

The Endless Corruption of the Powerful

by Alizée Delpierre

Building on his research on corruption and white-collar crime among the ruling classes, Pierre Lascoumes takes us deep into the institutional mechanisms behind the fraud perpetrated by those who wield political and economic power in France.

About: Pierre Lascoumes, *L'économie morale des élites dirigeantes*, Les Presses de Sciences Po, 2022. 230 p., 17 €.

Why do elites engage in illicit practices? And why do these practices persist over time? Pierre Lascoumes' book is a continuation of his earlier works on economic and financial delinquency and "corruptible democracy," in which he has already shed light on many aspects of elite corruption.¹ The elites discussed in *L'économie morale des élites dirigeantes* (The moral economy of ruling elites) are members of the French ruling class who hold high political office—mainly deputies, ministers, and presidents—and/or economic positions—CEOs, company directors or financial professionals. Although some women are mentioned in the book, the majority of cases concern men, who are overrepresented in these positions of power.

Drawing on material gathered during various investigations (reports and statistics from ministerial and judicial institutions, press articles and media interventions, etc.), the author sets out to elucidate the structural factors behind the

¹ The book he published eight years ago with Carla Nagels provides an overview of the issue: Pierre Lascoumes and Carla Nagels, *Sociologie des élites délinquantes: De la criminalité en col blanc à la corruption politique*, Paris, Armand Colin, 2014.

elites' circumvention of the law. The aim is to understand the workings of the political and economic institutions that make it easy for those in power to commit fraud.

Elites Beyond Norms and Sanctions

The argument that the illicit practices of elites can be explained by structural factors is based on the following thesis: Elites operate beyond laws and sanctions. In addition to earlier works by Lascoumes and colleagues, several studies have shown the extent to which elites see themselves as a separate, superior group that can ignore the laws and values applicable to others.² Here, Lascoumes supports this finding using a different route: He offers a historicized, organizational analysis of the alliance and support strategies forged between and within political and economic institutions (both public and private), which he views as the conditions of elite fraud.

Lascoumes identifies three factors that are conducive to illicit practices. First, elites impose rules on the governed while also creating exemptions for themselves. Second, they make constant efforts to justify these exemption rules. Third, the sanctions imposed against them are very weak. These three factors underpin two major organizational and rhetorical logics that are unpacked throughout the book: the logic of moral economy and that of self-regulation. Lascoumes borrows the concept of moral economy from the sociology of the working class to designate the set of shared beliefs and solidarities that help to federate and empower the dominant group. The moral economy is both the cause and the consequence of self-regulation, a concept used by Lascoumes to describe the dominant group's power to define, apply, and justify their own set of rules that place it outside the purview of government regulations. Insofar as the moral economy and self-regulation enable the ruling elites to maintain their position of power, they also structure contemporary social inequalities.

² This is true in both their relationship to politics—see: Kevin Geay, *Enquête sur les bourgeois*, Paris, Fayard, 2019; Michel Offerlé, *Ce qu'un patron peut faire: une sociologie politique des patronats*, Paris, Gallimard, 2021—and their relationship to money—see: Camille Herlin-Giret, *Rester riche: Enquête sur les gestionnaires de fortune et leurs clients*, Lormont, Bord de l'eau (Le), 2019; Olivier Godechot, *Working rich: Salaires, bonus et appropriation du profit dans l'industrie financière*, Paris, La Découverte, 2007.

The Conditions of Fraud

Over the course of four chapters, Lascoumes takes a closer look at these three factors of elite fraud. The first chapter shows how political elites self-regulate without interference from external bodies that have the power to inspect and control their actions. Two examples are provided: the prosecution of ministers and the finances of institutions. Today, French ministers can be tried before a specific court of justice partly composed of elite peers who often disagree with other sitting magistrates, leading to more favorable decisions for the defendants. With regards to the finances of political institutions, presidential spending remains shadowy, despite the somewhat successful efforts of former deputy René Dosière to promote transparency in this area. In parliament, ethicists have lifted the veil on a number of expenses, while leaving others in the shadows—for instance, the unjustified use of the *crédit collaborateur* (funds allocated for staff expenses).

The second chapter explores the principle of self-regulation in the economic sphere. Elites benefit from exceptional measures for settling the disputes in which they are involved. For instance, commercial courts, which are governed by their own code, act as a court of exception that grants considerable autonomy to commercial actors. The inertia of justice is reinforced by the fact that these courts are also involved in arbitration—a form of internal dispute resolution which is freed from national laws and recognized internationally, and in which economic parties can choose their own judge. Thus, economic elites are not only shielded from the vagaries of the judicial system, but they also benefit from a form of “community of thought” that privileges pragmatism, efficiency, and the pursuit of profit over universalist and egalitarian concerns.

Having explored elites’ conception of their actions and role within the political and economic system, the third chapter describes the strategies they deploy to justify their fraudulent activities. When self-regulation can no longer conceal illicit practices, the elites must justify themselves: They do everything they can to preserve their reputation and the trust that supposedly binds them to those who value their position. Lascoumes identifies four justification strategies: denial, which consists in claiming that no offense has been committed; creation of controversy, or the pretense that everything is more complex than it appears; deflection, the act of blaming third parties; and, finally, trivialization, the normalization of one’s deviance on the grounds that “everyone else is doing it.”

Together, political and economic self-regulation and the rhetoric of justification effectively contribute to whitewashing fraudulent practices, driving them into oblivion, minimizing their scope, and lowering the sanctions they incur. The fourth chapter shows that the reality of sanctions is far removed from the media scandals that distort the judicial treatment of tax offenses and elite corruption. In fact, the number of convictions and sanctions is declining. Judicial and administrative institutions have neither the means nor the legitimacy to punish offenses to their full extent. As a result, a system in which justice is negotiated between the public prosecutor and the defendant, and in which fines constitute the main sanction, is being deployed on a massive scale. The procedure is discreet and swift, with economic criteria taking precedence over legal ones, which allows the company to preserve its reputation and maintain access to public contracts.

Towards an Analysis of Elite Divisions

Against this backdrop of criticism and denunciation, the book as a whole provides a powerful explanation of the political and economic base of the elites. It convincingly demonstrates the extent to which the institutions they lead help to reinforce this base, including by resisting internal or external pressures for reform intended to make them more transparent or fairer. Lascoumes shows that speed (of action and decision-making) and discretion underpin the power of elites, and warns of the resulting threats to democracy. At the same time, he provides one of the keys to understanding social inequalities, namely, the elites' privileged access to institutions. While members of the working class are not devoid of resources when it comes to negotiating with public administrations,³ they are less adept at dealing with the law and circumventing legal constraints.⁴ The ability to whitewash charges, to accelerate the dispute resolution process, and to ensure discretion and the preservation of one's reputation is, indeed, a social privilege from which the majority of the population is excluded. The book increases our understanding of the way this privilege works in practice by providing many detailed accounts of settlements involving political elites. This approach gives substance to the concept of self-regulation used by Lascoumes to

³ Yasmine Siblot shows how they "get by" through leveraging local relational dynamics: *Faire valoir ses droits au quotidien: Les services publics dans les quartiers populaires*, Paris, Les Presses de Sciences Po, 2006.

⁴ Unlike "dominants à la barre," upper-class defendants who present themselves as victims of the state to counter accusations of fraud. Alexis Spire, "Des dominants à la barre: Stratégies de défense dans les procès pour fraude fiscale," *Sociétés contemporaines*, 108, 2017, pp. 41-67.

describe the impermeability of a world in which all disputes end up being settled internally.

The above calls for a more thorough investigation of the world of elites. Ultimately, we see very little of the oppositions and conflicts that may arise between the actors who directly or indirectly engage in the illicit practices described. While certain professional bodies are presented as driven by divergent interests (in particular, the interests of upholders of the law and those of deputies and ministers), political and economic elites are described as belonging to a rather unified group. And yet, the example of former deputy René Dosière, who advocated for transparency in public life while his peers opposed it, illustrates some of the dynamics that counteract elite solidarity. How might one identify the alliances and oppositions that provide elites with differentiated means to commit fraud? The book suggests the need to look beyond the organizational system that contributes to the self-regulation of elites and to explore the factors that divide them. How do access to capital, gender, or position in an acquaintance network impact the conditions of illicit practice?

Insofar as the book considers that not all elites are equal when it comes to illicit practices and their judicial treatment, it contributes to the analysis of elite stratification. However, in applying the concept of moral economy to the dominant group, Lascoumes ends up painting a relatively homogeneous picture of elites—a vision he shares with a number of sociologists and economists specializing in social inequality and capitalism, several of whom are quoted in the book. As a result, the question of the contours of this class remains unanswered: The term “elite” is never defined, even though the qualifier “ruling” and the examples provided suggest that it designates those who hold political office or the highest positions in the private sector. Yet, what are the boundaries between political and economic power? To what extent is public renown a criterion for defining the elites with which the book is concerned?

Contemporary works on the very wealthy upper classes, and in particular on the “*nouveaux riches*,” have revived discussions of elite homogeneity/heterogeneity by inviting researchers to take a closer look at elite divisions.⁵ In this context, Lascoumes’ book provides a stimulating framework for the study of elite divisions. Is there a form of porosity between different types of elites with respect to illicit practices? Future research is needed on the links between ruling elites who benefit from institutional frameworks conducive to fraud and anonymous members of the very wealthy upper

⁵ Bruno Cousin, Shamus Khan, and Ashley Mears, “Theoretical and Methodological Pathways for Research on Elites,” *Socio-Economic Review*, 16(2), 2018, pp. 225-249.

classes who hold no political office. Moreover, can we conceive of elites who would be truly committed to abide the law? We know that certain fractions of the wealthiest classes aspire to be “morally worthy” and wish to be considered “normal” like other citizens.⁶ It remains to be seen whether such rhetoric and practices overlap with fraudulent behavior, and whether they underpin other types of moral economies and regulations than those that define the ruling elites studied by Lascoumes.

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⁶ Rachel Sherman, *Uneasy Street: The Anxieties of Affluence*, Princeton, Princeton University Press, 2019.