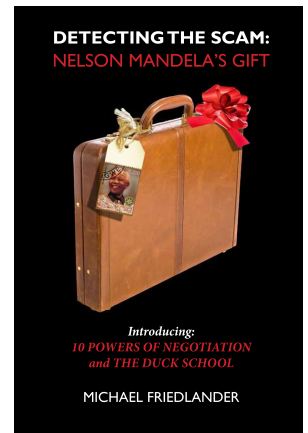


DONALD TRUMP: WILL WE OWE HIM A BIG HUG— OR WILL WE HAVE TO CONSIGN HIM TO THE DUMPSTER?

BY MICHAEL FRIEDLANDER



AN OPEN LETTER TO DONALD...

Dear Donald:

It's enough already with the birther issue. I know your investigators are in Hawaii, but it seems they're ripping you off, Donald. And I hate to see this. You might even want to consider firing them—particularly considering they haven't even yet made it into a Hawaii vital records office that contains a binder of computer-generated listings for children born in Hawaii. According to a sign-in sheet at that office, only 25 people have looked at this document since March 2010—and your investigators are not amongst them. Incidentally, in case you're interested, Obama's birth is recorded on page 1,218 of that binder.

It's also enough with your latest issue that President Obama didn't deserve to be admitted to the Ivy League universities he attended. Apparently, the President also didn't deserve to graduate magna cum laude from the Harvard Law School in 1991—and didn't deserve to be the first black president of the Harvard Law Review. Do I really care about this latest issue? No, not really...

So, Donald, it's enough already. There are far more important fish for you to fry—and some are in the very space you inhabit: the world of finance and business. If you would only turn your attention to those crises, you can really make a difference. So here's my plea to you, Donald: Use the immense power of your bully pulpit. Just step up and do something about an issue that is costing us a fortune. Enough of the puff...

Please, just do it...

Yours truly,

Michael

A STARTING POINT: SOME THINGS BOTH DONALD AND WE KNOW...

- We face two major ethical crises in our business world: The first is the crisis of pervasive cheating. The second is the crisis of those who look away as those around them cheat.
- We now live in a cheating culture in which corporate crime does pay—and it pays extremely well...

- The cost of corporate crime to our economy is enormous, yet this doesn't seem to bother anyone. Why is that?

Donald Trump is a creature of corporate America. He knows this. As a candidate for high office, he could address this and make it a major campaign issue—if he wanted to and if he could summon the courage.

Certainly, if he can advocate standing up to China, Saudi Arabia, OPEC, Libya and ocean pirates by bravely poking his fingers into each of their eyes, he could surely stand up to those faceless suits that comprise the business and financial lobby.

And if he does raise the issue in his campaign, we'll all owe him a collective hug. And if he doesn't, he'll simply be destined for the dumpster of failed candidates—another empty suit seeking high office.

THE ELEPHANT AND THE FLEA...

At a time when anyone with a pulse in Washington DC is scurrying around looking for ways to save money, nobody seems to have noticed the elephant in the room. And, strangely, while these same folks can't see the elephant, they can somehow see the flea that is comfortably snuggled behind the elephant's tail. Go figure...

The flea is street crime in America. According to FBI estimates, street crime costs America more than \$3.8 billion a year.

The elephant is corporate crime. According to the *Corporate Crime Reporter*—

- Auto repair fraud alone costs around \$40 billion a year;
- Securities fraud costs around \$15 billion a year: and
- Healthcare fraud is reported to cost between \$100 billion and \$400 billion a year.

And lest we forget the original mother-of-all-frauds—the savings and loan fraud, this cost America close to \$500 billion. And then we still have to factor in the cost of the Tyco, Adelphia, WorldCom, Enron and the Bernard Madoff adventures.

And then, of course, there was the next mother-of-all-corporate-crimes—the sub-prime mortgage fiasco that saw our finest and brightest financial minds bundling garbage loans and then repackaging them as the highest rated instruments in history. And, after selling the garbage as valuable instruments, they then bet against those same garbage instruments succeeding. So, they profited twice. Once from selling the garbage and once from betting correctly that what they were selling was garbage. And even though nobody has yet even been arrested doesn't mean we didn't know what happened and that no crime occurred. While the present administration may not yet have realized that crimes were committed, we know. And anyone knows who has seen the Oscar-winning documentary, "The Inside Job." And Donald Trump knows...

LEST WE FORGET, THE ELEPHANT'S ALSO A PHYSICAL AND SPIRITUAL KILLER...

Some think that corporate crime is non-violent. It isn't...

According to the FBI, our flea that is street crime results in the murder of approximately 16,000 Americans every year. Compare this to our elephant. Approximately 56,000 Americans die in the workplace and from preventable diseases. Tens of thousands also die from preventable diseases, hazardous products and hospital malpractice.

And corporate crime also results in another type of violence—violence to the soul. This is the result of the carnage of lost jobs, pensions and life savings. Families are devastated. Homes are lost. And as this occurs, those businesses and neighbors that rely on those devastated families suffer too. The cumulative direct and indirect psychological and economic toll is enormous.

HERE'S SOMETHING ELSE THAT DONALD TRUMP KNOWS...

Our finest schools have educated our best scammers. What's wrong with this picture? And could this have come as a surprise to anyone? Weren't there clues?

According to reputable surveys and reports conducted over the years, while cheating at college is pervasive, our college *business* students engage in more academic dishonesty than any other kind of student? Why is that? And who can explain why the schools are apparently either incapable or unwilling to put a stop to it. And who can explain why the deans of our best business schools are apparently accountable to nobody for this?

To put this into some perspective, our business schools in particular are responsible for preparing our future leaders to address the crises facing business in the real world. Amongst these crises is the crisis of pervasive cheating and the crisis of looking the other way as those around them cheat. Has anyone noticed that these are very crises that are present in the schools themselves? Isn't there something wrong with this picture? Surely Wharton graduate Trump has seen this too...

NOW ENTER DONALD TRUMP AND THE DUCK SCHOOL...

From his experience in corporate America, Donald Trump is clearly already sensitive to something that I only recently learned as a result of my research into writing my new book: We simply cannot unquestioningly trust our finest and brightest simply because someone has declared them to be amongst our finest and brightest.

As The Duck School—the school of common sense—teaches us, we have to trust ourselves to recognize what we are looking at. If it looks like a duck, walks like a duck and quacks like a duck, we may well be looking at a duck. And it won't matter how well-pedigreed is the messenger who tells us that what we are

really looking at is a swan. The duck will remain a duck until we receive an explanation that convinces us otherwise....

Here is where Donald Trump can come to our rescue by mounting his white horse and using his bully pulpit. This is what he can tell America:

- *Don't judge a book by its cover*

Just because someone has graduated from the Harvard Business School, the Columbia Business School, or from the Wharton School of Finance, or just because McKinsey & Company once hired them, doesn't make them trustworthy. We need to be more vigilant and we need these graduates to earn our respect. A foolish thought from a Wharton graduate is no less foolish because it came from a Wharton graduate.

- *Disclose those conflicts of interest*

Many of those who could expose scams often have conflicts of interest that act as barriers that stand in the way of them doing the right thing. Because of these conflicts, when these potential scam-busters have to choose between integrity and profit, they invariably seem to choose profit. It is time that these conflicts of interest are disclosed. When the leading minds in our schools are paid consultants for the financial services industry, for example, will they really expose the risky practices of the industry and will they warn us of the dangers inherent in following the policies advocated by those who are paying their consulting fees? Judging by the lack of critical analysis of the derivative industry by the schools, for example, we know the answer to that question.

- *Time to start prosecuting the sub-prime mortgage criminals*

As we look back generally at the insensitivity of our political, corporate and academic worlds to the dangers caused by conflicts of interest, we should never again be surprised to learn why no action has yet been taken against those in the financial services industry. When those who are appointed to oversee the financial services industry are themselves tightly connected to that industry, what can we possibly expect? Someone needs to stand up to these folks. Go do it, Donald...

WHEN CAN HE CLAIM THAT HUG...?

There are two schools of thought here...

- *Donald Trump deserves our hug right now.*

Without doing anything other than hitting the media circuit, he has shone a light on something enormously important that validates The Duck School.

Being an enormously wealthy Wharton graduate, with private jets, casinos, beauty pageants, office towers and golf courses, doesn't alone entitle you to any respect or credibility. Credibility and respect must be earned—and not just by words, but also by deeds.

He has shown us that, if you say something idiotic or incredible, it colors everything else you say. And for this, some might argue that he deserves our immediate hug...

- *He needs to do a little more.*

He needs to do more than just hit the media circuit and raise issues that are of little or no concern to most people and that won't make a real difference in our lives. Instead, he has to mount that white horse and start to use his bully pulpit to address the crises we face and how we might correct our cheating culture...

So, does he deserve that hug? And, if so, when should we give it to him? Personally, I'm not sure. You decide...