



Sixth Form Mercury

By the students, for the students.

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Dying for a profit

by Matthew Kayanja

When we think of financial markets, the image that often comes to mind is that of sharp suited men closing deals for obscure financial instruments over the phone. Perhaps the cacophony of voices clammering out on a stock exchange floor is a more stereotypical portrayal. Whatever the idea, these transactions all seem to be far removed from the real world, either too abstract or too complicated to have any real relevance to our own lives - until, of course, the system came crashing down.

But there is one sector of the financial markets that has an inextricable connection to something that we all know of, something that we will all encounter in our lives. That is, the market of death.

Of course, that's not *technically* what it's



called. Originally, the companies who engaged in this activity were known as 'viaticals'. The concept is simple, and began to gain prominence around the 1980s and 90s in the U.S. A. Companies would buy the life insurance policy of a person with a terminal illness (around this time those with AIDS were often selected) for a discount,

say half the pay-out price of the insurance. They take up responsibility for paying the annual premiums and in return, once the person dies, they claim the pay-out.

The potential for profit was astounding, with investors making big returns, and viatical companies' absurd commissions, as they bought and sold these financial products. In the words of William Scott Page, president of a viatical known as 'The Lifeline Program': "There have been some phenomenal returns, and there

have been some horror stories where people live longer."

Yes. He actually said that. Viatical companies and their investors know that their profits depend on the deaths of those who have sold their life insurance, preferably as early as possible so that returns aren't eat-

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en up by the burdensome annual premium payments.

This fact is so abundantly clear, that whilst many were celebrating the discovery of antiretroviral drugs that extended the lives of AIDS patients, Dignity Partners, Inc., another viatical, found their stock price going from \$14.50 to \$1.38 before ending up bankrupt in 1996. Before going bankrupt, the firm said in a press release: "Although the medical developments announced at the AIDS conference are welcome news for many, if the treatments are effective in the long term, the company's results will be adversely affected."

But it doesn't stop there - the rabbit hole goes deeper.

After the lives of AIDS patients were extended, viaticals moved to buying the insurance policies of people with cancer, or other illnesses, with the head of the American viatical trade association proclaiming: "Compared to the number of people with AIDS, the number of people with cancer, severe cardiovascular diseases, and other terminal illnesses is huge".

Around the turn of the century the viatical industry had a eureka moment: why not buy and sell the life insurance policies of any elderly person, not just those with terminal illnesses? And thus the 'life settlements' industry was formed, named differently in order to have a clean break from the corrupted image viaticals had.

By the mid-2000s this market was positively booming, with demand so high that banks such as Credit Suisse or Deutsche Bank were literally paying the elderly to take out life insurance just to sell to them, which they then sold on to investors. This was known as 'stranger originated life insurance' or STOLI, with roughly \$13bn worth of STOLI policies being created and sold in 2006.

Finally, a check was put on the industry with most states in America banning STOLIs by 2009. Of course, that didn't stop life settlement companies; led by banks such as Goldman Sachs or UBS, securitisation was the next milestone for the sector.

Securitisation is the process by which banks bundle up many different financial products in one and sell them on together, a classic example being the subprime mortgage bonds filled with the mortgages of overburdened homeowners that caused the 2008 crash.

The securitisation of life settlements is part and parcel of the industry today, with investors delighting in the fact that their investments are practically risk free. The reason? The bonds are designed to include elderly

"There have been some phenomenal returns, and there have been some horror stories where people live longer" - William Scott Page

people with a wide range of diseases such as 'leukemia, lung cancer, heart disease, breast cancer, diabetes, Alzheimer's, as if the cure for one of these diseases is found, the price of the bond won't plummet as there are plenty of other people who'll still die relatively soon and yield a handsome profit for the investor.

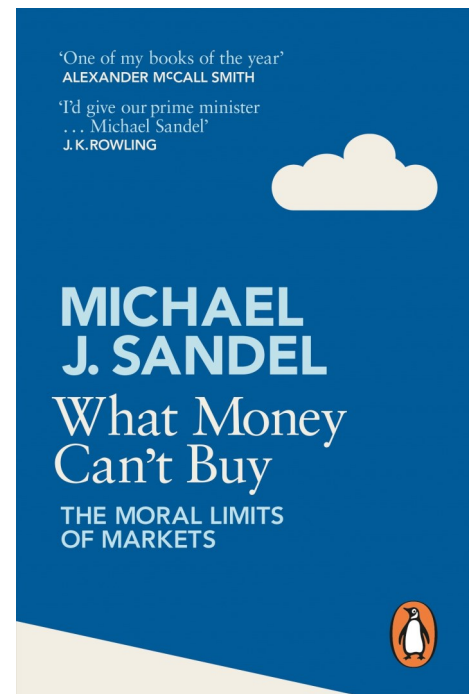
The obvious question regarding the rise of this market is this: is it ethical? Is it right to treat human life like a commodity? Something which can be profited from?

Life settlement companies would offer two arguments against this. First of all that by buying the life insurance policies of the elderly, they're allowing seniors to get value for their unwanted policies. Secondly, they would point to the annuity industry which also relies on mortality projections and stands to profit if clients die early. They would ask: if they aren't immoral, why are

we?

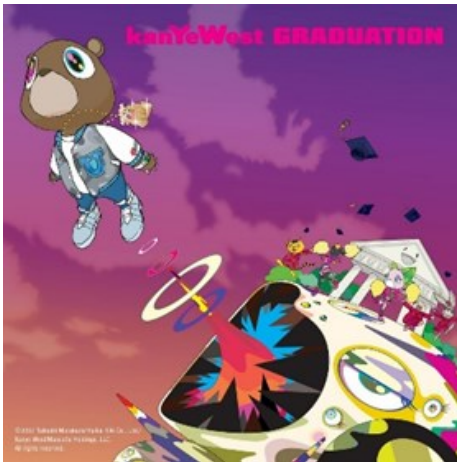
Often we have to weigh up the benefits to society and the moral unpalatability of certain ideas and actions when judging whether we should accept them. Across society these questions are asked in discussions on whether terrorists deserve to be treated under the Human Rights Act, to when lying is moral. Whatever your belief in this particular debate, I believe the debate should be had.

The book 'What Money Can't Buy: The Moral Limits of Markets' by Michael Sandel was a great read and invaluable in the writing of this article. I highly recommend it.



'Graduation': A Kanye Classic at 10

By Toye Oladinni



In the run-up to Graduation's release, 50 Cent, sure that his brand of hard hitting music would beat Mr. West's soulful, lower middle-class struggle music, said that he "would retire" if Kanye outsold him. Kanye outsold him by 300,000 copies, and a new era in hip-hop had begun.

Jay Z, closer to 50's brand than 'Ye's, called it "a great day for Kanye West and Roc-A-Fella Records and a fantastic day for hip hop and artistry," going on to say: "It's a good sign that heartfelt, sincere and honest music can do these types of numbers".

On the surface, Graduation lacks the orchestral complexity of Late Registration, nor does it have the gospel warmth of The College Dropout.

But even without taking the heartfelt, sincere

and honest lyrics into account, Kanye started to take great artistic risks with this album. Before Yeezus, before 808's and Heartbreaks, before The Life of Pablo, he'd mainly been playing cautious.

Three years after The College Dropout, and several years after the car crash that motivat-

"10 years after it came out, it's the first paradigm-shifting moment of the many that followed in West's career"

ed him to pursue a solo career, Kanye had solidly established himself as his own artist, with his own sound.

Then, straight away, he changed it.

Some of these risks were apparent from the singles. Good Life, and Stronger, were both significant departures from the sound of popular music at the time.

The huge synths on Graduation run through most of this record, but were almost nowhere else in rap at the time. In the same way, mixing hip-hop and Electro-house music the way Stronger does was rare, and especially so on seven-time platinum singles.

Looking at deeper cuts, Homecoming, floating around with a different beat since 2003, features Chris Martin from Coldplay (still a rock band at the time, as opposed to whatever they are now), when it was still unusual for the worlds of pop and hip-hop to collide, and nine years before Kendrick Lamar's Bad Blood.

Lyricaly, Graduation represents more of the same. Significantly fewer lyrics about being late for college or working at Taco Bell, but still bursting with personality, witty one liners, and inspiration. Is Drunk and Hot Girls Kanye's worst song, and definitely his most problematic one? Probably. Is Big Brother way more cringeworthy after the Jay-Z-Kanye beef? Definitely.

Is Graduation probably Kanye's worst album? In my opinion. But, 10 years after it came out, it's the first paradigm-shifting moment of the many that followed in West's career.

The Cost of Silence

By Yash Raju

Genocide has a very loose definition in the UN legal framework. It is described as "acts committed with intent to destroy, in whole or in part, a national, ethnical, racial or religious group," such as killing.

What is happening in Myanmar currently, with the Myanmar military and the Rohingya Muslim, cannot be described as anything else, some would argue.

The Myanmar have refused to toler-

ate the existence of the Rohingyas and have pursued an aggressive campaign to drive them out. The military has brutally targeted villages and slaughtered over 1,000 people, forcing hundreds of thousands to flee their homes. There have been reports of massacres where Myanmar soldiers have burned down entire villages and raped women and girls in mass.

What has been most shocking, however, has been the government's treatment of the Rohingya people. Their

policy of "othering" the Rohingya's has been a textbook case of marginalisation and, through demonising rhetoric, the government has galvanised the Myanmar Buddhists against their Muslim neighbours.

On the first of September, Myanmar's defence commander-in-chief, Min Aung Hlaing, declared that, "We openly declare that absolutely, our country has no Rohingya race"; Ashin Wathu, one of Myanmar's most prominent Buddhist preachers, has called for compassion



for mosquitoes but death to Muslims; Myanmar's state media constantly implies Muslims are like "detestable human fleas". This list goes on and on and on.

The actions of the Myanmar army have not been ignored by the international community. The condemnation of such atrocity has been loud and diverse. From influential human rights spokesmen such as Malala Yousafzai and Desmond Tutu, to controversial and authoritarian leaders like Recep Tayyip Erdogan of Turkey, coming together and declaring these acts unacceptable.

However, the silence of one particular individual has been deafening.

Aung San Suu Kyi, who in 1991 won the Nobel Peace Prize for her "non-violent struggle for democracy and human rights", a woman whose inspiring political struggle for democracy in Myanmar, which placed her and her family in serious threat for years until her eventual release in 2015, has refused to condemn what some would call the genocide which has taken place in the nation which she now leads.

Aung San Suu Kyi, in response to the multitudes of reports accusing the military of genocidal actions and unspeak-

able atrocity, has blamed this campaign on Rohingya insurgents, and expressed astonishment that anyone would wish to rebel against the army and government.

"Her silence grows louder and louder with every passing moment"

Whilst there seems to be truth in her claims of Rohingya insurgents attacking the military, this should surprise nobody given what is known of their indiscriminate attack on the Muslim populace. Beyond denying the attacks, Aung San Suu Kyi has denied the existence of the Rohingya people, requesting the US ambassador not to use the term Rohingya; and has upheld the 1982 Citizenship Law, which denies these people their rights.

This silence has shocked the world, with global leaders calling for her to fulfil this moral duty and condemn the Myanmar army, with Archbishop Tutu proclaiming her silence "Too high a price" in an open letter, and even a petition requesting her Nobel Peace

Prize be revoked.

However, Aung San Suu Kyi has refused to answer the global call for her to action and has defended her clemency, stating a "huge iceberg of misinformation" about the violence was responsible for her collapse in reputation.

As the violence in Myanmar appears to escalate, with UN forces being barred from providing aid to the Muslims, further pressure is placed upon Aung San Suu Kyi, as her silence grows louder and louder with every passing moment.

Indeed, the once lauded Nobel Laureate must ask herself is whether or not her silence is worth transforming her legacy from that of an inspiring defender of freedom, to the figurehead of what some may now describe as a genocidal regime.

A Letter from the Editor

Welcome back!

In our first issue of the new year we have a variety of topics, from death to the West (Kanye), hopefully an indication of the diversity of both the Sixth Form student body and the articles that are to come.

If you have an interest in joining the ranks of the writers of the Mercury, get in touch with one of the two of us and we'd be happy to read and publish your article, whatever your passion is.

We look forward to hearing from you soon,

Matthew & Tommy