

**Department of Sociology**  
**University of Macau**  
**Faculty of Social Sciences and Humanities**

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*Guest Lecture*

**Too Big to Fail, Too Powerful to Indict?**

**On the Absence of Criminal Prosecutions after the 2008 Financial Meltdown**

by

**Prof. Henry N. Pontell**

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**Abstract**

Various explanations have been offered regarding the causes of the current global economic crisis. This latest crisis was spawned by the collapse in value of U.S. mortgage-based securities which contained the "toxic assets" of sub-prime loans which were made to non-credit worthy borrowers. There is ample evidence that such loans were originated through fraud. At the same time, large financial firms packaged these loans, sold them around the world, recorded huge profits, and executives were awarded large bonuses. These individuals enriched themselves and led their companies into bankruptcy, claiming that they could not have known that this would occur. Their actions plunged both the U.S. and global economies into the greatest recession since the Great Depression. This paper uses a white-collar criminological approach to assess the reasons why there have been no major prosecutions to date, and compares the U.S. government's response to that in the savings and loan crisis. It highlights the nature and role of control fraud in the current debacle, the primacy of "damage control" versus "crime control" policies when financial debacles occur, and analyzes the problems related to the status and power of senior executives and large corporations.

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**20<sup>th</sup> October, 2011 (Thursday)**

**19:00 – 20:00**

**JG16**

**Language in English**

**ALL ARE WELCOME**