

In The News

Michael Kelly, Douglas Paul Explain “How Executives Can Avoid Prosecution in an Economic Downturn” in *Bloomberg Law* Article

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In an article for *Bloomberg Law*, Michael Kelly and Douglas Paul explained how high-level executives may avoid becoming victims of white collar prosecutions, pointing out, “When the economy falters, there is always a search for people to blame. And the search inevitably focuses on the executives of struggling companies.”

“Executives prepare for the worst when running companies, but they often don’t prepare for the worst case scenario in their own professional lives. With the economy facing a risk of an imminent recession, many executives have not prepared themselves for the possibility of being accused of corporate misconduct.”

“In the event of a recession, who will be ready to blame executives? Nearly everyone. Prosecutors want to bring fraud charges against senior executives if they can. Politicians want to provide an explanation for the downturn, preferably one with an easy villain.”

“This pattern has repeated itself over time. The dot.com bubble burst in the early 2000s, which was followed by a flurry of high-profile prosecutions of executives in Enron, WorldCom, and many others.

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The financial crisis last decade was followed by frenzied efforts to pursue executives of large financial institutions.”

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