



Broken Trust: Greed, Mismanagement & Political Manipulation at America's Largest Charitable Trust

By Samuel P. King & Randall Roth

One of the best follow-the-money thrillers is not found on the fiction shelves, but rather in the nonfiction section. This true story of the modern plundering of Hawaii's Bishop Estate Charitable Trust, described as "world record for breaches of trust," has elements most novelists couldn't devise. Just when you think the only thing missing from this account of avarice, arrogance, corruption and deception is sex, we get lewd acts in a public rest room.

Telling this drama with an admirable level of clarity, accuracy, and deliberation are co-authors Samuel P. King, a senior federal judge, and Randall

W. Roth, a professor at the University of Hawaii's Law School. They provide historical background for the machine at the center of the tempest, the Bishop Trust. In little more than three generations, due to wildly escalating land values and favorable leases, the Bishop trust grew to be the nation's wealthiest. Value in the neighborhood of \$10 billion was greater than the endowments of Harvard and Yale universities combined. The Kamehameha Schools created by the trusts were Hawaii's elite.

Traditionally, designated trustees were respected businessmen and descendants of missionaries who conformed to decorous behavior. That all changed in 1993. A corrupted, unregulated system of political pay-off appointed at least four new trustees entirely lacking in qualifications, demeanor, ability and character. Their abuses ran the gamut. The Kamehameha Schools, the primary concern of the trust began to suffer.

King and Roth build tension and suspense describing how the trustees react to the tightening grip of at least four separate civil and criminal investigations. Subpoenas fly, surveillance photos are snapped, phones are bugged, tires are slashed, judges cry in court, suicide is committed. The IRS swoops in, threatening to revoke the trust's tax exempt status, which would cripple the schools. Is paradise lost?

Broken Trust ends with such irony even King and Roth can hardly believe it. If the measure of tragedy is how far the mighty can fall, then this story is enormous. It is important to remember the catalyst was the perception that Hawaiian children were being compromised. An island parent is quoted saying, "You know, we Hawaiians are kind of funny. You can waste or even steal our money, that's one thing. But when you hurt our children, that's something altogether different."