



By: The Editorial Board

Boeing in the dock – A new era of corporate responsibility



Paul Cassell, a law professor at the University of Utah, represents the families of the 346 people who died in two Boeing 737 MAX 8 crashes.

Lion Air Flight JT610 crashed into the sea off the coast of Indonesia on 29 October 2018, while Ethiopian Airlines Flight 302 crashed near Addis Ababa on 10 March 2019.

In both **cases**, the aircraft lost control due to the failure of the stabilisation system, MCAS (Manoeuvring Characteristics Augmentation System). 157 passengers and crew members died on the first flight and 189 on the second.

At a conference in Washington on 22 May, Cassell **urged** the Department of Justice to reject a proposed **settlement** that would allow Boeing to avoid criminal proceedings and take the company to court for fraud against the FAA (Federal Aviation Administration).

Under this proposal, the company would increase the restitution fund by an additional \$444.5 million but would not admit guilt, allowing it to avoid a formal ruling and choose its own forensic monitor instead of an independent monitor.

Settlement or court?

Previously, on 14 May, the DOJ had informed the court that Boeing had violated the terms of the deferred **settlement** from 2021.

In this first agreement, the company had agreed to pay up to \$487.2 million and to submit regular reports to the court. Boeing paid out about \$455 million, including \$400 million for the victims, but claimed that it had fulfilled its obligations.

On 25 March, Judge Reed O'Connor set aside the original agreement for lack of oversight and set a **trial** date for 23 June.

Only the court process is the right path to justice – the families of the victims

The trial will be based on allegations that Boeing intentionally concealed significant defects in the Manoeuvring Characteristics Augmentation System (MCAS) that caused the Lion Air and Ethiopian Airlines flight disasters.

The company may now choose to either accept the new framework and plead guilty in court or appear before a jury to defend itself against the allegations.

The families of the victims **claim** that only the court process is the right path to justice and that without it, there can be no true acknowledgement of responsibility.

On 15 May, the DOJ held a virtual meeting with family members to present the details of the draft settlement.

Although it provides substantial financial compensation, the families describe it as a favourable agreement with no criminal repercussions. Several families subsequently filed written objections and demanded that Boeing be tried by a jury to evaluate evidence of withholding information from the FAA.

The limits of corporate responsibility

This dispute raises the question of the limits of corporate liability. If one of the world's largest airlines can avoid a conviction by paying a fine, other industries might view such fines as merely a cost of doing business.

On the other hand, convicting Boeing would require the appointment of an independent monitor and permanent changes in safety culture, send a clear message that no company is above the law, and increase trust in regulators.

An example from January 2024 shows the seriousness of FAA oversight. Following the 737 MAX 9 model incident, the FAA suspended the delivery of new aircraft until they identified and rectified the defects.

Regulators in Europe and Asia are now closely **monitoring** the process in the US, so the outcome will have an impact on global standards for aircraft inspection and certification.

An opportunity for the DOJ - a transparent trial or a quick settlement

The change in the head of the DOJ could also change the political framework. The negotiations' tone may shift as a result of the replacements of people in key positions.

The prosecutor handling the case will play a key role in deciding whether to settle or go to trial. The 23 June deadline is an opportunity for the DOJ to show whether it will insist on a transparent trial or again opt for a quick settlement.

At this point, it is important to point out that financial compensation can never compensate for the loss of life.

In addition to the victims' families, pilot unions and aviation safety organisations are calling not only for a trial but also for a public hearing on the procedures and pressures within Boeing.

Such a dialogue would help define new rules for oversight of large manufacturers and prevent a recurrence of tragedies.

Trial implications

If the DOJ insists on a trial, Boeing could be convicted of fraud, which would be a felony that could affect the company's government contracts.

The UK and European aviation authorities would welcome this precedent; while the stock market might decline in the short term, it would stabilise later.

Such an outcome would confirm that large

companies cannot avoid responsibility for mistakes that endanger human lives.

The settlement would stabilise the share price and reassure investors, but the public would still question its legitimacy

Accepting the settlement would allow the company to pay the full compensation amount without admitting guilt. This would probably stabilise the share price and reassure investors, but the public would still question the legitimacy of such a solution.

It is possible that Congress would take initiatives to limit the DOJ's authority to enter into similar settlements.

During the pre-trial hearings, internal emails were leaked showing that deadlines and cost-cutting pressures influenced decisions on the design of the Manoeuvring Characteristics Augmentation System (MCAS).

Engineers admitted to downplaying pilot training requirements and only vaguely informing the FAA of the risks. The jury will be able to hear these details and decide who is responsible.

The value of human lives

A strong message also comes from international expert bodies. The European Cockpit Association and the International Civil Aviation Organisation have repeatedly warned that the process itself is changing the safety culture.

Their reports show that companies linked to the offences investigated by the FBI are lagging behind in implementing measures to protect passengers and staff.



The DOJ must demonstrate its commitment to transparency and equality before the law, and Judge Reed O'Connor and the jury have the final say

Victims' families want not only financial compensation but also reassurance that the system values their lives. Every step towards a lawsuit brings with it the hope that the irresponsible individuals and the company itself will bear the consequences. Without this process, they fear, the tragedy would be reduced to a mere number.

All actors have a key role to play. The DOJ must demonstrate its commitment to transparency and equality before the law, and Judge Reed O'Connor and the jury have the final say.

Boeing, on the other hand, has a choice between admitting mistakes with short-term losses or avoiding a ruling with long-term reputational consequences.

At this critical moment, the value of human lives is crucial. Only a trial can clearly separate justice for the victims from the responsibility of those who made the decisions. This is the only way to restore trust in the aviation industry and the principle that no one, no matter how powerful, is above the law.