 6-10. Also: Stone, "Controlling Corporate Misconduct"; Mokhiber, "Overview" from Corporate Crime and Violence; and Simon, "Epilogue: Economic Democracy: A Proposal To Transform Society" (On Reserve).

TENTATIVE SCHEDULE:

JANUARY	6	Introduction and Overview
	8	Historical Background
	13	The Definitional Issue
	15	The Definitional Issue
	20	Is WCC Real Crime/PAPER TOPICS DUE
	22	The Legal Framework
	27	Extent, Costs and Victims
	29	Theory
FEBRUARY	3	Theory
	5	Theory
	10	State Crime
	12	<i>Power and Terror</i>

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FEBRUARY	17	The War on Iraq
	19	<i>Uncovered: The Whole Truth About the Iraq War</i>
	24	U.S. Intervention in Latin America
	26	<i>Dirty Secrets</i> and <i>The New Patriots</i>
MARCH	1-5	SEMESTER BREAK
	9	Corporate Violence
	11	Corporate Violence
	16	Predatory Globalization
	18	Predatory Globalization
	23	State-Corporate Crime
	25	State-Corporate Crime
	30	Corporate Abuse of Power, Fraud and Exploitation
APRIL	1	Corporate Abuse of Power, Fraud and
Exploitation		
	6	Social Control
	8	Social Control
	13	Responding to the Challenge

15 Epilogue/CASE STUDY PAPERS DUE  
22 FINAL EXAM DATE-PAPERS RETURNED

#### COURSE REQUIREMENTS:

In addition to attending class regularly and keeping up with the assigned readings, the major requirements of this course are to prepare and hand in a variety of special assignments, and to research and write a case study paper.

We will follow the course outline closely. Please have the readings for a section completed before we begin that section. It should be noted that some of the lecture material is not covered by the readings. Thus, regular class attendance is very important. More than one unexcused absence may have a negative effect on your grade (an excused absence requires a written explanation).

#### Special Assignments

Throughout the semester we will hand out various special assignments. These may be take-home essay assignments or in-class exercises. Late assignments will not be accepted and missed assignments cannot be made up unless you have an excused absence. Thus, again, regular class attendance is important. Taken as a whole, the special assignments are worth 100 points.

#### Case Study Paper

Each student in this class is expected to research and write a paper on a specific case of corporate or government crime (approximately 25 pages). This case study paper is worth a total of 200 points. A case study research design typically provides a complete and detailed account or description of a particular phenomenon, along with a careful and systematic analysis of that phenomenon.

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To start your case study you need to select a particular act of corporate or government crime on which to focus. You could select a famous case such as the Ford Pinto case or the Iran-Contra case or you could select a lesser-known case. Try to select a case about which there is a fair amount of material readily available or you will have a difficult time doing the research. The textbooks are filled with examples of corporate and government crimes you could pick to study. If you bring a list of cases you are considering we would be happy to help you make a final selection. Once you have made your selection please give us a written notice of the case you will study and at least some of the resources you

will be using to carry out the research. This notice is due at the latest on Tuesday, January 20.

Once you have selected your case and carried out your research you must follow the following outline **exactly** in writing your paper.

I. Description of the Event

Describe the event and the harm that resulted as completely as possible. Who did what? When? Where? How? What were the consequences? Who were the victims? How long did the crime go on? Are all of the important facts covered in your description? How was this incident detected and law mobilized in response? Was any legal action taken? What was the outcome of the legal procedures? Were any non-legal social control responses made? How did the deviant organization respond? Did the organization attempt any damage control?

II. Why is this Organizational Crime?

Why is this act classified as organizational (corporate or government) crime? What criminal, civil, regulatory or international laws were violated? Were other non-legal, moral or social standards used to classify this act as crime? Would there be widespread agreement that this is a criminal act?

III. Theoretical Explanation

Why did this crime occur? What factors caused this event to happen? Apply the concepts and theoretical perspectives we will discuss in class to this case. In other words, you are to develop a theoretical explanation for your case in this section.

IV. How Could We Respond To This Case

What should or could be done to this organization in response to the crime? Why? How can this type of crime be prevented in the future? What changes in law or in society would allow us to better handle organizational crimes like this one?

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You will be required to hand in a rough draft of each section of the paper on a specific date to be determined. We will grade each rough draft, give you

feedback, and return the sections to for final revisions. Each of the four section rough drafts will be worth 25 points (a total of 100 points).

Once you have revised all four sections you will then hand in the final case study paper as a whole for us to grade (worth a total of 100 points). The case study paper is due on April 15. This paper takes the place of a comprehensive final exam. We will meet on the scheduled final date (Thursday, April 22 at 2:45) so that the case study papers can be returned to you. The case study paper must be typed and follow a consistent referencing format. Please pay attention to spelling and grammar as you write.

You are responsible for becoming aware of and understanding the policies and procedures in the Undergraduate Catalog (pp. 268-269) that pertain to academic integrity. These policies include cheating, fabrication, falsification and forgery, multiple submissions, plagiarism, complicity and computer misuse. If there is reason to believe you have been involved in academic dishonesty, you will be referred to the Office of Student Conduct for a hearing. You should consult with us if you are uncertain about an issue of academic honesty prior to the submission of an assignment.

There are a possible 300 points you can earn in this class.

10 Special Assignments (10 each)	100
4 Section Rough Drafts (25 points each)	100
Final Case Study Paper	100
<b>TOTAL</b>	<b>300</b>

The following scale will be used to determine your final grade:

279-300	=	A	219-233	=	C
264-278	=	BA	204-218	=	DC
249-263	=	B	180-203	=	D
234-248	=	CB	179-down	=	E

Finally, I want to encourage each of you to participate in the class as much as you feel comfortable in doing. Feel free to ask questions, raise issues, and contribute to class discussions. We will be dealing with many controversial political issues in the course and I hope to create a supportive environment in the class within which we can discuss and debate these issues. Effective participation on your part, however, depends on doing the readings. I hope you enjoy the course and find corporate and government (state) crime an exciting topic to study.



