March 1, 2013 - Statement #43 - In the Great American Tradition – “Let’s Debate!”

“When people differ in opinion, both sides ought equally to have the advantage of being heard by the public; and that when truth and error have fair play, the former is always an overmatch for the latter.” Benjamin Franklin

Since resolving the FDIC’s litigation against me in December, 2012 (the SEC’s litigation against me was resolved in October, 2012), I have spent a considerable amount of time on this blog documenting the resolution of the federal government’s civil litigation against me and expressing my views about what I believe to be the true, root-causes of the financial crisis.

I haven’t noticed many crisis-era leaders of major private-sector financial firms doing the same. I think this is because some are still involved in government investigations and/or litigation and have been advised by counsel “not to say anything”, others have been permanently prevented from doing so by mandatory and un-American “squelch provisions” in government settlement agreements, and understandably, a few might be scarred and scared to speak up. And I am guessing that those who remain at Too-Big-To-Fail firms “owe” the government their silence and/or loyalty.

As a result, the popular but incorrect view that has formed about the primary causes of the financial crisis (and that it was Wall Street’s and the banker’s fault) have come largely from federal government financial officials; whose own organizations often had some culpability in the crisis and whose speech was not squelched by government investigations, litigation, and settlements.

(By the way, did you know that a government official can intentionally defame a private, U.S. citizen and cannot be held to account by our civil defamation laws? Unbelievably, these officials have sovereign immunity!)

While my speech remains permanently squelched to an extent by my civil settlement with The Securities and Exchange Commission, I can freely discuss and debate my views about the crisis. And I can also discuss and debate the government’s actions before, during, and after it. People like myself were the ones “in the arena” during the financial crisis and I think our experiences and views are important for the public to hear and judge for themselves.

“It is not the critic who counts; not the man who points out how the strong man stumbles, or where the doer of deeds could have done them better. The credit belongs to the man who is actually in the arena, whose face is marred by dust and sweat and blood; who strives valiantly; who errs, who comes short again and again, because there is no effort without error and shortcoming; but who does actually strive to do the deeds; who knows great enthusiasms, the great devotions; who spends himself in a worthy cause; who at the best knows in the end the triumph of high achievement, and who at the worst, if he fails, at least fails while daring greatly, so that his place shall never be with those cold and timid souls who neither know victory nor defeat.” Theodore Roosevelt

I have never debated anyone, let alone a current or former government official, but am anxious to do so now and confident that I can make a compelling case that the federal government’s (including The Federal Reserve’s) policies and actions, many well-intended, were the primary cause of the financial crisis.

Earlier this year, I informedally discussed my concept of a public debate about the financial crisis with a friend who is the Dean of a prominent California university’s business school, and he told me that his university would be willing to host such an event. And if for some reason that can’t be arranged, I am willing to publicly debate any of these individuals at the place and time of their choosing.

“Vigorous debate is an American tradition....” President Barrack Obama

“Freedom means the right of people to assemble, organize, and debate openly.” Hillary Clinton

My preferred list of debate partners are as follows (however, I am willing to debate other key current or former crisis-era officials):

Sheila Bair, Former Chairperson of The Federal Deposit Insurance Corporation
Ben Bernanke, Chairman of The Federal Reserve System
Alan Greenspan, Former Chairman of The Federal Reserve System
Mary Schapiro, Former Chairman of The Securities and Exchange Commission
Robert Khuzami, Former Head of Enforcement at the SEC
Timothy Geithner, Former United State Secretary of the Treasury
Henry Paulson, Former United States Secretary of the Treasury
Shaun Donovan, United States Secretary of Housing and Urban Development
Barney Frank, Former Chairman, House Financial Services Committee
Christopher Dodd, Former Chairman, Senate Banking Committee
Elizabeth Warren, United States Senator (“founder”, Consumer Financial Protection Bureau)

If any of these individuals (or others) are willing to debate, I can be reached through this blog. Thanks, mike