



Economic meltdown: Cannes documentary 'Inside Job' bills financial crisis as colossal heist

By **DAVID GERMAIN**, Associated Press

Last update: May 17, 2010 - 8:55 AM

CANNES, France - Charles Ferguson is telling a crime story like no other in history with his documentary "Inside Job."

The crime: the 2008 economic meltdown that cost millions their jobs, homes and financial security. The crooks: the investment bankers, political leaders, economists and other overseers who were supposed to be looking after our economic system.

"This was the biggest heist of all time," director Ferguson said in an interview Monday at the Cannes Film Festival, where "Inside Job" premiered. "I think many of the people who were involved in it were perfectly aware that that's exactly what it was."

Narrated by Matt Damon, "Inside Job" chronicles what Ferguson pegs as the root cause of our economic mess: the deregulation of the financial industry that began 30 years ago.

From the administrations of Ronald Reagan through George W. Bush, top Wall Street players insinuated themselves into government and controls were eased on investment firms. The financial system was consolidated in the hands of a few huge companies such as Merrill Lynch, Citigroup and Lehman Brothers, whose colossal size had the potential to wreck the economy if they failed.

Ferguson spells out with remarkable clarity complicated financial matters at the heart of the meltdown such as collateral debt obligations and credit-default swaps, and how huge investment banks actually bet on the failure of the same sort of risky home loans they were pushing on investors.

"I had several goals," said Ferguson, whose 2007 Iraq War study "No End in Sight" was nominated for best documentary at the Academy Awards. "One was just to show people actually this isn't that complicated. They don't have to fear that they can't understand. They actually can understand what happened here. It was pretty straightforward, in fact.

"Another goal was to let people know there are actually people who are guilty here. This wasn't a natural disaster. It's not a flood.

Advertisement

FRANKIE VALLI
AND THE FOUR SEASONS
 SATURDAY, JULY 24
 ON SALE NOW TICKETMASTER.COM

MYSTIC LAKE
 CASINO • HOTEL
mysticlake.com

Owned and Operated by the Shakopee Mdewakanton Sioux Community

Print Powered By FormatDynamics™

StarTribune.com



This was something that people did to you, and you should do something to them. And I hope that in fact the film does have an effect on the political debate in the United States and in the world."

Among the roughly three dozen people interviewed in the film are billionaire financier George Soros, former Fed Chairman Paul Volcker, U.S. congressman Barney Frank and former New York Gov. Eliot Spitzer, who as the state's attorney general initiated fraud lawsuits against major U.S. investment banks.

Ferguson also interviews former Bush economic advisers, ex-Wall Street executives, financial overseers from around the world and a variety of journalists. He spells out that current and former federal officials and financial custodians such as Alan Greenspan, Ben Bernanke, Timothy Geithner and Henry Paulson declined to be interviewed.

The film puts some of those interviewed in the hotseat as Ferguson cross-examines them about their own personal stakes in the financial industry, for example, academics earning large fees for serving on corporate boards or writing favorable economic analyses commissioned by private business.

"In a lot of cases, these people were not used to being challenged. They were used to being deferred to," Ferguson said. "They were used to their students being deferential. They were used to their inferiors and subordinates being deferential. They weren't used to somebody who knew what they were doing calling them out."

While Ferguson was a strong supporter of President Barack Obama, the filmmaker said he has become disillusioned that the White House has continued with the "usual suspects" — Wall Street figures — as key economic overseers.

"There are a few people in the Obama administration who maybe should go to jail," Ferguson said.

Without drastic changes to the financial industry, calamitous economic bubbles and breakdowns will happen again, Ferguson said.

With "Inside Job" due in theaters this fall, Ferguson said he hopes the film will stoke Americans' outrage and prompt more people to demand reform.

"America's an imperfect democracy, but it's still a democracy. If people get angry enough,

Advertisement

MYSTIC MEDALLION
\$160,000 IN CASH AND PRIZES!
FRIDAYS, MAY 7 - MAY 28
500 INSTANT WINNERS EACH WEEK!

Mystic LAKE
 CASINO • HOTEL
 mysticlake.com

Owned and Operated by the Shakopee Mdewakanton Sioux Community

Print Powered By FormatDynamics™

StarTribune.com



things will change, and that's happened before. This isn't the first time that power has been abused in American history. If you look, for example, at what happened to Richard Nixon after Watergate. He had been re-elected in 1972 by an overwhelming majority, but when it became clear that he had broken the law and abused his power, things did change. I hope there will be a similar reaction," Ferguson said.

"This is something that was done by people of wealth and privilege and power, and the remedy has to come from the population. It has to come from us. It's not going to come from somebody in Washington, D.C., deciding to do something about this. It's going to come because we make them."

—

Online:

<http://www.festival-cannes.fr/en.html>

Advertisement

A large advertisement banner with a yellow and orange background. On the left, there is a photograph of two men: one in a red and blue patterned jacket and another in a yellow shirt playing a guitar. To the right of the photo, the text reads: "WILLIAMS AND REE", "FRIDAY, JULY 9", "ON SALE NOW TICKETMASTER.COM". On the far right, the "Mystic LAKE" logo is displayed, with "CASINO • HOTEL" and "mysticlake.com" below it. At the bottom center, in small text, it says "Owned and Operated by the Shakopee Mdewakanton Sioux Community".

Print Powered By FormatDynamics™