

"There is no poster child [for the housing scandal] because you need to investigate, and you need to bring cases and we haven't done either against the major players," says William Black, Associate Professor of Economics and Law at the University of Missouri — Kansas City and a former federal regulator.

Black, who was counsel to the Federal Home Loan Bank Board during the S&L Crisis and blew the whistle on the "Keating Five" in 1989, says investigations have shown fraud incidence of 50% at (once) major subprime lenders like IndyMac and Countrywide.

But even though the FBI warned of an "epidemic" of mortgage fraud in 2004, they subsequently made a "strategic alliance" with the Mortgage Bankers Association, which serves the major industry players.

In this case, the foxes truly were guarding the hen house.

TVNL Comment: The foxes that were guarding the hen house were put there by the Bush administration. His entire administration is set up that way.

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