You Decide

10.3 Rajat K. Gupta was convicted of securities fraud for providing inside information to the head of the Galleon investment firm. Gupta, who formerly was managing director of the prestigious global consulting firm McKinsey, obtained this information as a board member of the investment bank Goldman Sachs, enabling Galleon both to profit and to avoid losses totaling more than $5 million. Gupta was sentenced to two years in prison and fined $5 million. The sentencing judge observed that the evidence before the Court established beyond dispute that Gupta had "selflessly devoted a huge amount of time and effort" to a wide variety of socially beneficial causes, such as the Global Fund to Fight AIDS, Tuberculosis and Malaria; the Public Health Foundation of India; the Indian School of Business; the Pratham Foundation (which provides quality education to underprivileged children in India); the Cornell medical school; the Rockefeller Foundation; and many, many other worthy causes. His lawyer wrote in the sentencing memorandum submitted to the judge that these activities illustrate Gupta's "big heart and helping hand," which he "extended without fanfare or self-promotion, to all with whom he came in contact." Was Gupta's punishment too lenient or too harsh? See *United States v. Gupta* (Sentencing memorandum, 2012).

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