

Why Economic Inequality Matters for Criminology and Criminal Justice

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Class and Economic Inequality

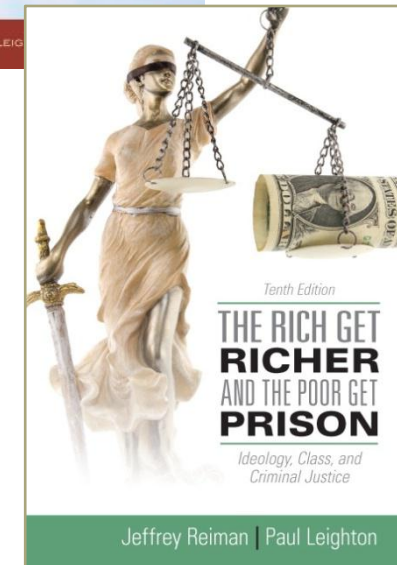
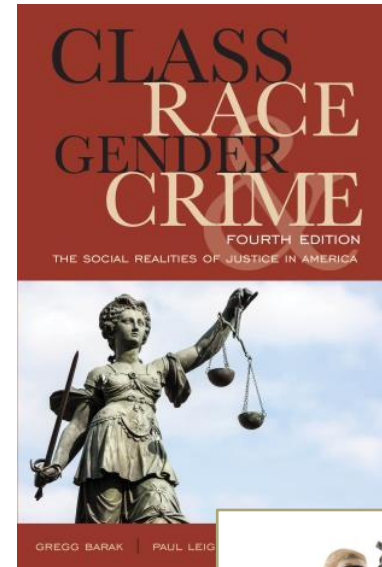
Class, Race and Gender are primary determinants of social life

but

“discourses about modern society have been largely de-classed.”

“The scale of this inequality is almost beyond comprehension, perhaps not surprisingly as much of it remains hidden from view”

Mooney, G. (2008) ‘Explaining poverty, social exclusion and inequality’ in T. Ridge and S. Wright (eds) *Understanding Inequality, Poverty and Wealth*, Bristol (U.K.): Policy Press.



Roadmap

- Inequality
 - US as extreme case: shows widest range of dynamics in sharpest relief
- Inequality & Crime
- Inequality & Criminal Justice
- Conclusions



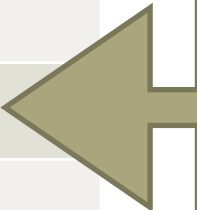
<http://occuprint.org/>

Income Distribution, 2012

Households	Share of Aggregate Income	Upper Limit (You are in this group if you make less than...)
Lowest Fifth	3.2%	\$20,599
Second Fifth	8.3%	\$39,764
Third Fifth	14.4%	\$64,582
Fourth Fifth	23%	\$104,096
Highest Fifth	51%	← ????
Top 5%	22.3%	<i>Lower limit</i> = \$191,156

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Highest Fifth	\$2,200,000,000
Top 5%	Lower limit = \$191,156



\$2.2 Billion

**Hedge fund
manager David
Tepper**

U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplements, Tables H-1 and H-2

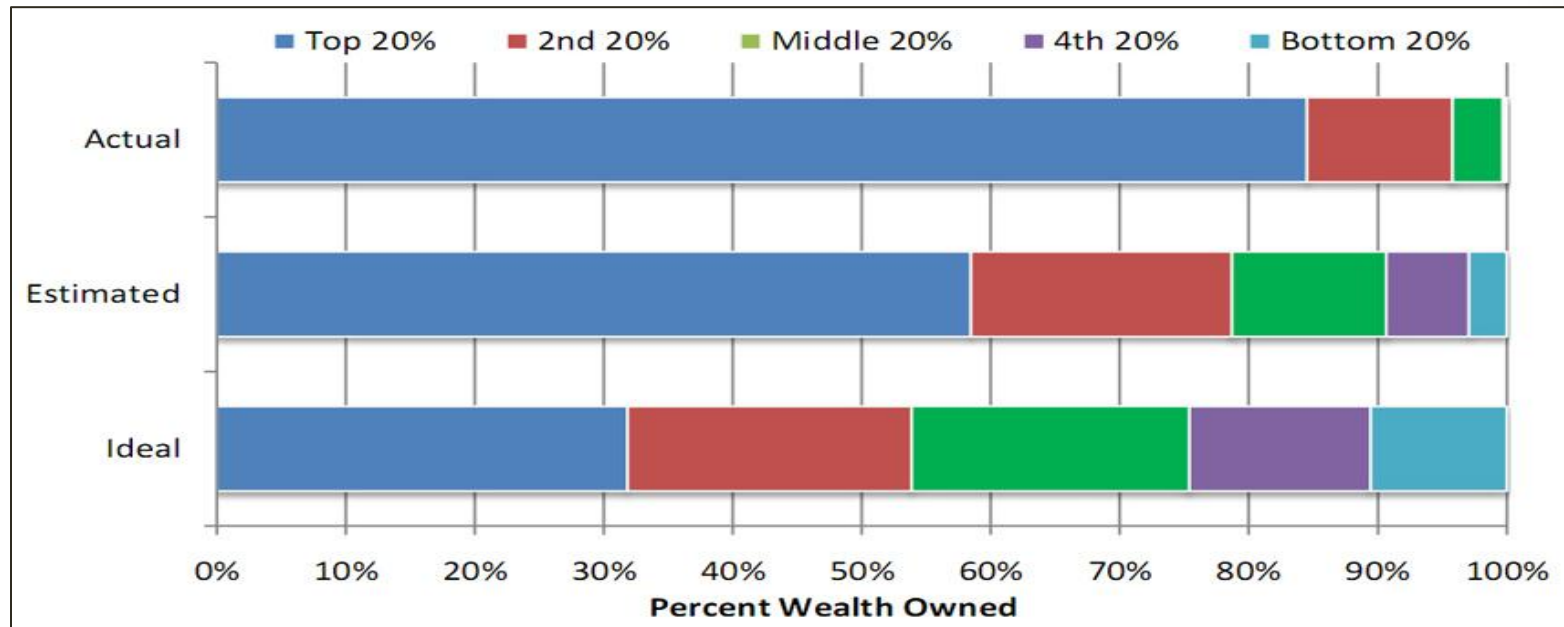
<http://www.census.gov/hhes/www/income/data/historical/household/>

Forbes, The 40 Highest-Earning Hedge Fund Managers and Traders,

http://www.forbes.com/lists/2013/hedge-fund-managers-13_land.html

Wealth = assets – debts

Financial security and political power



Top 20% *actually* control 84% of wealth; people *believe* they control 59%; *ideally*, top 20% *should* control 32%

Bottom 60% *actually* own 5% of wealth; people *believe* they control about 20%; *ideally*, the bottom 60% *should* control 45% of wealth.

Unequal Wealth Distribution

Households	Share of Aggregate Wealth (2010)	Notes (from 2012 and 2013)
Bottom 50%	1.1%	At 25 th Percentile, wealth = \$3,200 50 th Percentile (median) = \$56,335
50 – 90 th percentile	24.3%	75 th percentile = \$260,405
90 – 99 th percentile	40%	90 th percentile = \$763,099 95 th Percentile = \$1,364,834
99 – 100 th percentile	34.5%	Does not include Forbes 400. 2012 total wealth = \$2 trillion (min = \$1.3 billion, max = \$72 billion)

Kennickell, Arthur. 2011. Tossed and Turned: Wealth Dynamics of U.S. Households 2007-2009.

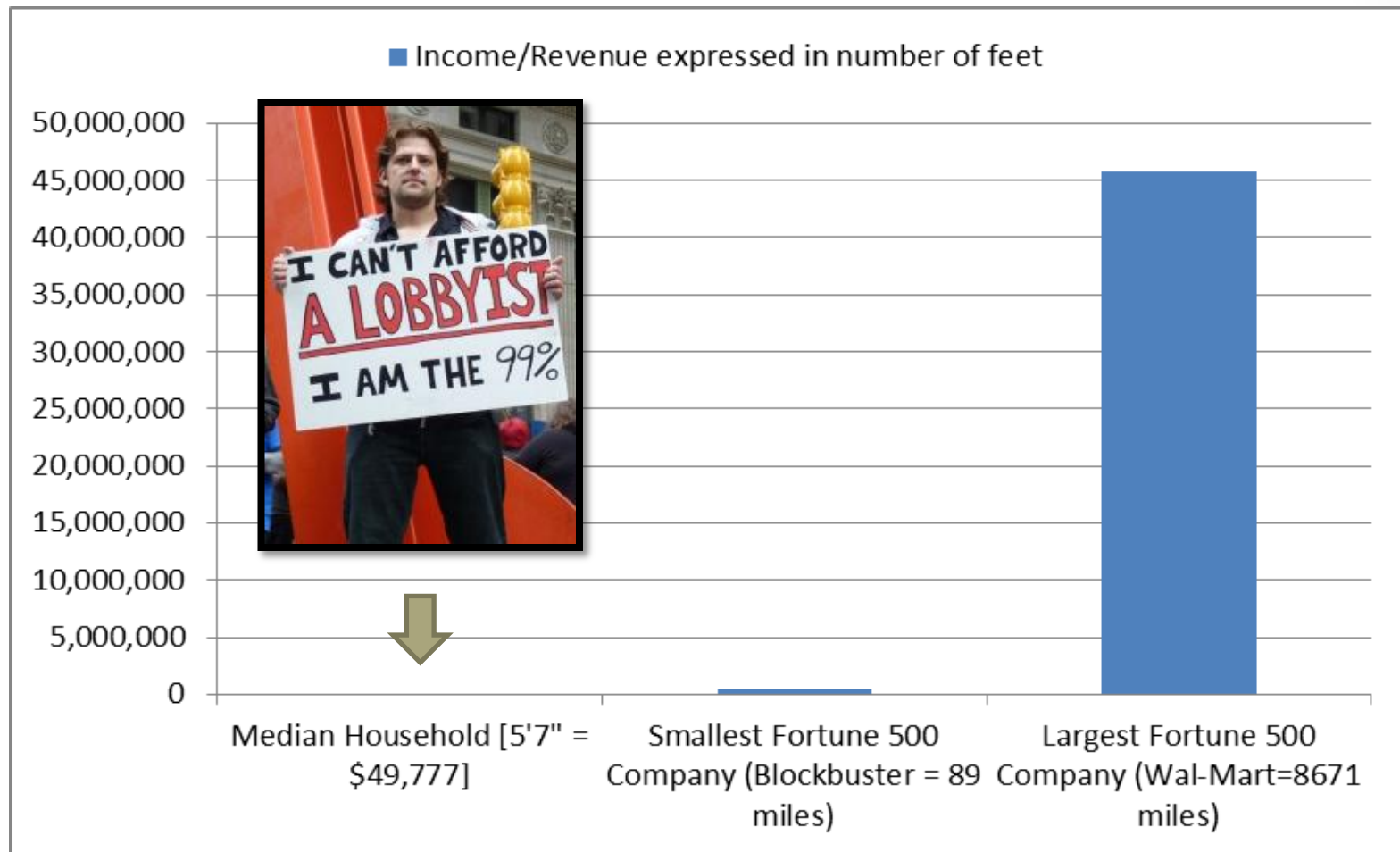
<http://www.federalreserve.gov/pubs/feds/2011/201151/revision/201151pap.pdf>. Page 12.

Pfeffer, Danziger and Schoeni. 2014. Wealth Levels, Wealth Inequality and the Great Recession.

<http://www.ritholtz.com/blog/2014/07/wealth-levels-wealth-inequality-and-the-great-recession/>.

Forbes. 2013. Forbes ranking of 400 richest Americans. <http://www.forbes.com/sites/forbespr/2013/09/16/forbes-announces-its-32nd-annual-forbes-400-ranking-of-the-richest-americans/>

Inequality between real and corporate persons, 2010



International Monetary Fund, World Economic Outlook Database, April 2011. <http://www.imf.org>
Fortune 500, 2010. http://money.cnn.com/magazines/fortune/fortune500/2010/full_list/.

Country GDP v Corporate Revenue, 2010

Overall Rank	Country Rank	Company Rank	Country/Company	GDP/Revenue*
1	1		United States	\$15,065
29	29		South Africa	\$560
30		1	Wal-Mart	\$422
32		2	Exxon-Mobil	\$354
62		6	General Electric	\$152
66		9	Bank of America	\$134
70	58		Vietnam	\$121
71		13	J.P. Morgan Chase	\$116
73		14	Citigroup	\$111
86		23	Wells Fargo	\$93

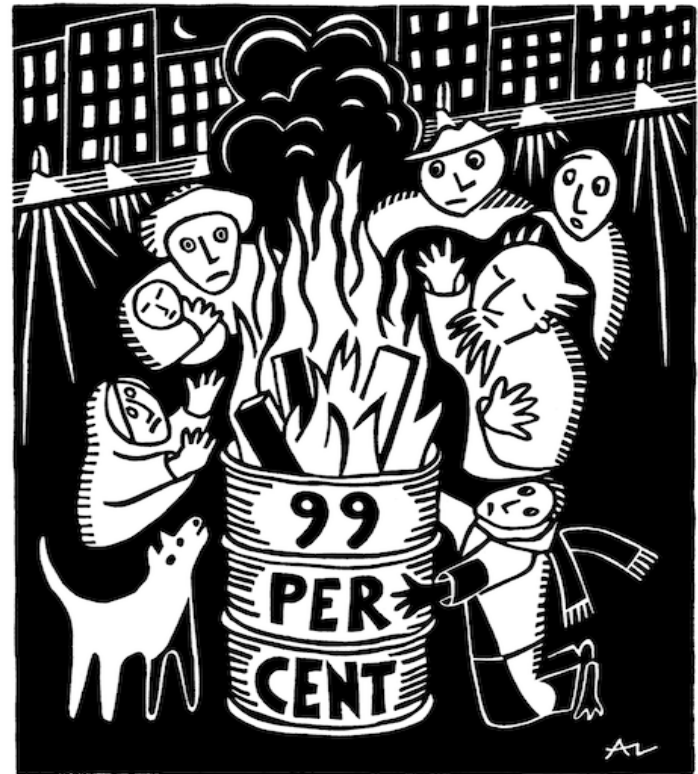
Fortune 500 from http://money.cnn.com/magazines/fortune/fortune500/2011/full_list/.
 International Monetary Fund, World Economic Outlook Database, September 2011. Gross domestic product is expressed in current (2011) U.S. dollars.
<http://www.imf.org/external/pubs/ft/weo/2011/02/weodata/index.aspx>.

* In billions of US dollars

Inequality & Criminology

- Inequality worsens both crimes of poverty motivated by need and crimes of wealth motivated by greed
- “Need”: absolute, what we perceive others to have, what whites have, expectations based on “advertising and dramatization of bourgeois lifestyles” (p 83)

Braithwaite, John. 1992. Poverty Power and White Collar Crime, in Schlegel and Weisburd, *White-Collar Crime Reconsidered* (Boston: Northeastern University Press)



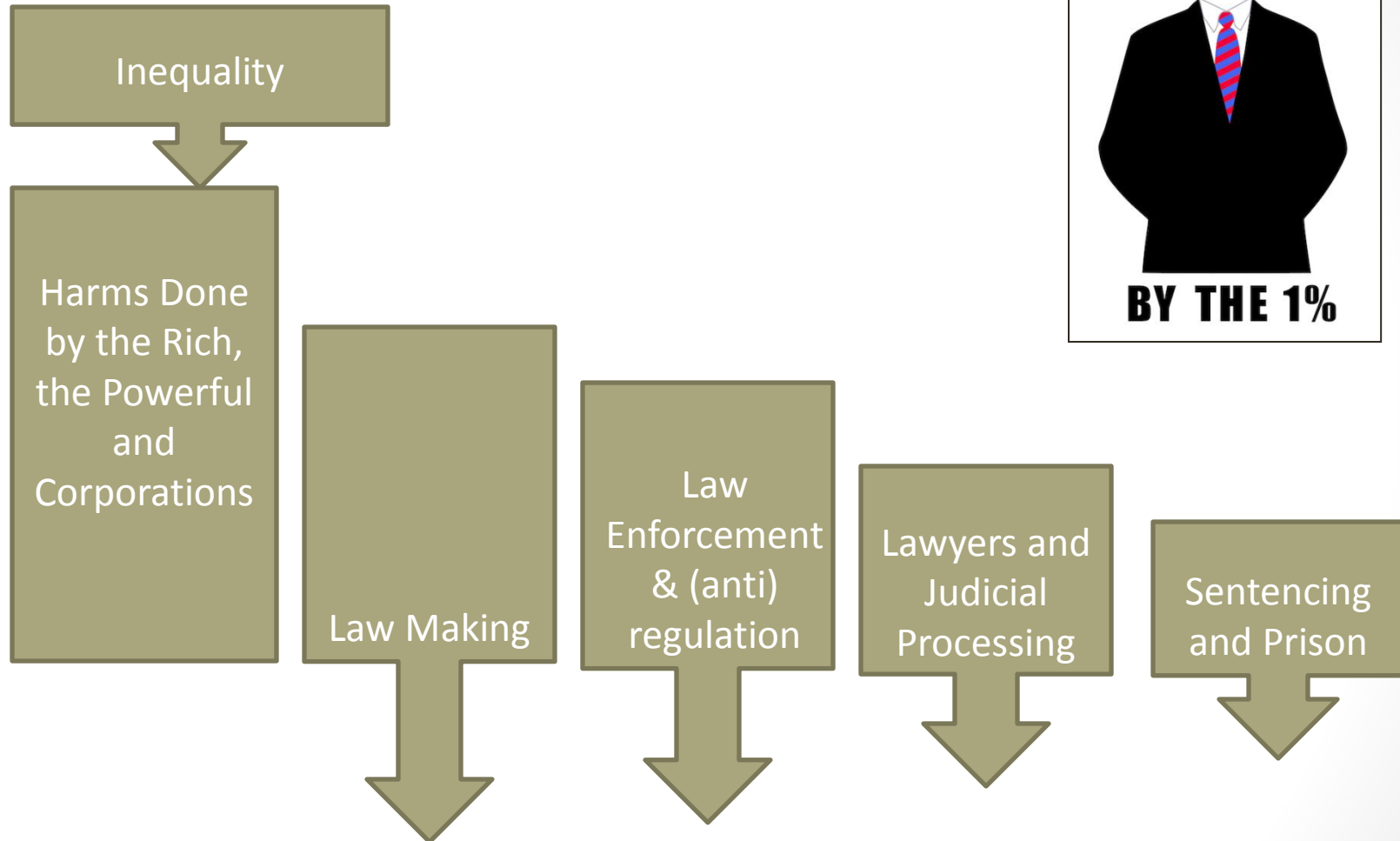
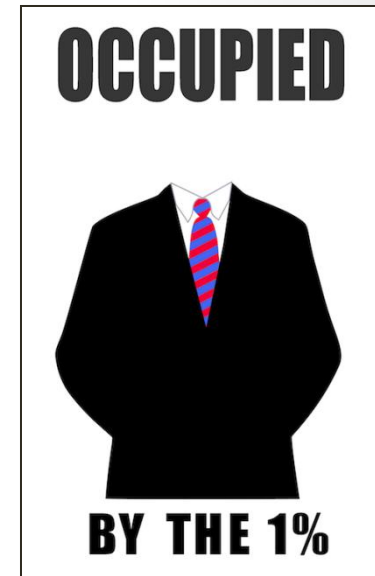
Inequality & crimes of the rich

- Having additional money matters to the rich
- “increasing concentrations of wealth [enables] the constitution of **new forms of illegitimate opportunity**” (p 85)
 - Novel illegitimate strategies that “excel because they **cannot be contemplated by those who are not wealthy**” (p 88)
- “people in positions of power have opportunity to commit crimes that involve the abuse of power, and **the more power they have, the more abusive those crimes can be**” (p 89)
- “**undermines respect for the dominion of others**” (p 80)



All quotes from Braithwaite 1992

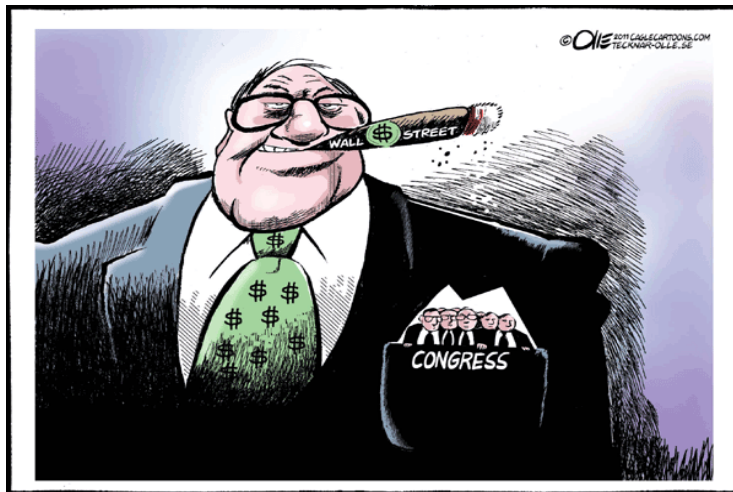
Inequality and CJ



Inequality worsens crimes of rich and poor. CJ system focuses on poor while rich are processed out of the system at every stage

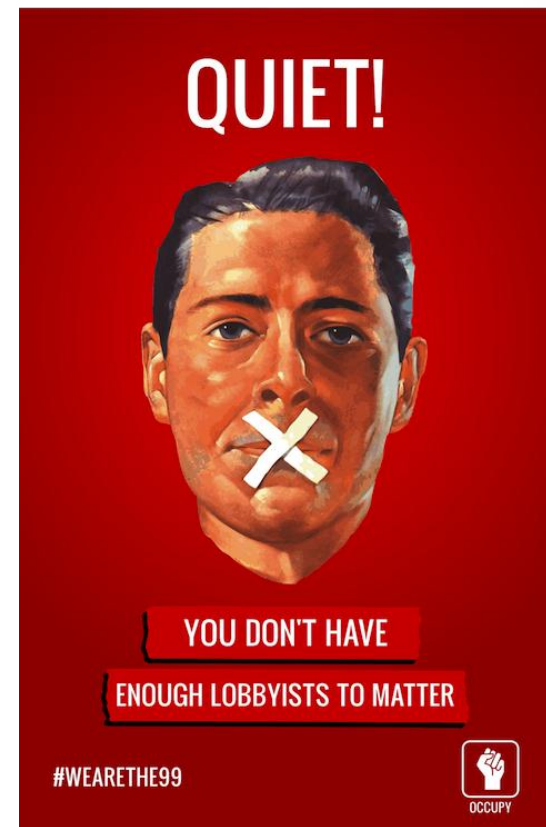
Inequality & Law Making

- The 1% are not seen as a special interest and lobby so that the harms they do are
 - Civil violations (fines) not criminal (prison)
 - Misdemeanor (minor) not felony
 - Not recognized in law



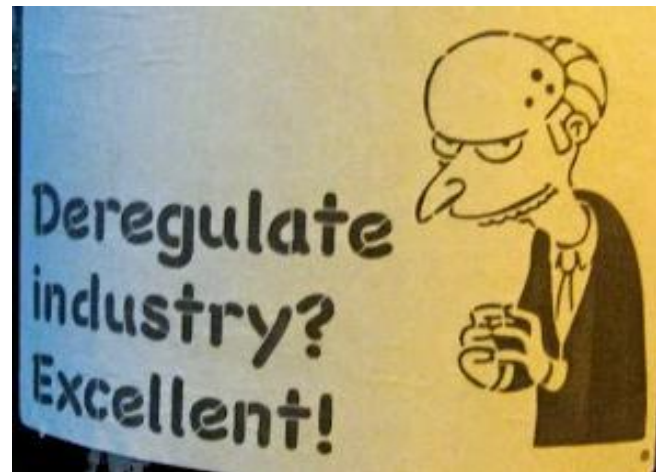
“Capitol Hill works like a vending machine. You put coins in the slot, select your law, and the desired legislation slides out” ([Ritholtz 2012](#))

<http://occuprint.org/>



Inequality in Policing/Regulation

- Crimes of poor: “get tough” ~ “zero tolerance” ~ “WAR on crime” ~ “law and order”
- Policing of the powerful: “deregulation”
 - Regulators = cops on the beat
 - We wouldn’t allow the Super Bowl to be played without referees because “we *know* that players would give in to their worst impulses.” The financial system is the same. Barry Ritholtz, [“Where’s the Ref?”](#) *Forbes*, September 12, 2008.



Inequality in Lawyers & Legal Outcomes

- Indigent man on death row: “the lawyer himself was on probation for public intoxication and addicted to crystal methamphetamine... the lawyer would be charged with drug possession, declare bankruptcy and commit suicide” ([NYT 2013](#))
 - A 2011 study found that death penalty lawyers “often spend little time preparing their cases and put on only the barest defense. They neglect basic steps, such as interviewing defendants, seeking out witnesses, and investigating a defendant's background.”
- One upper-class campus drug dealer studied in *Dorm Room Dealers* described himself as “untouchably wealthy,” ended up with a “possession ticket” because “I got real good lawyers [laughs]. Like real good lawyers... fucking like six lawyers.” (Mohamed and Fritsvold 2012, p 159)

Inequality and Sentencing (Cumulative Impact)

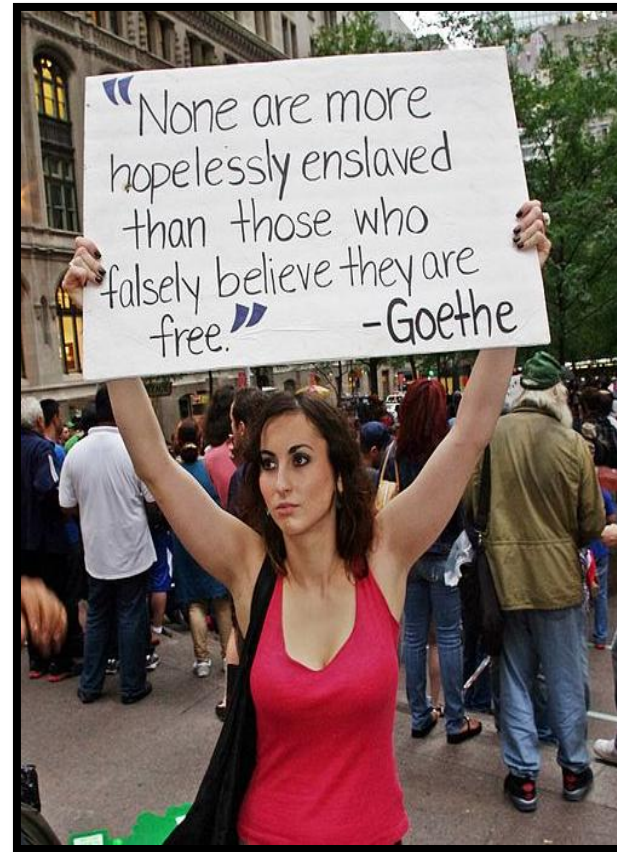
- *SEC v Citigroup* (2011), Citi fined less than investor losses. They agreed not to violate securities laws. They “agreed not to violate the very same antifraud statute in July 2010. And in May 2006. Also as far as back as March 2005 and April 2000.”
- Peaceful protesters get arrested for disorderly conduct, while those who created serious disorder with the world economy keep getting bonuses and go about business as usual. Financial crooks lobby against reform legislation and consumer financial protection.



Conclusions: There's More Inequality Than You Think

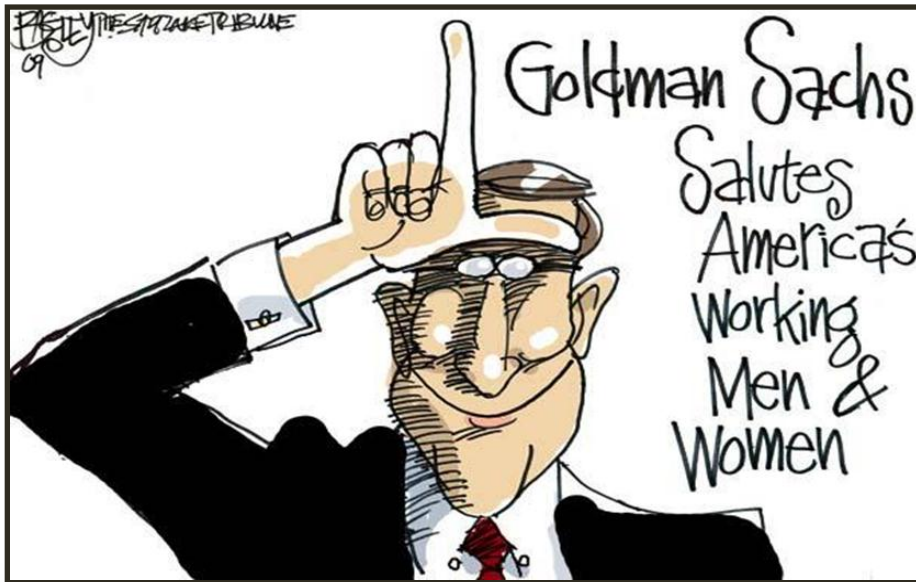
Ideology

“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”



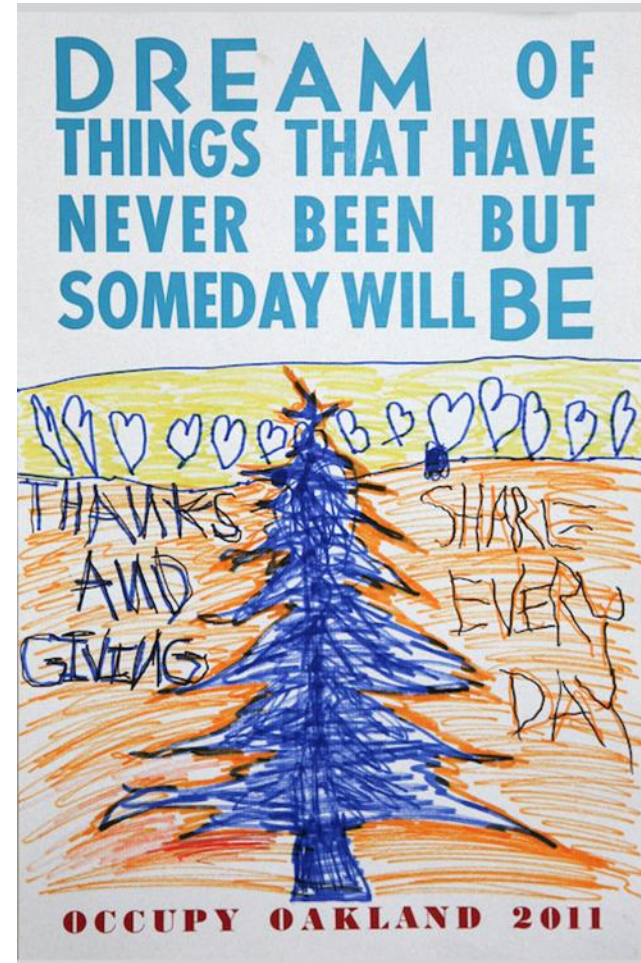
No neutrality in the face of injustice

“to claim to be apolitical or neutral in the face of such injustices would be, in actuality, to uphold the status quo – a very political position to take and on the side of the oppressors” -Sister Helen Prejean, *Dead Man Walking*



‘Declassed’ criminology more state propaganda than science

- Accepts political definition of crime
- Focuses coercive CJ system on poor and neglects threats to public safety/wellbeing from white collar and corporate crime
- CJ can be no more fair than the society for which it provides ‘law and order’ - reflect and recreate injustices in social order
- ‘Equality under law’ requires assessment of class bias in CJ



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More information about him is available on his website,
<http://paulsjusticepage.com/paul/pauls-cv.htm>

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CHALLENGES FOR GLOBAL SOCIOLOGY**

