

# Doing after thinking, let reason prevail

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Some people have a special gift for disconnecting thinking from doing. They think without doing and do without thinking.

Cicero, one of the greatest lawyers and orators, got it right when he said: “The wise are instructed by reason, ordinary minds by experience, the stupid by necessity and brutes by instincts.”

It is a downhill road. As we abandon reason we will inevitably end up living by instincts, basically as ‘brutes.’

Jacques Maritain calls living a reasonable life “the normalcy of functioning.” It makes us live according to our human nature.

This is why when a man becomes a beast he easily finds his way into the scandalous sections of a newspaper.

We often identify ‘beasts’ with aggressive fighters, ugly criminals, rapists, merciless dictators and so on.

While there is some truth in this, there is also more to it. A person who does not struggle to live a reasonable life bestializes himself or herself.

It does not matter if this person-turned-beast is educated or ignorant, rich or poor, weak or powerful.

One Sunday, on September 14, 2008, Lehman Brothers collapsed. A series of deals the bank had tried to strike with Bank of America, Barclays and the US Federal Reserve failed miserably.

Dick Fuld, Lehman's CEO, had broadcasted a confident message a few days before.

Fuld said: "Every one of you should feel confident and proud, our firm is strong today, and we will emerge from this cycle even stronger, we have done it before and we will do it again."

Lehman's was the biggest bankruptcy in history and the tipping point into global recession.

Harvey Miller, Lehman's bankruptcy attorney, called it: Armageddon!

Lehman had created the famous N-I-N-J-A mortgage packages: No Income, No Job or Asset.

Lehman's was a brave move.

It was originally for a good cause: To grant every American the possibility of owning a home. It did not end here.

Lehman played around with these packages and hid them behind good debts. They made billions of dollars by selling these packages throughout the world until the bubble burst.

Sadly it was not the first. Just seven years earlier, on December 2, 2001, Ken Lay had filed what we now know as the second biggest bankruptcy in history: Enron's.

*Fortune Magazine* had named Enron "America's Most Innovative Company" for six consecutive years.

Enron had diversified its investments beyond its scope. Several investments failed. Instead of coming out in the open they hid the truth.

Enron created hundreds of partnerships to hide its losses by generating fictitious revenue. This was unsustainable.

Enron's collapse took Lay to the grave. He died in 2006 while on vacation before starting his jail term.

Enron's collapse also brought down Arthur Andersen LLP, a Chicago-based accounting firm: One of the "Big Five" accounting firms in the world.

Andersen had been Enron's consultants and auditors, with conflicting interest. The logic is simple: If you do what I say and it doesn't work I'm a bad consultant; therefore it must work. Andersen happily colluded with Enron's executives to hide the mess.

## **Greed**

I've summarised and simplified these two and a half stories because we are at play with a widespread vice: Greed!

Greed is a disordered desire to possess wealth, status and power; the unmeasured love for money.

Greed undermines character; it is the cancer of justice, self-control, courage and prudence.

Greed blinds the person and societies. Greed brings down banks, buildings, insurance companies, law firms and city councils.

Greed deforms magnanimity and knows no humility. We must keep greed on check through virtue.

Greedy people will not listen; will always justify their actions in irrational ways.

Greed is epitomised at the corporate level as profit maximization; at government level as expenditure maximization; at the personal level as immediate gratification.

We have seen the debacle caused by corporate greed; a blind desire for profit maximization: Enron, Lehman, Trust Bank, Continental Bank and many others.

We have also seen poor countries go into inflationary spirals caused by unchecked expenditure: Government greed, which is often accompanied by personal greed: Goldenberg, Anglo-leasing, the youth fund, etc.

The future is bright in Kenya. I see an incredible and unbelievable flourishing talent in the young men and women I meet every day. It is just a matter of time!

Young Kenyans do not lack talent: Schools and universities need to raise standards.

It is not about making money. It is not about simple transmission of knowledge. It is about forming "character."

We have a duty to create structures to make it possible.

All these dreams will remain dreams unless leaders, including politicians, stay focus.

This essential focus will go blur by deviating into non-essentials like the current “in-between-houses” superiority fight. A referendum will cost us the money and the time we do not have. It will eat laptop and free maternity money.

The Constitution designed the two houses giving them differentiated but shared responsibilities. Let members of the National Assembly and Senators be patient, get settled on the job, focus on issues and learn to work together.

Let's make sure we are not guided by instinct.

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