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Commentary

by Sally S. Simpson, WCCRC President

I'd like to take this opportunity to thank all the WCCRC ASC luncheon participants. For those who could not attend, the luncheon tables were themed around the following topics: organized crime, wcc theory, cyber crime, corporate crime, and wcc victims. At each table, one person was selected to lead and facilitate discussion with an eye toward identifying three important research topics within the themed area. My appreciation to Kip Schlegel, Nicky Piquero, Mike Benson, Dick Hollinger, Maurice Punch, David Shichor, George Burruss, and Debra Ross for agreeing (some at the very last minute) to lead these discussions. At the end of the luncheon, each table reported on 3 interesting ideas for further research, several of which correspond with NIJ funding opportunities identified earlier by Jay Albanese. From my perspective, the luncheon strategy was a success and produced much food for thought!

On another note, I would like to share some of my recent thinking about multifaceted consequences of Hurricane Katrina, in particular, crime and justice issues. I was asked to prepare these remarks for a special colloquium on the Environmental, Economic, and Human Impact of Hurricane Katrina at the University of Maryland sponsored by the College of Behavioral and Social Sciences. Below is a summary of my remarks.

In the aftermath of the Katrina tragedy, I am reminded of a book by sociologist Kai Erickson in which he describes the human consequences of the Buffalo Creek mining disaster in West Virginia. An earthen dam created from the sludge of the coal mines gave way sending an avalanche of water careening down the valley--literally destroying "Everything in its Path."

Among the nonphysical things destroyed by the dam's collapse was the residents' sense of community and tie to others. The collective trauma

experienced by Buffalo Creek residents in 1972 is a microcosm of that experienced along the gulf coast as a consequence of Hurricane Katrina.

The breakdown in community, as criminologists know, is one important factor that is related to crime. However, prior to Katrina, crime was not a rare phenomenon in New Orleans. New Orleans had one of the highest crime rates in the country. Statistics from 2003, for instance, show that the murder rate in New Orleans exceeded the national average by almost 8 times while the robbery rates were double the national average. In fact, New Orleans' crime rates exceeded the national average in all of the major index crime categories (murder, rape, robbery, aggravated assault, burglary) except for two: *arson and larceny/theft*.

Why was the pre-Katrina crime rate so high in New Orleans? One explanation is that structural disadvantage, especially for African Americans, has contributed to the high rates of violent and property crime in New Orleans. A recent analysis of city-level crime data by Parker (2004) (broken down by race/gender specific groups) shows that changes over time in such factors such as *income inequality, unemployment, the decline in manufacturing jobs and shift toward a service economy, and racial segregation/isolation* have been linked to higher violent crime rates among blacks. Comparing city level data from 1980 with that of 1990, Parker found that the shift in labor market sectors and the increasing polarization of labor market opportunities affected the change in disaggregated homicide solely among black males and black females. These same factors had less influence for whites. The trend toward an increasingly stratified labor market and the industrial shift did not contribute to the change in white male or white female homicides in significant ways. The move toward a service economy over time appeared to have benefited white males.

As we have learned, the city of New Orleans has a large disenfranchised, disadvantaged and segregated black population. And, this population is the one that was "left" behind to weather the storm and its aftermath. So the fact that New Orleans had an *apparent* "crime problem" in the wake of Katrina is not surprising. However, the information that we do have about post-Katrina crime is anecdotal and nonsystematic. It is driven by press reports of gruesome discoveries of bodies, pictures of "looters" or "people in need," and self- along with 3rd person reports of citizen victimization. The police, who are our main source of crime data, were in disarray. Those officers who continued to serve had other duties substantially more important than updating their crime statistics. We don't know, then, whether the reports of bodies, rapes, and stealing were unique incidents or whether the same incident was reported multiple

times across these different sources. So, suffice to say, we do not have good reliable data to assess whether crime went up or down in New Orleans as a consequence of Katrina.

Through some of these same sources, we also learned about other crimes associated with Katrina that do not readily fall into our popular culture definition of crime. For instance, the abandonment of disabled and elderly in nursing homes and hospitals is a crime of manslaughter. Frauds, in the wake of a disaster, also abound. A special article about fraud Post-Katrina appeared on the USDOJ website. In this article, citizens were warned about fraudsters who use e-mail to solicit donations to help the victims of the hurricane or “as with disaster scenarios of the past, criminals will operate bogus charities by telephone, and will call members of the public, falsely promising to send donations to Katrina disaster-recovery efforts.”

Although we cannot accurately measure crime immediately following a disaster, criminologists might expect an increase in crime after such devastation. The community institutions and norms that are the fabric of social life have been broken. As a consequence of this social disorganization, there is a breakdown in *social control*. Social control is provided through the family, within a community and its organizations, and more formally through the criminal justice system. As these institutions falter, we would expect a rise in crime. There are a number of *deterrence* studies (natural experiments) that demonstrate how breakdowns in policing (such as when officers go on strike or when they are mobilized to different parts of the city) are associated with increases in crime.

Taking somewhat of a different but related approach, we can also think of crime as opportunistic. Some theorists suggest that crime depends on the convergence in time and space of three elements: a supply of motivated offenders, suitable crime targets, and an absence of capable guardians. When these three elements are brought together within a community, crime is predicted to increase. After Katrina, we saw abandoned stores and homes, children separated from parents and other vulnerable citizens (suitable crime targets) in close proximity with motivated offenders. The environment of the Superdome provided little guardianship and, with reports of guns and other weapons and little police presence, the condition was ripe for predatory crime. This same explanation helps make sense of the appearance of fraud during similar situations. When a disaster strikes and citizens are mobilized and motivated to help victims, the number of potential targets increases exponentially. Many of these targets are vulnerable (naïve) and there is an absence of guardianship. Fraud is essentially, a violation of trust (guardianship).

Finally, let me briefly comment on the intersection of race, class, and crime in New Orleans. First, the media has delivered to us, as a nation, a picture of crime in the city that is closely tied to race and class. We know that the people left behind in New Orleans were primarily those who could not afford to leave the city. We know that poverty and race intersect in our center cities so that those who were left behind were predominately African American. Story after story, picture after picture, presents a national portrait of "the crime problem" as one involving poor black people. Our image of the color and class of crime is stereotypical.

Juxtapose this image, if you will, on that of a white-collar offender. Dennis Kozlowski might be a good choice, the former CEO of Tyco who was identified in 2001 by Business Week as "a manager to watch." (Perhaps they should have watched him more closely!!). While we don't know for certain the race and class characteristics of the fraudsters who are taking advantage of the charitable donors (and we might never know because our justice system is not as focused around this problem as it is around "street" crime), I'm willing to bet that they are not black or poor. According to the latest UCR reports (2003), the white-collar crime arrest data would tell me that my odds of winning that bet are pretty good.

However, because the story is less sensational, less sexy, and probably less timely, we are unlikely to see these people depicted on the front pages of newspapers or on the evening news. As researchers of white-collar and corporate crime know, the popular culture image of crime needs to be rearranged and replaced with one that depicts the whole range of criminals and crime types. All are costly, all tear at our social fabric, and all have human consequences.

Member News

Current Happenings

Forthcoming Book: Stuart P. Green, Oxford University Press, January 2006

Lying, Cheating, and Stealing: A Moral Theory of White Collar Crime

The picture of crime that dominates the popular imagination is one of unambiguous wrongdoing — manifestly harmful acts that are clearly worthy of condemnation. The accompanying picture of the criminal — the thief, the murderer — is a picture of society's failures — to be cast out and re-integrated through a process of punishment and penance. Our understanding of white-

collar crime, by contrast, is pervaded by moral and imaginative ambiguity. Such crimes are often committed by society's success stories, by the rich and the powerful, and frequently have no visible victim at their root. The problem of marrying these disparate pictures has led to a confusion of the boundaries of white-collar crime. How is it possible to distinguish criminal fraud from mere lawful "puffing," tax evasion from "tax avoidance," insider trading from "savvy investing," obstruction of justice from "zealous advocacy," bribery from "log rolling," and extortion from "hard bargaining"? How should we, as scholars and students, lawyers and judges, law enforcement officials and the general public, distinguish the lawful from the unlawful, the civil from the criminal?

In the first in-depth study of its kind, Stuart Green exposes the ambiguities and uncertainties that pervade the white-collar crimes, and offers an approach to their solution. Drawing on recent cases involving such figures as Martha Stewart, Bill Clinton, Tom DeLay, Scooter Libby, Jeffrey Archer, Enron's Andrew Fastow and Kenneth Lay, Health-South's Richard Scrushy, Yukos Oil's Mikhail Khodorkovsky, and the Arthur Andersen accounting firm, Green weaves together what at first appear to be disparate threads in the criminal code, revealing a complex and fascinating web of moral insights about the nature of guilt and innocence, and what, fundamentally, constitutes conduct worthy of punishment by criminal sanction.

Green argues that white-collar crime is best understood through a framework of everyday moral concepts that include not only lying, cheating, and stealing, but also coercion, exploitation, disloyalty, promise-breaking, disobedience, and other forms of deception. In the process, he reveals the essentially moral fabric underlying the legal category of white-collar crime.

Current Research: Nikos Passas

Nikos Passas has completed the draft of the "Legislative Guide for the Implementation of the UN Convention against Corruption" (will also appear in all UN languages as soon as translated on the UNODC website) as well as a comparative study of 33 national anti-corruption programs for the UN Development Program.

Professor Passas also recently acted as scientific advisor to the 2nd World Summit of Prosecutors and Attorneys General in Qatar, Doha, November 2005.

New Members

- George W. Burruss Jr., Assistant Professor, Center for the Study of Crime, Delinquency, and Corrections, Southern Illinois University—Carbondale
- Carole Gibbs, Graduate Research Assistant, Department of Criminology and Criminal Justice, University of Maryland, College Park
- Jennifer C. Gibbs, Doctorial Candidate, Department of Criminology and Criminal Justice, University of Maryland, College Park
- Barry Goetz, Associate Professor, Sociology, Western Michigan University
- Elise Jensen, Graduate Research Assistant, College of Criminology and Criminal Justice, Florida State University
- Martin D. Schwartz, Professor, Sociology, Ohio University
- Franklin Tinsley, Student, Criminology, Indiana University of Pennsylvania
- Shanna Van Slyke, Graduate Research Assistant, College of Criminology and Criminal Justice, Florida State University

Member Biographies

George Burruss

Assistant Professor

Southern Illinois University at Carbondale

George Burruss is an Assistant Professor in the Center for the Study of Crime, Delinquency, and Corrections at Southern Illinois University at Carbondale. He received his Ph.D. in criminology and criminal justice from the University of Missouri-St. Louis. He has conducted research on the legal representation of juveniles, policing and security at the 1996 Atlanta Olympic Games, a St. Louis police gun-seizure program, and policing reform in Northern Ireland. Currently, he is researching the impact of offender treatment programs. Before getting his graduate degree, Dr. Burruss served as a criminal investigator with the Office of the Missouri Attorney General for five years. He investigated cases involving consumer fraud, antitrust, and public corruption. His work has been published in *Justice Quarterly*, *Policing*, and the *Journal of Criminal Justice*.

James Timothy Linehan

University of Houston

Jame Timothy Linehan has taught political science and organized crime classes at the University of Houston, Downtown Campus. His main area of research and interest is the politics of organized crime, of which he is working currently on a major project. He is also to be published in the upcoming White Collar Crime Encyclopedia, with a piece on the Allied Irish Bank Scandal. He holds a degree from SUNY at Buffalo as well as a graduate degree from USC Public Administration.

Research Initiatives

BE ON THE LOOKOUT!

The WCCRC functions as a valuable resource, connecting researchers in the field of white collar crime and aiding in the dissemination of important research. Along these lines, the WCCRC would like to regularly feature research that is currently being executed, has been accepted for publication, or has recently been published by WCCRC members.

Articles

Recently Published

Beresford, A., Desilets, C., Haantz, S., Kane, J., & Wall, A. (2005). Intellectual property and white-collar crime: Report of issues, trends, and problems for future research. *Trends in Organized Crime*, 8, (4), 62-79.

Holtfreter, K. (2005). Is occupational fraud 'typical' white-collar crime? A comparison of individual and organizational characteristics. *Journal of Criminal Justice*, 33, (4), 153-165.

Passas, N. (2005). Lawful but awful: Legal corporate crimes. *Journal of Socio-Economics*, 34, (6), 771-786.

Forthcoming

Holtfreter, R. E. & Holtfreter, K. (2005). Gauging the effectiveness of U.S. identity theft legislation. *Journal of Financial Crime*, 13, (1).

Holtfreter, K., Van Slyke, S, & Blomberg, T. G. (forthcoming). Sociolegal change in consumer fraud: From victim-offender interactions to global networks. *Crime, Law, and Social Change*.

Publications/Conference Proceedings

Passas, N. (2005). Global anomie theory and crime. In Henry, S. & Lanier, M. eds. *The Essential Criminology Reader*. Boulder, CO: Westview Press.

Passas, N. (2005). Ziele, grenzen und risiken der finanzkontrolle von terrororganisationen (Goals, limits and risks of financial controls of terrorism). In Bundeskriminalamt, ed. *Netzwerke des Terrors – Netzwerke gegen den Terror*. Wiesbaden: BKA – German Federal Police.

Forthcoming

Senjo, S. (2006). Book Review: *Digital crime and digital terrorism* by Robert W. Taylor, Tory J. Caeti, D. Kall Loper, Eric J. Fritsch, and John Liederbach. Upper Saddle River, NJ: Pearson/Prentice Hall, 2006. 397 pages. *Studies in Conflict and Terrorism*, 29, (3).

Calendar

Academy of Criminal Justice Sciences

Baltimore, MD

February 28-March 4, 2006

Focus: *Investing in Quality: The Philosophy and Practice of Assessment in Criminal Justice*

http://www.acjs.org/pubs/167_668_2915.cfm

American Society of Criminology

Los Angeles, CA

November 1-4, 2006

Focus: *Democracy, Crime, and Justice*

<http://www.asc41.com/>

Events

2005 ASC Luncheon

The second of the WCCRC's bi-annual luncheons was held Thursday, November 17, 2005 during the annual meeting of the American Society of Criminology at the Fairmont Royal York Hotel in Toronto, Canada. Over 50 white collar crime scholars and practitioners attended, making the event a great success. A departure from previous luncheons, tables were centered around current topics of interest identified by members (organized crime, white collar crime theory, cybercrime, corporate crime, and white collar crime victims), allowing for the facilitation of discussion of current and future research endeavors in these areas. This themed strategy was well-received by those in attendance and is expected to be incorporated into future luncheons.

Thank you to all who participated in the luncheon; your perspectives are invaluable to furthering the mission of the WCCRC. We look forward to seeing everyone at the upcoming ACJS meeting.



WCCRC President, Sally Simpson, addresses luncheon participants.



Richard Hollinger leads discussion from the cybercrime table.



Maurice Punch relates the musings of the corporate crime discussants to the WCCRC.



WCCRC Vice President, Mike Benson, provides white collar crime theory commentary.



Kip Schlegel speaks to the state of organized crime research.

NW3C Research Section

Upcoming Research

The NW3C Research Section is in the process of finalizing results from the 2005 National Public Survey on White Collar Crime. The report, a follow-up to the National Public Survey on White Collar Crime (published in 2000), is expected to be available January 2006. For further information, please contact us.

Contact Us

Any questions or correspondence may be directed through these channels:

1000 Technology Drive
Suite 2130
Fairmont, WV 26554
(877) 628-7674

John Kane	Research Manager	jkane@nw3c.org	x200	(304) 368-2867(f)
Christian Desilets	Research Attorney	cdesilets@nw3c.org	x240	(304) 368-2851(f)
Sandy Haantz	Research Assistant	shaantz@nw3c.org	x241	(304) 368-2341(f)
Adrian Mascari	Research Assistant	amascari@nw3c.org	x238	(304) 368-2843(f)
April Wall	Research Assistant	awall@nw3c.org	x239	(304) 368-2846(f)

Editor's Note

The WCCRC Focus is a publication of the White Collar Crime Research Consortium (WCCRC). It welcomes articles and announcements relevant to individuals and organizations involved in white collar crime or related research. NW3C sponsors, funds, and coordinates the activities of the WCCRC. Please direct comments, suggestions, and materials concerning the newsletter to April Wall.

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