

Organised Business Crime in the News

Mike Levi argues that coverage of organised and white collar crime in the media is important because it influences public perceptions of harmfulness and affects enforcement resources, court decisions and the occupational opportunities for those sanctioned.

By contrast with the scepticism of many European and American criminologists about the existence of hierarchical criminal organisations (see Levi, 2002 for a review), the sheer force of media repetition conjures up hierarchical Mafia-type images familiar to the public through films such as *The Godfather*. Whereas white-collar defendant businesspeople are regularly interviewed for their story (if they are willing to give it) and – except for ‘widows and orphans’ frauds – are given some ‘voice’ (see Levi, forthcoming), this very seldom happens with those involved in drugs, people trafficking, robberies or other forms of serious or organised crime, nor is there strong scepticism of law enforcement constructions of harm. This has political consequences, for example in support for the Serious and Organised Crime Agency approved in 2005. Though some newspapers questioned how effective the new agency would be, an editorial in *The Sun* (February 10, 2004) captured the general mood when it stated: “Organised crime has woven a worldwide web of evil. In Britain, it is estimated to cost our economy £40bn a year. With the best will in the world, our police forces are struggling to win the fight against such formidable opponents. That is why we welcome the government’s bold plan.”

Attracting sympathy

A common technique of the private sector, to attract more sympathetic handling of their cases from the police and prosecution and co-operation from the public, is to attach the label of ‘organised crime’ to the conduct from which they are suffering economically. Thus we are given headlines such as “Pirates loot the film and music giants’ coffers” (*The Observer*, 8 February 2004) accompanied by the strap-line below “Organised crime is running the multi-billion dollar counterfeit trade – and it’s not just Hollywood that will suffer.” This echoes the attempts of the National Criminal Intelligence Service threat assessment (NCIS, 2004) to persuade us that buying counterfeit products from street markets is donating money to organised criminals (and terrorists).

A rare counter-example (from the *petit bourgeois* rather than elite suspects) is the extraordinary press conference called by the organiser of cockle-picking (gathering shellfish) in Northern England, following the tragic drowning of 20 Chinese labourers on

shifting sands while working at night (*The Guardian* and other newspapers, 14 February 2004). Headlined “Arrested cockle buyer lashes out at police”, the director accused police and the government of inventing the term ‘gangmasters’ and he attempted to shift blame for the tragedy from himself to local people whom, he alleged, were angry at the use of foreign workers and had committed racist attacks on the Chinese. Lancashire police, who normally would be regarded as ‘primary definers’ of the news agenda, responded: “Two men are currently on bail after being arrested on suspicion of manslaughter, and it is completely inappropriate for them to be commenting on this inquiry.”

The implicit assumption here is that the ‘appropriate’ role of suspects (even businesspeople) is to remain at the mercy of whatever hostile publicity the police and media might generate against them!

As for other areas of serious criminality, the notion of ‘computer crime’ is used as titillating entertainment which generates fear about the power of technology being beyond the control of respectable society. The specialised computer magazines present a more ambiguous story, knowing enough to question the accounts of harm and risk put forward by investigators, prosecutors and victims. Where technology can be added to gangsterdom (especially involving ‘the’ Russian *Mafiya* or some other exotically constructed group or network), this makes ideal media copy: ‘High-tech gang tried to steal £220m. from Japanese bank in London’ (front page *Financial Times*, 17 March 2005).

A “good prog” is one that alarms the public and attacks the competence of large institutions: this is a theme running through “infotainment”, and the rise of small camera technology has assisted such undercover programmes. The publicity unintentionally misleads readers and viewers into believing that “the fraud problem” is technological and external rather than largely social and internal.

Battles over social definitions of harm are not restricted to ‘new’ crimes of the digital age such as software piracy. Nor should it be assumed that ‘big business’ wants to depict hacking as a major public threat – anxiety about identity theft undermines investment in technology – though neither business nor government want it to be seen just as play either. Hacking stories are mostly public entertainment but cyber misuse fears may be used to justify (especially since ‘9/11’) the ‘need’ for more ‘dataveillance’ and

longer data retention by service providers or to stop false claims being advertised on the internet.

Ideology and media coverage

The owners and senior editors of mass media may inhibit certain forms of 'economic crime' reporting in the following ways:

- By not investing the staff recruitment and time or travel budgets needed, especially for transnational investigations;
- secondly, via interlocking interests and webs of influence that may transcend direct economic co-ownership conflicts of interest;
- and thirdly, by an ideology that supports informing businesspeople and even private investors about specific financial crime risks, but that broadly reflects business interests. That does not, for example, undermine confidence in the financial services industry (which is a heavy advertiser and employer).

The impact of these factors may vary substantially between cultures and over time, for traditions of media independence, even though not embodied in formal procedures or law, can and do impact on conduct, although they can be broken by ruthless entrepreneurs in a global market. The impact also depends on the level of political and law enforcement involvement either in crimes of deception or in 'organised crime' generally. In Britain, where these factors are relatively low, the importance of media problem distortion may be less than in Italy during the post-war period or in countries in transition such as Serbia.

What normally happens in Western societies is that once a scandal breaks, especially if some official action is taken – whether by criminal justice agencies or by regulators – all the media get resources to throw some extra light (real or invented) on events that are deemed 'newsworthy' because they involve a celebrity and/or egregious damage to 'deserving victims' or some other 'wow' factor. When home improvement celebrity Martha Stewart was released from prison, her journey by Learjet to 'house arrest' on her 62-hectare estate (early March 2005) was covered in US tabloid and US/UK broadsheet papers and television news as a tale of fall from grace and subsequent redemption, with no connection at all to the just deserts of other prisoners, male or female. Even setting aside the risks from libel lawsuits, investigations that generate 'unwelcome' leads to expose interests that overlap with those of the proprietors may have difficulty finding a home in the formal media. Though they might be 'published' anonymously on the internet, the investigators would not be paid or become famous! Thus do structural, cultural and personal factors interweave and interpenetrate to 'produce' (or not produce) news and documentaries on white-collar and organised crime.

Though *The Guardian*, for example, has been active in reporting alleged misconduct by BAe and other firms in getting defence contracts overseas (and other newspapers such as *The Financial Times* might have been equally prominent in their coverage, given access to the same information), frauds and corruption in procuring business are not treated as subjects for moral panic in the same way as is procuring 'kiddieporn', or as gangsters such as Kenneth Noye and 'the' Italian Mafia. Furthermore, the ways in which media is interpreted by the public are not well understood. For example, in the more explicitly politicised Italian media, there are many perspectives

the public might have of the stories on the fraudulent multi-billion Euro bankruptcy of the Italian company Parmalat. Do they see it as:

- a gross crime, aided by a complicit set of regulators?
- a fraud operating in the interstices of national regulators unable to co-ordinate the control of a global set of businesses with different corporate entities in jurisdictions with different levels of transparency?
- or as a 'bonfire of the vanities' by a founder caught up in the *machismo* of competition among Latin business magnates to run their 'family' soccer clubs and support family businesses?
- as 'normal business'; or as 'organised crime'?

Does their construction of the scandal simply reflect the initial socio-political worldview that led them to select the newspaper/television channel in question? Although Martha Stewart made the 'mistake' of selling shares after a tip-off by its chief executive and of lying to regulators afterwards, this conduct was certainly not treated as 'organised crime' by the media and is unlikely to have been so viewed by the public. The impact of the media upon these alternative constructs of harm remains an insufficiently developed arena for theoretically informed empirical analysis. For example, what evidence is there, while price differentials with legal software products remain high, that fewer people buy counterfeit products or buy them less often because they think that profits will go to 'bad people'?

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