

# Ban banksters, reach for the sun

'I create trust in you, and then I betray that trust, and get you to give me something of value. And as a result, there's no more effective acid against trust than fraud, especially fraud by top elites, and that's what we have.'

Black on the essence of fraud

## The best way to rob a bank is to own one

On his U.S. television *Journal* last 3rd April, public commentator and journalist Bill Moyers (<http://www.pbs.org/moyers/journal/04032009/transcript1.html>) interviewed William K. Black, former Director of the U.S. Institute for Fraud Prevention, now a professor in law and economics at the University of Missouri, Kansas City. Black, author of the book, *The best way to rob a bank is to own one*, provided a powerful analysis of the extent to which the current economic and financial meltdowns have been driven by fraud.

Black claimed that some bank chief executive officers deliberately made bad loans to boost their own profits, thus effectively becoming 'banksters'. Black argued they took this risk because they comprehended the immense scale of corruption riddling so much of the system, particularly its ineffective mechanisms of checks and balances. Black told Moyers that 'The art form is not only to defeat those internal controls but to ... turn them into your greatest allies. And the bonus programs are exactly how you do that.'

Black also criticised specialty lenders, who did most of their work in the area of sub-prime loans, widely called 'liar's loans' within the industry because so many knew they were frauds. These loans required no verification of income, job or assets. 'And you get a better deal if you inflate your income and your job history and your assets,' Black added.

According to Black, the FBI warned in September, 2004, just as President Bush was facing re-election, that the rising epidemic of mortgage fraud would create a massive debacle. He also claims that current U.S. Secretary of the Treasury Timothy Geithner has been involved in a cover-up, as was Secretary Henry Paulson before him. Geithner was a director of the International Monetary Fund before becoming President of the Federal Reserve Bank of New York in 2003 — a role which Black claims involved an important role in the regulation of other financial institutions. Geithner disputes this.

From this far away it is impossible for me to judge who is correct, but I was struck by one comment posted on Moyers' website by 'Alison'. In essence she asked: 'Why is it that no word has been uttered of accountability for criminal actions?'

Regarding the banking scandals in the U.S. and elsewhere, 'Alison' said: 'Surely there are people who are criminally liable for the collapse of the American and through it the world financial systems.' This has already displaced lives, worsened poverty, led to dangerous discontent and violence, and will cause death.

I would add: why is it that billions and even trillions of dollars (see box) have been allocated to rescue the financial system, yet the world tolerates both an increase in

the number of hungry to almost one billion people and the continued drift toward climate change catastrophe. The answer is that well-fed elites and many in the global middle class feel little if any sense of connection with the poor (see Medical Director's Desk, *BODHI Times* No. 14). One member of the global middle class — or global second class — who does feel this solidarity is Dr Binayak Sen.

## Prison for Indian doctor of very poor

In the Indian state of Chattisgarh southwest of Kolkata Dr Binayak Sen, a graduate of Christian Medical College Vellore is famous for providing health services to the very poor. Sen and his wife Iliina set up a charity called Rupantar and, in 1997, started a weekly clinic in an area plagued by malaria and undernutrition. He trained *adivasi* (indigenous) youths in 20 villages to be community health workers. Dr Sen also sees human rights as integral to health and well being, including those of tribal and other impoverished people. In 2008, this paediatrician and public health worker became the first South Asian to be awarded the Jonathan Mann Award for Global Health and Human Rights.

Million seconds: 11.5 days  
Billion seconds: 32 years  
Trillion seconds: 32,000 years

However, in June, 2007 Dr Sen was detained for allegedly violating the state's Special Public Security Act 2005 and accused of acting as a Naxalite, a Maoist revolutionary, someone trying to overthrow state power.

Numerous organisations and individuals, including 22 Nobel laureates worldwide have appealed for Dr Sen's fair treatment. (A list of famous protesters may be found at <http://www.binayaksen.net>). He appears to be incarcerated solely for peacefully exercising his fundamental human rights, in contravention of the International Covenant on Civil and Political Rights, to which India is a state party.

The renowned Indian author and human rights activist Arundathi Roy is another Sen supporter (<http://www.countercurrents.org/roy080409.htm>). She describes the extent of a vicious civil war in this poor state, where a government-backed militia, the Salwa Judum, have driven many thousands of the country's most impoverished to hide in forests, fearing for their lives. They have no access to food, to markets, to schools or healthcare. Thousands of tribal people are being held in sordid encampments, guarded by armed police. Roy further states that hatred, violence and brutality are being cynically spread, pitting the poor against the poorest. I would add that this situation is reminiscent of numerous other times and places,

linked by a common theme of too many people fighting over scarce resources. [Rwanda, Somalia, the Chittagong Hill Tracts in Bangladesh, and for that matter, the southwest slopes of NSW during the early period of white settlement are just a few examples.] Of course, if people were prepared to live like caged mice, subsisting on a few crumbs per day, then the human population could grow much larger. However, humans desire other resources and freedoms. If, as is likely, India's agricultural economy worsens due to climate change and overpopulation, then situations like Chattisgarh will become increasingly common.

According to many of his supporters, there is little doubt that Dr Sen is in prison because he has spoken out against the state government's policy. He opposed the formation of the Salwa Judum. Roy concludes, 'His incarceration is meant to silence dissent, and criminalise democratic space. It is meant to create a wall of silence around the civil war. It is meant to absorb all our attention so that the stories of the hundreds of other nameless, faceless people — those without lawyers, without the attention of journalists — who are starving and dying in the forests, go unnoticed and unrecorded.'

On April 26 2008, the *Hindu* newspaper reported an unexpected benefit. Doctors across India started holding free clinics for the poor in tribute to the example of Dr. Sen, and to peacefully campaign for his release. Dr Sen's trial has now commenced. His health is deteriorating and he is being denied medical treatment at a hospital of his choice.

## Reaching for the green sun

One thing that has recently encouraged me is the promise of large-scale solar energy, especially solar thermal in its various forms.

Dr Gerhard Knies, a Desertec (<http://www.desertec.org/>) promoter, points out that within six hours deserts receive more energy from the sun than humankind consumes in a year. In partnership with the European Union, Desertec seeks to establish linked power station across the North African deserts, to provide clean power to Europe and North Africa. Some of this power can then be used to desalinate Mediterranean water. Similar schemes could (and should) emerge in Australia, the U.S., China and India.

This optimistic note was also mentioned at the Copenhagen climate conference (<http://www.erantis.com/events/denmark/copenhagen/climate-congress/index.htm>) in March 2009, which I also attended.

For decades, optimists have claimed that high technology will rescue humanity from its predicament. On its own, technology will not only be inadequate but also could cause additional problems. However, social reorganisation, family planning and 'green' economics are not enough. Technology is vital. Apparently the main problem with the bowl-shaped mirrors used in the reflective dishes that generate solar thermal energy are that they get dusty and dirty. Let's hope some genius can solve that.

Thanks to Colin Soskolne for telling me about the Moyers-Black transcript and Giovanni Leonardi for telling me more about the work of Desertec.

## Just released on bail



Dr Binayak Sen on his way to court in a police van in Raipur, India, 2008  
Photo courtesy Racism and National Consciousness

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