

# Assessing Inequality in America's Criminal Justice System:



## Disparities in the Punishment of Corporate Crime vs. Street Crime

Faculty Mentor: Marie Gottschalk, Penn Arts & Sciences Political Science Department

Presenters: Aleana Nguyen (COL '24) and Cheryl Nnadi (COL '24)

### ABSTRACT

Professor Marie Gottschalk is writing a new book tentatively titled "Race, Power, and Punishment: Crime in the Streets and Crime in the Suites". The project primarily focuses on the similarities and differences between how "crime in the streets" and "crime in the suites" are punished. In proofreading and copyediting and accumulating information from political science and legal databases, larger texts, and an external meta-analysis of two studies, we were able to contribute to the larger project as a whole. We helped frame arguments to be more accessible and provided corroboration for them, including our findings that indicate the implication of pharmaceutical companies, medical providers, government regulators and policymakers in the realization and the persistence of the opioid crisis for political and financial motives.

### RESEARCH QUESTIONS

- Why did the United States start punishing street crime more harshly while lightening up on the prosecution and punishment of corporate crime?
- Why are there disparities that subject certain people and groups disproportionately to criminal penalties and to state, interpersonal, and political violence?
- What differences exist between the ways in which street crime and corporate crime is punished?

### METHODS

1. Compiled annotated bibliographies and gathered evidence and data from larger texts to support the framed arguments for the following three case studies for the analysis of "crime in the suites":

- The Great Recession and financial crisis
- The opioid crisis
- The climate emergency

2. A qualitative meta-analysis was conducted of the following two studies:

- "A Contemporary Study of the Decision to Incarcerate White-Collar and Street Property Offenders"
- "Sympathy for the Devil: An Exploration of Federal Judicial Discretion in the Processing of White-Collar Offenders"

## RESULTS

### Study 1

Research Question	Results
Are white-collar offenders sentenced more leniently than comparable street-level property offenders?	<ul style="list-style-type: none"> <li>• Yes. White-collar offenders were <b>33.4 percent less likely</b> to be given a sentence than street property offenders, even when legally relevant variables taken into account such as demographic characteristics, the severity of crimes in their previous and current criminal record, and whether they went to trial or not were similar.</li> </ul>
Does the type of white-collar crime committed impact the relative sentencing severity of judicial sanctions?	<ul style="list-style-type: none"> <li>• <b>Yes.</b> White-collar offenders convicted of credit card fraud, frauds against businesses, and bribery were <b>highly more likely</b> to be incarcerated than white-collar offenders who were convicted of consumer fraud</li> <li>• White-collar offenders convicted of embezzlement and government fraud were <b>no more likely or less likely</b> to be incarcerated than white-collar offenders convicted of consumer fraud.</li> </ul>
Are high-status white-collar offenders sentenced more leniently than low-status white-collar offenders?	<ul style="list-style-type: none"> <li>• <b>Yes.</b> High-status white-collar crime offenders were <b>98.7 percent less likely</b> to be incarcerated than low-status white-collar crime offenders.</li> </ul> <p>*In this study, high-status white collar crime is defined as Medicaid provider fraud, while low-status white collar crime is defined as public assistance fraud.</p>
Are white-collar offenders sentenced more harshly following Enron than similar white-collar offenders sentenced before Enron?	<ul style="list-style-type: none"> <li>• <b>Yes.</b> White-collar offenders were <b>30.7% more likely</b> to be sentenced after the Enron scandal than before the scandal.</li> </ul>

### Study 2

Research Focus	Disposition	Duration
Judicial discretion in incarcerating offenders and the sentence length for federal white-collar crime offenders versus street level offenders, and the impact of extralegal and legal variables on these decisions.	<ul style="list-style-type: none"> <li>• Offenders who committed auto theft were about four times more likely to be sentenced than offenders who committed embezzlement.</li> <li>• Offenders who plead not guilty but were found guilty in trial were seven times more likely to be sentenced than offenders who plead guilty.</li> </ul>	<ul style="list-style-type: none"> <li>• Offenders who committed auto theft received sentences that on average were five months longer than offenders who committed embezzlement.</li> <li>• Offenders who had a larger criminal history had sentences that were two months longer.</li> </ul>

### CONCLUSIONS

- Even when legal and extralegal variables are held constant, white-collar offenders tend to be less likely to be sentenced and receive shorter sentences than street crime offenders.
- Social status may have an impact on sentencing decisions, as white-collar offenders who commit crimes usually committed by the upper-class are less likely to be sentenced to prison than white-collar offenders who commit crimes usually committed by the lower-class.
- Scandals that expose the crimes of white-collar and the economic elite, such as Enron, result in higher sentences for white-collar offenders.
- Access to resources may help high-status white-collar offenders bypass criminal justice interventions such as the usage of legal loopholes by some members of the Sackler family.

### FOR MORE INFORMATION

Please visit our linktree via this QR code to view a book infographic of *Empire of Pain* by Patrick Radden Keefe, an annotated bibliography of "white-collar crime" and "corporate crime", the limitations of two studies, and their respective charts.



### REFERENCES

- Maddan, S., Hartley, R.D., Walker, J.T. *et al.* Sympathy for the Devil: An Exploration of Federal Judicial Discretion in the Processing of White-Collar Offenders. *Am J Crim Just* **37**, 4–18 (2012). <https://doi.org/10.1007/s12103-010-9094-y>
- Van Slyke, Shanna, and William D. Bales. "A Contemporary Study of the Decision to Incarcerate White-Collar and Street Property Offenders." *Punishment and Society*, vol. 14, no. 2, April 2012, p. 217-246. HeinOnline, <https://heinonline-org.proxy.library.upenn.edu/HOL/P?h=hein.journals/punscty14&i=21>

### ACKNOWLEDGMENTS

We would like to thank Professor Marie Gottschalk and Librarian Lauris Olson for their guidance and mentorship that allowed us to bring about this research.