

Boeing accepts DOJ's "sweetheart deal" and pleads guilty to felony fraud conspiracy

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On Sunday, airline manufacturer Boeing agreed to accept the deal offered by the US Department of Justice (DOJ) one week ago and pleaded guilty to a charge of conspiring to defraud the federal government. Families of the company's hundreds of victims have denounced the maneuver as a "sweetheart deal" and slap on the wrist for Boeing and its executives.

The company pled guilty to the felony in connection with its violation of a deferred prosecution agreement with the DOJ negotiated three years ago for two crashes of its 737 MAX jets in 2018 and 2019 which killed 346 people.

A Boeing representative acknowledged that the company reached the agreement with the DOJ but declined to comment on it. The plea deal must still be approved by US District Judge Reed O'Connor in Fort Worth, Texas.

In a separate filing, the families said they will object to the deal and "intend to argue that the plea deal with Boeing unfairly makes concessions to Boeing that other criminal defendants would never receive and fails to hold Boeing accountable for the deaths of 346 persons."

Paul G. Cassell, a lawyer for more than a dozen of the families said the government's agreement with Boeing is "clearly not in the public interest." He continued, "This sweetheart deal fails to recognize that because of Boeing's conspiracy, 346 people died. Through crafty lawyering between Boeing and DOJ, the deadly consequences of Boeing's crime are being hidden."

As part of the deal, Boeing agreed to pay a \$243.6 million fine, operate under an independent monitor who will oversee the company's safety and quality procedures for three years and invest \$455 million in compliance and safety programs. Boeing will also be on probation for three years and its board of directors

will be required to meet with the crash victim's families.

Boeing's acceptance of the agreement was widely anticipated since prosecutors gave the company one week to do so.

Most significant for the DOJ, airline industry regulators and the \$115 billion corporation, the acceptance of the plea means that Boeing will avoid a criminal trial. All those involved want to prevent further details of the criminality of the giant corporation—as well as the complicity of government oversight bodies—which has repeatedly placed profits above the safety of the air traveling public from being discussed in court.

The DOJ determined in May that Boeing had violated its 2021 agreement by providing the Federal Aviation Administration (FAA) with false information about the Maneuvering Characteristics Augmentation System (MCAS) software that was at the center of two fatal crashes.

On October 29, 2018, Lion Air Flight 610, on a flight from Jakarta, Indonesia to Pangkal Pinang, Indonesia, crashed into the sea 13 minutes after takeoff, with 189 people on board. On March 10, 2019, Ethiopian Airlines Flight 302, on a flight from Addis Ababa Bole International Airport in Ethiopia to Jomo Kenyatta International Airport in Nairobi, Kenya, crashed six minutes after takeoff, and all 157 people aboard were killed.

In both cases, the flight crews were unable to control the planes when the MCAS system activated, and the jets went into unrecoverable nose dives.

In response, numerous aviation authorities around the world grounded the 737 MAX planes and airlines followed on a voluntary basis. The FAA was the last aviation authority to ground the planes.

Boeing blamed two lower-level employees for providing investigators with misinformation and sought to move rapidly forward with the deferred prosecution agreements so that they could get the planes back in the air as soon as possible.

As pointed out by Reuters, the new deal also permits the company to move forward with business plans that would have been disrupted by a trial. “It would also make it easier for the plane maker, which will have a new CEO later this year, to try to move forward as it seeks approval for its planned acquisition of Spirit AeroSystems.”

Spirit AeroSystems is at the center of the door plug failure on a Boeing 737 MAX plane flown by Alaska Airlines in January. Spirit is a subcontractor for Boeing that assembles the fuselage of the 737 MAX planes. According Boeing records reviewed by the NTSB, damaged rivets responsible for the door plug failure were replaced by Spirit AeroSystems employees at Boeing’s factory in Renton, Washington, four months before the accident.

In another exposure of Boeing’s homicidal disregard for safety practices, the FAA said on Monday it is requiring inspections of 2,600 Boeing 737 airplanes because passenger oxygen masks could fail during an emergency due to a faulty retention strap.

According to Reuters, “The FAA said it was requiring the inspections of 737 MAX and Next Generation airplanes after multiple reports of passenger service unit oxygen generators shifting out of position, an issue that could result in an inability to provide supplemental oxygen to passengers during a depressurization event.”



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