

**San José State University**  
**Department of Justice Studies**  
**JS145-01, White Collar Crime, Fall 2016**

**Course and Contact Information**

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<b>Office Hours:</b>	Tuesdays, 2:00 PM - 3:00 PM, Wednesdays, 10:00 AM - 1:00 PM, and by appointment.
<b>Class Days/Time:</b>	Mondays/Wednesdays 1:30 PM - 2:45 PM
<b>Classroom:</b>	MacQuarrie Hall 520

**Justice Studies Department Reading and Writing Philosophy**

The Department of Justice Studies is committed to scholarly excellence. Therefore, the Department promotes academic, critical, and creative engagement with language (i.e., reading and writing) throughout its curriculum. A sustained and intensive exploration of language prepares students to think critically and to act meaningfully in interrelated areas of their lives—personal, professional, economic, social, political, ethical, and cultural. Graduates of the Department of Justice Studies leave San José State University prepared to enter a range of careers and for advanced study in a variety of fields; they are prepared to more effectively identify and ameliorate injustice in their personal, professional and civic lives. Indeed, the impact of literacy is evident not only within the span of a specific course, semester, or academic program but also over the span of a lifetime.

**Course Description**

Growth and development of white collar crime in the United States: crimes at the workplace, computer fraud, swindles, embezzlement, bribery and graft at the corporate and governmental levels. Prerequisite: Upper division standing. Students must achieve a grade of “C” or better (not C-) to fulfill Justice Studies major requirements. 3 Units.

**Course Learning Outcomes (CLO)**

Upon successful completion of this course, students will be able to:

- CLO 1: Demonstrate substantive knowledge of the development of white collar crime in the United States: crimes at the workplace, computer fraud, embezzlement, bribery, graft, etc., at the corporate and governmental levels.
- CLO 2: Define white collar crime and distinguish it from other species of criminal behavior.

- CLO 3: Demonstrate a thorough understanding of the factors that make this form of criminal behavior unique: the persons who commit it, the means by which they do so, and their prosecution and legal defense in court.
- CLO 4: Demonstrate substantive knowledge specific to the extent and severity of formal and informal responses to various types of white collar criminal behavior.
- CLO 5: Develop familiarity with federal statutes intended to control various forms of fraudulent conduct and interpret and apply statutory code provisions, judicial opinions, and apply portions of the United States Sentencing Guidelines.

## Required Text

Brian K. Payne (2017). *White-Collar Crime: The Essentials* (2nd edition). SAGE Publications, ISBN-13: 978-1-5063-4477-5

Students may purchase texts in the bookstore and online.

## Library Liaison

Silke Higgins, [silke.higgins@sjsu.edu](mailto:silke.higgins@sjsu.edu), (408) 808-2118  
<http://libguides.sjsu.edu/justicestudies>

## Course Requirements and Assignments

SJSU classes are designed such that in order to be successful, it is expected that students will spend a minimum of forty-five hours for each unit of credit (normally three hours per unit per week), including preparing for class, participating in course activities, completing assignments, and so on. More details about student workload can be found in [University Policy S12-3](#) at <http://www.sjsu.edu/senate/docs/S12-3.pdf>.

## Weekly Assignments

Students will be assigned weekly reading and writing assignments in class and as reflected below. Weekly Assignments are due during **Wednesday** class sessions, or as instructed, and will consist of a two-to-three paged double spaced typed analysis in 12-point font. (CLO 1, 2, 3, 4 & 5)

## Project

Final Projects will require students to conduct independent research to craft a thesis paper specific to white collar crime in the United States supported by reliable data to compare and contrast specific criminal offenses, factors contributing to causation, and a proposal for methods of prevention and deterrence, to be assigned and explained extensively in class, in the form of a fifteen-page written analysis, due during the last scheduled day of instruction as reflected below. Reliable sources for all assertions should be cited in the American Psychological Association (APA) format. (CLO 1, 2, 3, 4 & 5)

## Final Examination

Students will complete a cumulative final examination using key terms and concepts from readings and class discussion consisting of short and essay based questions. (CLO 1, 2, 3 & 4)

## **Participation**

Students will be assigned to work in groups and are expected to participate in an informed, professional and respectful manner. Participation credit will be rewarded in response to student preparedness and politeness in class. (CLO 1, 2, 3, 4 & 5)

NOTE that [University policy F69-24](http://www.sjsu.edu/senate/docs/F69-24.pdf) at <http://www.sjsu.edu/senate/docs/F69-24.pdf> states “Students should attend all meetings of their classes, not only because they are responsible for material discussed therein, but because active participation is frequently essential to insure maximum benefit for all members of the class. Attendance per se shall not be used as a criterion for grading.”

## **Grading Policy**

Final grades will be evaluated as follows:

Weekly Assignments (15)	30%
Final Project	30%
Final Examination	30%
Participation	10%

## **Grading Scale**

A = 90-100

B = 80-89

C = 70-79

D = 60-69

F = 59 and below.

Extra credit will not be awarded, late assignments will not be accepted, and no assignment may be submitted via email.

Note “All students have the right, within a reasonable time, to know their academic scores, to review their grade-dependent work, and to be provided with explanations for the determination of their course grades.” See [University Policy F13-1](http://www.sjsu.edu/senate/docs/F13-1.pdf) at <http://www.sjsu.edu/senate/docs/F13-1.pdf> for more details.

## **Classroom Protocol**

### **Attendance/Punctuality**

Regular attendance and punctuality are encouraged. Students who are routinely inattentive, or who choose not to contribute to in-class discussion and activities, will be noted and may result with up to 10% (one letter grade) deducted from the final grade.

### **Late Assignments**

Late assignments will not be accepted and no assignment may be submitted via email.

### **Cell Phones/Texting**

All cell phones and other electronic devices should be turned off and put away during class sessions. Routine phone calls, texting or other online activity during class is discouraged, will be noted, and may result with up to 10% (one letter grade) deducted from the final grade.

## **University Policies**

Per University Policy S16-9, university-wide policy information relevant to all courses, such as academic integrity, accommodations, etc. will be available on Office of Graduate and Undergraduate Programs' [Syllabus Information web page](http://www.sjsu.edu/gup/syllabusinfo/) at <http://www.sjsu.edu/gup/syllabusinfo/>

## **Dropping and Adding**

Students are responsible for understanding the policies and procedures about add/drop, grade forgiveness, etc. Refer to the current semester's [Catalog Policies](http://info.sjsu.edu/static/catalog/policies.html) section at <http://info.sjsu.edu/static/catalog/policies.html>. Add/drop deadlines can be found on the current academic year calendars document on the [Academic Calendars webpage](http://www.sjsu.edu/provost/services/academic_calendars/) at [http://www.sjsu.edu/provost/services/academic\\_calendars/](http://www.sjsu.edu/provost/services/academic_calendars/). The [Late Drop Policy](http://www.sjsu.edu/aars/policies/latedrops/policy/) is available at <http://www.sjsu.edu/aars/policies/latedrops/policy/>. Students should be aware of the current deadlines and penalties for dropping classes.

Information about the latest changes and news is available at the [Advising Hub](http://www.sjsu.edu/advising/) at <http://www.sjsu.edu/advising/>.

## **Consent for Recording of Class and Public Sharing of Instructor Material**

[University Policy S12-7](http://www.sjsu.edu/senate/docs/S12-7.pdf), <http://www.sjsu.edu/senate/docs/S12-7.pdf>, requires students to obtain instructor's permission to record the course and the following items to be included in the syllabus:

- “Common courtesy and professional behavior dictate that you notify someone when you are recording him/her. You must obtain the instructor's permission to make audio or video recordings in this class. Such permission allows the recordings to be used for your private, study purposes only. The recordings are the intellectual property of the instructor; you have not been given any rights to reproduce or distribute the material.”
- “Course material developed by the instructor is the intellectual property of the instructor and cannot be shared publicly without his/her approval. You may not publicly share or upload instructor generated material for this course such as exam questions, lecture notes, or homework solutions without instructor consent.”

## **Academic integrity**

Your commitment, as a student, to learning is evidenced by your enrollment at San Jose State University. The [University Academic Integrity Policy S07-2](http://www.sjsu.edu/senate/docs/S07-2.pdf) at <http://www.sjsu.edu/senate/docs/S07-2.pdf> requires you to be honest in all your academic course work. Faculty members are required to report all infractions to the office of Student Conduct and Ethical Development. The [Student Conduct and Ethical Development website](http://www.sjsu.edu/studentconduct/) is available at <http://www.sjsu.edu/studentconduct/>.

Never present another's argument as your own. Reliable sources for all assertions should be cited in the American Psychological Association (APA) format. Detection of plagiarism will result with NO CREDIT earned for the assignment.

## **Campus Policy in Compliance with the American Disabilities Act**

If you need course adaptations or accommodations because of a disability, or if you need to make special arrangements in case the building must be evacuated, please make an appointment with me as soon as possible, or see me during office hours. [Presidential Directive 97-03](http://www.sjsu.edu/president/docs/directives/PD_1997-03.pdf) at [http://www.sjsu.edu/president/docs/directives/PD\\_1997-03.pdf](http://www.sjsu.edu/president/docs/directives/PD_1997-03.pdf) requires that students with disabilities requesting accommodations must register with the [Accessible Education Center](http://www.sjsu.edu/aec) (AEC) at <http://www.sjsu.edu/aec> to establish a record of their disability.

## **Accommodation to Students' Religious Holidays**

San José State University shall provide accommodation on any graded class work or activities for students wishing to observe religious holidays when such observances require students to be absent from class. It is the responsibility of the student to inform the instructor, in writing, about such holidays before the add deadline at the start of each semester. If such holidays occur before the add deadline, the student must notify the instructor, in writing, at least three days before the date that he/she will be absent. It is the responsibility of the instructor to make every reasonable effort to honor the student request without penalty, and of the student to make up the work missed. See [University Policy S14-7](http://www.sjsu.edu/senate/docs/S14-7.pdf) at <http://www.sjsu.edu/senate/docs/S14-7.pdf>.

## **Student Technology Resources**

Computer labs for student use are available in the [Academic Success Center](http://www.sjsu.edu/at/asc/) at <http://www.sjsu.edu/at/asc/> located on the 1st floor of Clark Hall and in the Associated Students Lab on the 2nd floor of the Student Union. Additional computer labs may be available in your department/college. Computers are also available in the Martin Luther King Library. A wide variety of audio-visual equipment is available for student checkout from Media Services located in IRC 112. These items include DV and HD digital camcorders; digital still cameras; video, slide and overhead projectors; DVD, CD, and audiotape players; sound systems, wireless microphones, projection screens and monitors.

## **SJSU Peer Connections**

Peer Connections, a campus-wide resource for mentoring and tutoring, strives to inspire students to develop their potential as independent learners while they learn to successfully navigate through their university experience. You are encouraged to take advantage of their services which include course-content based tutoring, enhanced study and time management skills, more effective critical thinking strategies, decision making and problem-solving abilities, and campus resource referrals.

In addition to offering small group, individual, and drop-in tutoring for a number of undergraduate courses, consultation with mentors is available on a drop-in or by appointment basis. Workshops are offered on a wide variety of topics including preparing for the Writing Skills Test (WST), improving your learning and memory, alleviating procrastination, surviving your first semester at SJSU, and other related topics. A computer lab and study space are also available for student use in Room 600 of Student Services Center (SSC).

Peer Connections is located in three locations: SSC, Room 600 (10th Street Garage on the corner of 10<sup>th</sup> and San Fernando Street), at the 1st floor entrance of Clark Hall, and in the Living Learning Center (LLC) in Campus Village Housing Building B. Visit [Peer Connections website](http://peerconnections.sjsu.edu) at <http://peerconnections.sjsu.edu> for more information.

## **SJSU Writing Center**

The SJSU Writing Center is located in Clark Hall, Suite 126. All Writing Specialists have gone through a rigorous hiring process, and they are well trained to assist all students at all levels within all disciplines to

become better writers. In addition to one-on-one tutoring services, the Writing Center also offers workshops every semester on a variety of writing topics. To make an appointment or to refer to the numerous online resources offered through the Writing Center, visit the [Writing Center website](http://www.sjsu.edu/writingcenter) at <http://www.sjsu.edu/writingcenter>. For additional resources and updated information, follow the Writing Center on Twitter and become a fan of the SJSU Writing Center on Facebook. (Note: You need to have a QR Reader to scan this



code.)

### **SJSU Counseling Services**

The SJSU Counseling Services is located on the corner of 7<sup>th</sup> Street and San Fernando Street, in Room 201, Administration Building. Professional psychologists, social workers, and counselors are available to provide consultations on issues of student mental health, campus climate or psychological and academic issues on an individual, couple, or group basis. To schedule an appointment or learn more information, visit [Counseling Services website](http://www.sjsu.edu/counseling) at <http://www.sjsu.edu/counseling>.

### **CASA Student Success Center**

The Student Success Center in the College of Applied Sciences and Arts (CASA) provides advising for undergraduate students majoring or wanting to major in programs offered in CASA Departments and Schools. All CASA students and students who would like to be in CASA are invited to stop by the Center for general education advising, help with changing majors, academic policy related questions, meeting with peer advisors, and/or attending various regularly scheduled presentations and workshops. If you are looking for academic advice or even tips about how to navigate your way around SJSU, check out the CASA Student Success Center. Location: MacQuarrie Hall (MQH) 533 - top floor of MacQuarrie Hall. Contact information: [408.924.2910](tel:408.924.2910). Website: <http://www.sjsu.edu/casa/ssc/>. The CASA Student Success Center also provides study space and laptops for checkout.

# JS145-01 / White Collar Crime, Fall 2016

## Course Schedule

Week	Date	Topics, Readings, Assignments, Deadlines
1	August 24	<p>Introductions/Course overview; Syllabus, Textbook, Classroom, Assignment, Project &amp; Final Examination formats; <i>The term “White-Collar Crime” was first used in 1939 by Edwin Sutherland, an American sociologist and criminologist, to describe professionals’ illegal fraudulent money-related criminal behavior. Our text defines white-collar crime as “Any violations of criminal, civil, or regulatory law, or deviant, harmful, or unethical actions committed during the course of employment in various occupational systems” (pg 428). The Federal Bureau of Investigation (FBI) reports this species of crime is “characterized by deceit, concealment, or violation of trust and not dependent on the application or threat of physical force or violence. The motivation behind these crimes is financial, to obtain or avoid losing money, property, or services or to secure a personal or business advantage.” Prosecutions of white-collar crime are currently at a twenty-year low in the United States. The projected number in 2016 is higher than 6,000; while there were nearly 11,000 in 1995 (Transactional Records Access Clearinghouse at Syracuse University); Greed, Ponzi Schemes &amp; Business Crimes in general; Embezzlement &amp; Fraud; Discussion/In-class exercise: <i>What is White-Collar Crime? Is this behavior worse than violent crime? Is the threat of punishment enough to deter this type of criminal behavior?</i></i></p>
2	August 29 & 31	<p>Paying attention to White-Collar Criminals; Careers responding to White-Collar Crime; Confidence men &amp; Wolves of Wall Street; <b>Read Chapter 1: Introduction and Overview of White-Collar Crime (pgs 1-21); Review Key Terms (pg 21); Prepare, Submit and be ready to discuss Weekly Assignment #1: Discussion Questions 1-5 (pgs 21-22);</b> Discussion/In-class exercise: <i>How is white-collar crime different from other criminal behavior? Why is it important to understand this species of crime?</i></p>
3	September 7 (No Class Monday, September 5, Labor Day Holiday!)	<p>Caveat Emptor: An evolving concept; Edwin Sutherland &amp; Identifying White-Collar Criminality; Ethics of Natural &amp; Juristic Persons; <b>Read Chapter 2: Understanding White-Collar Crime (pgs 23-43); Review Key Terms (pg 44); Prepare, Submit and be ready to discuss Weekly Assignment #2: Discussion Questions 1-4 (pg 44);</b> Discussion/In-class exercise: <i>Who can be a typical white-collar criminal? What is their occupation or primary responsibility? What specific characteristics might you attribute to this individual?</i></p>

Week	Date	Topics, Readings, Assignments, Deadlines
4	September 12 & 14	<p><b>Assign Final Project (DUE NO LATER THAN 12/12);</b> Caveat Venditor: Material Misrepresentations &amp; the Duty to know what you are selling; Nefarious Deals, Disparagement &amp; Trade Libel; <b>Read Chapter 3: Crimes in Sales-Related Occupations (pgs 45-59); Review Key Terms (pg 60); Prepare, Submit and be ready to discuss Weekly Assignment #3: Discussion Questions 1-6 (pg 60);</b> Discussion/In-class exercise: <i>Why are people overcharged for automobile repairs? Have you ever discovered you had received too much change for a bill you paid? What did you do? How come?</i></p>
5	September 19 & 21	<p>Medical Malpractice &amp; the Hippocratic Oath; Unnecessary Surgeries &amp; the King of Pop (RIP); Pharmacist Fraud; Drug &amp; Elder Abuse; Durable Medical Equipment; <b>Read Chapter 4: Crimes in the Health Care System (pgs 61-83); Review Key Terms (pgs 82-83); Prepare, Submit and be ready to discuss Weekly Assignment #4: Discussion Questions 1-7 (pg 83);</b> Discussion/In-class exercise: <i>How is drug and elder abuse a white-collar crime? Is retail theft worse than health care fraud?</i></p>
6	September 26 & 28	<p>Criminal Justice Injustice: Police Corruption &amp; Judicial Misconduct; Overzealous Prosecutors &amp; Plea Agreements; Jailers taking bribes; Campaign Finance Violations &amp; Voter Disenfranchisement; <b>Read Chapter 5: Crime in Systems of Social Control (pgs 84-114); Review Key Terms (pg 114); Prepare, Submit and be ready to discuss Weekly Assignment #5: Discussion Questions 1-8 (pg 115);</b> Discussion/In-class exercise: <i>How will education reduce corruption in the criminal justice system? How might judges or police officers be white-collar criminals?</i></p>
7	October 3 & 5	<p>High-Cost of Education &amp; Student Loan Forgiveness; Plagiarism, Ghostwriting &amp; Profiting from student research; Disciplining Professors &amp; Administrators; <b>Read Chapter 6: Crimes in the Educational System (pgs 116-137); Review Key Terms (pg 137); Prepare, Submit and be ready to discuss Weekly Assignment #6: Discussion Questions 1-8 (pgs 137-138);</b> Discussion/In-class exercise: <i>What is the appropriate penalty for a professor guilty of plagiarism? How can academic dishonesty be a white-collar crime?</i></p>
8	October 10 & 12	<p>Broker Fraud &amp; Embezzlement Revisited; The Securities and Exchange Commission (SEC), Insider Trading &amp; Fraud on the market schemes; Enron, The Sarbanes-Oxley Act of 2002 &amp; Too Big to Fail; Carlo Ponzi Revisited &amp; <u>United States of America v. Bernard L. Madoff</u>, 626 F.Supp.2d 420 (2009); <b>Read Chapter 7: Crime in the Economic System (pgs 139-161); Review Key Terms (pg 161); Prepare, Submit and be ready to discuss Weekly Assignment #7: Discussion Questions 1-7 (pg 161);</b> Discussion/In-class exercise: <i>What are the primary duties of the SEC? How does student debt impact your life after school? Why are some corporations too big to fail?</i></p>

Week	Date	Topics, Readings, Assignments, Deadlines
9	October 17 & 19	Hackers & Identity Theft; Cyberterrorism, Anonymous & Online Banking; Bitcoin, the Silk Road & <u>United States of America v. Ross William Ulbricht</u> , 79 F.Supp.3d 466 (2015); <b>Read Chapter 8: Crime in the Cyber System (pgs 163-192) &amp; Appendix: Executive Order Improving Critical Infrastructure Cybersecurity (pgs 418-421); Review Key Terms (pg 193); Prepare, Submit and be ready to discuss Weekly Assignment #8: Discussion Questions 1-7 (pg 193);</b> Discussion/In-class exercise: <i>How will computer crimes change in the next ten years? Are computer hackers white-collar criminals? Should the FBI do more to police the Internet?</i>
10	October 24 & 26	Predatory Lending, Mortgage Fraud & The Big Short; Housing Bubbles & the Foreclosure Crisis of 2008; Slumlords, Renters Insurance & Public Housing; National Homeowners Bill of Rights Act of 2014; <b>Read Chapter 9: Crimes in the Housing System (pgs 194-215); Review Key Terms (pg 216); Prepare, Submit and be ready to discuss Weekly Assignment #9: Discussion Questions 1-7 (pg 216);</b> Discussion/In-class exercise: <i>Is there a relationship between mortgage fraud and street crime? What is the appropriate punishment for predatory lending?</i>
11	October 31 & November 2	Corporate Wrongdoing & Limed Liability; Products Liability, An exploding 1972 Ford Pinto & <u>Richard Grimshaw v. Ford Motor Company</u> , 119 Cal.App.3d 757 (1981); Price Gouging & Unfair Labor Practices; Respondeat Superior; Piercing the Corporate Veil; <b>Read Chapter 10: Crimes by the Corporate System (pgs 217-251); Review Key Terms (pg 252); Prepare, Submit and be ready to discuss Weekly Assignment #10: Discussion Questions 1-9 (pg 252);</b> Discussion/In-class exercise: <i>Should corporate decision makers be able to shield themselves from criminal liability for actions performed on behalf of their employers? Are allergic reactions from food poisoning evidence of a crime?</i>
12	November 7 & 9	Vote! (Election Day, Tuesday, November 8); Meth Labs, Illegal grow operations, & the cost of Hazardous Waste Removal; British Petroleum & the Deepwater Horizon oil spill of 2010; Environmental Protection Agency (EPA); <b>Read Chapter 11: Environmental Crime (pgs 253-280); Review Key Terms (pg 280); Prepare, Submit and be ready to discuss Weekly Assignment #11: Discussion Questions 1-8 (pg 280);</b> Discussion/In-class exercise: <i>Should big game hunting be illegal? Is environmental crime more or less serious than violent criminal behavior? Should the EPA be able to control private property?</i>
13	November 14 & 16	White-Collar Crime in Popular Culture; Deterrence, Rational Choice, Strain & Conflict Theory; Expectations of Self-Policing; <b>Read Chapter 12: Explaining White-Collar Crime (pgs 281-313); Review Key Terms (pg 313); Prepare, Submit and be ready to discuss Weekly Assignment #12: Discussion Questions 1-8 (pgs 313-314);</b> Discussion/In-class exercise: <i>What theory best explains white-collar criminal behavior? Does corporate culture cause white-collar crime?</i>

Week	Date	Topics, Readings, Assignments, Deadlines
14	November 21 (No Class November 23 Non-instructional holiday) Thanks-giving!	Law Enforcement Strategies & Stages of White-Collar Crime Investigation; Occupational Safety and Health Administration (OSHA) & the Whistleblower Protection Program; <b>Read Chapter 13: Policing White-Collar Crime (pgs 315-350); Review Key Terms (pgs 350-351); Prepare, Submit and be ready to discuss Weekly Assignment #13: Discussion Questions 1-10 (pg 351);</b> Discussion/In-class exercise: <i>Happy Thanksgiving!</i>
15	November 28 & 30	Criminal, Civil, Administrative, Professional & Workplace-Disciplinary Proceedings; Prosecution, Punishment & At-Risk Professional Reputations; <b>Read Chapter 14: Judicial Proceedings and White-Collar Crime (pgs 352-383); Review Key Terms (pgs 383-384); Prepare, Submit and be ready to discuss Weekly Assignment #14: Discussion Questions 1-10 (pg 384);</b> Discussion/In-class exercise: <i>Why does white-collar crime occur? Does the criminal justice system in the United States adequately address and respond to white-collar crime?</i>
16	December 5, 7 & 12	Trends, Challenges, & the future of White-Collar Crime; <b>Read Chapter 15: The Corrections Subsystem and White-Collar Crime (pgs 385-416); Review Key Terms (pg 416); Prepare, Submit and be ready to discuss Weekly Assignment #15: Discussion Questions 1-9 (pg 417) (Due 12/7);</b> In-class exercise: <i>Prepare questions for Final Review, next class session;</i> Final Thoughts; Review for Final Examination & <b>Final Projects Due (12/12).</b>
<b>Final Exam</b>	Thursday, December 15	MacQuarrie Hall 520 12:15 PM - 2:30 PM