

Table 3.4  
 Estimates of Major Crimes in the United States, 1989

Sector and type of crime	Number	Rate per 100,000
<i>Personal sector</i>		
Rape	135,000	70
Robbery	1,092,000	540
Aggravated assault	1,665,000	830
Simple assault	2,969,000	1,470
Personal larceny	13,829,000	6,870
<i>Household sector</i>		
Burglary	5,352,000	5,640
Household larceny	8,955,000	9,440
Motor vehicle theft	1,820,000	1,920
		<i>Per 100,000 households</i>

Source: Adapted from Johnson and DeBerry (1990b, p. 3).

Moreover, crime is not confined to any one segment of the American population. While it appears that a relatively small number of individuals commit a disproportionate amount of crime (see Blumstein et al. 1986, pp. 55-95), self-report surveys demonstrate that almost everyone has at some time committed a crime. Williams and Gold (1972) reported that 88 percent of a national sample of 847 boys and girls between 13 and 16 years of age in 1967 admitted to committing at least one chargeable offense in the three years preceding the survey, though few of them admitted to committing frequent and serious offenses. O'Donnell et al. (1976, pp. 81-82, 90-92) asked a sample of 2,510 men between 20 and 30 years of age in 1974 if they had ever committed each of ten offenses. Seventy percent of the respondents admitted to public intoxication, 60 percent to driving a car while intoxicated, and 44 percent to shoplifting. Thirteen percent said that they had engaged in breaking and entering, and 6 percent admitted to car theft, 3 percent to face-to-face stealing, 3 percent to illegal gambling, and 3 percent to passing bad checks. One percent confessed to forging a prescription and another 1 percent admitted to armed robbery. Overall, 31 percent of the respondents said that they had been arrested for something other than a traffic violation; 8 percent said that they had appeared in juvenile court, and 12 percent said that they had been convicted of a crime. In the 1980 National Youth Survey, 48 percent of the 1,494 respondents said that they had engaged in some sort of public disorder, 24 percent confessed to a crime against persons, 18 percent admitted to theft, and 11 percent reported engaging in some illegal service (Elliott et al. 1983).

Crime is even more pervasive than these various statistics indicate, and an entirely incorrect impression of crime and criminality is formed if conclusions are based solely on them. Indeed, these statistics ignore a number of other offenses, such as white-collar crimes. White-collar crimes are crimes committed by persons of respectability and high social status in the course of their occupations. These crimes range from fee-splitting and bill-padding, offenses committed by entrepreneurs acting on their own behalf, to restraint of trade and fraudulent advertising, offenses committed by corporate officials acting on

their corporations' behalf. Though white-collar crimes are extensive, an index of their frequency is not found in police reports. Prosecution for this kind of crime often is avoided because of the political and financial importance of the parties concerned, the apparent triviality of the offenses, or the difficulty of securing evidence sufficient for prosecution (see Hagan et al. 1980; Hagan and Parker 1985; Cullen et al. 1987, pp. 326-34). When the state does act against white-collar criminals, methods other than prosecution in the criminal courts are commonly used: action may be taken in the civil courts or administrative commissions. Underlying the failure to prosecute white-collar criminals as criminals is the lack of a developed feeling of moral indignation about these crimes in the persons of power who are involved and, to some extent, in the general public (see Cullen et al. 1982; Meier and Short 1982). Strong ethical codes deploring such offenses have not developed, and the victims of white-collar crimes have been unable to persuade criminal justice personnel to be as indignant about white-collar crime as they are about ordinary street crime (see Brenner and Molander 1977; Cressey and Moore 1983). As a consequence, a precise statement regarding the extent of white-collar crime is impossible.

Still, research indicates that white-collar crime is extensive. In a pioneering study first published in 1949, Sutherland (1983) examined the number of instances in which seventy of the largest mining, manufacturing, and mercantile corporations in the United States engaged, over a period of about forty years, in the following types of violations of laws: restraint of trade, misrepresentation in advertising, unfair labor practices, rebates, financial fraud and violation of trust, violations of war regulations, infringement of patents, trademarks, and copyrights, and some miscellaneous offenses. The records showed that every one of the corporations violated one or more of these laws, with an average of about 13 adverse decisions per corporation. The corporations had a total of 307 adverse decisions on charges of restraint of trade, 222 adverse decisions on charges of infringement, 158 adverse decisions on charges of unfair labor practices, 97 adverse decisions on charges of misrepresentation in advertising, and 196 adverse decisions on charges of violating other laws. In a more recent study, Clinard and Yeager (1980, pp. 110-22) reported on the actions taken by twenty-five federal agencies against the 477 largest publicly owned manufacturing corporations and the 105 largest wholesale, retail, and service corporations in the United States during 1975 and 1976. A total of 1,553 federal actions were brought against these firms during the period, or an average of 2.7 cases of violation per firm. Of the 582 corporations, 350 (60.1 percent) had at least one federal action brought against them, and the average was 4.4 cases per firm. A small number of the corporate violators committed a disproportionate amount of the offenses; 38 of the 300 manufacturing firms cited for offenses accounted for 52 percent of all the offenses charged in the period. Further, the habitual offenders tended to be large corporations. Small firms committed one-tenth of all violations, medium-size firms committed one-fifth, and large firms committed three-fourths. In both studies, then, the official records revealed that corporations violated the law with great frequency. Moreover, these enumerations of official decisions are far from complete, and they are concerned with violations of a fairly small number of laws. Even a complete enumeration of all adverse decisions against all corporations in a specific period would represent merely a crude index of the total amount of crime perpetrated by corporations in that period.

Fraud is often a white-collar crime. It involves active deception or misrepresentation by silence for purposes of profiting at another's expense. Fraud takes different forms: misleading balance sheets, wash sales to falsely determine the value of a security, concessions in rent by real estate dealers in order to fraudulently raise the sale price of property, excessive and misleading claims made by manufacturers, vendors, and advertisers of patent medicines, cosmetics, and other articles; transfer by bankers of their own deteriorated securities to the trust funds under their direction; and numerous practices in contemporary advertising and sales. Neither the extent nor the trend of fraud can be determined by available statistics, but it is probable that fraud is the most prevalent crime in the United States.

In many occupations, expert techniques of concealment have been developed to prevent customers from learning the defects of a commodity. Few farmers would sell hogs that they knew were infected with cholera and would die within a few days, and those who did so would be considered dishonest, even if the misrepresentation consisted merely of silence regarding the danger. On the other hand, few brokers or bankers would hesitate to sell securities that they had learned from advance information would soon be worthless, and those who did refrain from making such sales would be viewed by their peers as foolish. Defects in commodities are often concealed, and labels often misrepresent (see *Clinard and Yeager 1980*, pp. 217-27). Shifting of inferior quality may be filled with clay in order to hide defects until a sale is completed. Manufacturers offer a variety of list prices for the same item, so merchants can advertise that they sell at a small markup. In general, these cases of fraud have not been subject to prosecution, for the courts have operated on the principle of  *caveat emptor*, which means that consumers must protect themselves against ordinary dishonesty and can appeal to the courts for protection only against extraordinary dishonesty.

An immense amount of fraud is involved in insurance, on the part of both the insured and the insurers. Houses are burned, automobiles destroyed, and sickness and injury feigned in order to collect insurance. Fraud in personal injury cases is extensive, and it was once an important source of income for unscrupulous lawyers known as "ambulance chasers," who generally worked on contingent fees. Arson for purposes of collecting insurance occasionally results in prosecution, but other forms of insurance fraud are rarely prosecuted. The insurance company itself is seldom free to prosecute for fraud, for it seldom has clean hands. Operating on the principle that "business is business" and the sentiment must be eliminated, the insurance company seeks to make a settlement at the lowest possible figure rather than at the figure justified by the nature of the loss. To this end, the claim agents, lawyers, and physicians employed by the insurance company often practice misrepresentation. Physicians for the company, for example, minimize the extent of injuries in the expectation that the physician on the other side will magnify them. In some cases the claim agent collects an additional sum for settlement and divides this with the attorney for the injured party.

Fraud is also present in the professions. In medicine, there is evidence of considerable deception. It has been estimated that one out of every five cases of surgery is unnecessary. If this estimate is accurate, then there are approximately 2.4 million unnecessary surgical procedures a year (Coleman 1989, p. 113). There also is a good deal of misrepresentation by medical service suppliers seeking reimbursement; pharmacies bill the government and

health insurance companies for more pills than their customers receive, and medical laboratories bill them for tests that were never performed (see Jesilow et al. 1985). With respect to the legal profession, popular opinion holds that a lawyer who is completely honest cannot be successful, and that most law firms will take any case within their field of specialization, no matter how dishonest they must be in order to represent their clients' interests. Though an absence of official statistics makes it impossible to determine the truth of these notions, they probably exaggerate the extent of dishonesty in the legal profession. Fraud is still common, but flagrant practices seem to have decreased over the years, due perhaps to increased professionalization of legal occupations. Bar associations have been organized to promote codes of ethics and prosecute unethical and openly criminal practices. Nonetheless, the "spirit of combat" in legal trials continues to encourage some lawyers to deceive and misrepresent by misstatement and concealment in order to win cases (see Freedman 1975).

Fraudulent reports of property and income for tax purposes are common. Any taxpayer who honestly reported all personal property would be regarded by many as stupid, for the only way to avoid paying more than a fair share of taxes is to accept the common level of dishonesty. Most citizens probably would prefer to make honest reports, if they were assured that others would do the same. With computerized records of income and taxes, dishonesty in filing income tax reports has become more dangerous, but the methods of concealing income and making fraudulent claims for exemptions are still widely used.

The extraordinary development of fraud in modern life is an aspect of the drive for profits, which itself is regarded as an important virtue in capitalist societies and which, for that reason, seems to remove some of the taint from illegal practices. Those who engage in fraud ordinarily feel no pang of guilt, as the effects of fraudulent behavior are not apparent in individual victims known to them but instead are impersonal and diffuse. If the effects of fraudulent practices were discernible in particular persons known to defrauders, and if these practices were not purified by attachment to the virtuous search for profits, many business and commercial practices would be clearly recognized as crimes.

Bribery is not always white-collar crime, but it is another prevalent crime for which reports to the police and arrests are seldom made. Bribery of public officials is a crime for both the bribe-taker and the bribe-giver. "Influencing private persons by giving them gifts, money, or services is not crime, but it is closely akin to bribery in effects and attitudes. Both public and private "influence peddling" may be in the form of a direct exchange of money, but it is more frequently an indirect and concealed method of putting a person under obligation to return a service. In some cities and states, a good deal of bribery occurs in connection with the purchase of supplies, the making of contracts, the enforcement of regulations, and the enactment of laws (see Block and Chambliss 1981; Heinz et al. 1983). Bribery may be involved when fuel oil is purchased for public buildings, textbooks are chosen for public schools, roads and buildings are constructed, land is purchased for public purposes, franchises are granted to railroads, bus companies, and public utilities, and so on. Some public officials have derived much of their wealth from bribes from important financial and commercial concerns as well as from agents of the so-called underworld (see Gardner 1970; Block and Scarpiti 1985, pp. 278-308). It seems that