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Bankster's Paradise: The Importance Of Discourse In Creating A Haven For Criminogenic Banks In The United States

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BANKSTER'S PARADISE: THE IMPORTANCE OF DISCOURSE IN CREATING A HAVEN FOR CRIMINOGENIC BANKS IN THE UNITED STATES

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ABSTRACT

This work examines the ways in which language can contribute to a cultural climate in which white-collar crime is no longer considered "deviant," but rather is considered part of a normally functioning political economy. The 2012 money laundering case involving HSBC is examined in conjunction with the rhetoric of popular financial counselor Dave Ramsey. This research seeks to define how language involving the accumulation of capital is equated with virtuousness, thus constructing a myth about the criminality inherent to "legitimate" capital enterprises.

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CHAPTER 1

Introduction

In late 2012, it was discovered that HSBC, a large global financial institution, had laundered billions of dollars for drug cartels based in Colombia and Mexico. What happened next, in an era of bailouts and deregulation, came as no surprise; State and Federal authorities decided not to prosecute the bank, for fear of generating financial collapse. If HSBC had been indicted for money laundering, they would have lost their charter to operate in the United States, thus eliminating a huge section of their global reach, which includes a total of 54 million customers worldwide.

This was not the first time HSBC, or any large global bank for that matter, had been accused of laundering money. They had received instructions to improve their money laundering program in both 2003 and 2006. Clearly, these instructions were ignored, as evidenced by the information discovered about their dealings with both cartels and alleged terrorist groups in 2012. They have followed in the footsteps of myriad other U.S.-based bank branches, including Western Union, Bank of America, JP Morgan Chase, Citigroup, and Wachovia, that have laundered money for those considered enemies of the state. Typically, the banks in question will be issued a fine and will continue to conduct business on a global scale, while passing on the cost of their indiscretions to their customers in the form of increased fees for banking products (Murphy, 2013).

There has been much consideration given to the consequences of neglecting to prosecute bank officials beyond mere monetary sanctions (Taibbi, 2012), but that will not be the focus of this paper. Instead, I have elected to examine how pro-capitalist messages in popular culture have created a climate in which the accumulation of wealth trumps all else, including the law. I will argue that it is ultimately necessary to consider how the examination of discourses surrounding economic hegemony is imperative in both understanding and dismantling the power structures that allow for criminal behavior of the ruling class to go unpunished. Additionally, I will argue that these narratives tend to reinforce the myth that the accumulation of wealth can be achieved by legal means. Thus, it was especially important for this project that I select a narrative with which many Americans would be familiar. Therefore, by putting the work of popular financial advisor Dave Ramsey in conversation with the crimes of HSBC, I interrogate the larger circulating discourses around capital, accumulation of wealth, the myth of the American Dream, debt and crime. I examine Ramsey's oeuvre as a site of cultural production that performs essential work on behalf of dubious logics of capital that legitimate and excuse the crimes of HSBC.

CHAPTER 2

Methodology

Since I wanted to juxtapose the discourse surrounding HSBC with a popular culture narrative about capital, I felt that the cultural products of financial advisor Dave Ramsey were especially appropriate. His message is incredibly pervasive because he utilizes evangelical churches to advertise his products (Olen, 2013). Many people claim that Ramsey has helped them get out of debt, but his message is one that deserves a closer look in relation to what it ultimately promotes.

The way I conducted the research for this project was an inductive analysis, wherein my main argument developed out of my data, which included Ramsey's book, *More Than Enough,* and blog posts from his personal website. His book is a framework for how the average individual can avoid debt and bankruptcy filings, while his website contains both informative pieces and editorials on current events. I also utilized news articles about HSBC, as well as court documents from their 2012 money laundering case.

This project is, in essence, what Gusterson (1997) describes as ethnography of the cultural elite. Since it is difficult to gain access to such individuals (e.g. high profile bankers or even Dave Ramsey himself), one must use alternative methods to participant observation in order to obtain any meaningful data. I utilized what Gusterson calls "polymorphous engagement," a method that involves "an eclectic mix of other research techniques [which can include] extensive reading of newspapers and official documents, and careful attention to popular culture" (p.116). Due to both the time constraints and the difficulty in pinning down subjects for interview, I felt this was a perfect method with which to conduct my research on criminogenic banks and the narrative that supports them.

Upon selecting my data sets, as they were, I then employed what is known as qualitative data analysis (Altheide, 2008). This is described as follows:

> The emphasis is on discovery and description, including searching for contexts, underlying meanings, patterns, and processes, rather than on mere quantity or numerical relationships between two or more variables, which is emphasized in traditional quantitative content analysis. As a variant of quantitative content analysis, QDA is more interested in thematic emphasis and trends in communication patterns and discourse than in mere frequencies and statistically inferred relationships (p.128).

Therefore, in undertaking this project, I wanted to avoid the rigidity, as Altheide describes it, of a traditional content analysis in favor of a more "reflexive and interactive" (p.128) method of collecting my data. This was especially important to me, since the crux of my argument is concerned with *how* language is used to promote a certain hegemonic ideology, and not so much the frequency of said language.

Kappeler & Potter (2005) describe how the government and media outlets work in tandem to disseminate myths in popular culture. This is accomplished via sundry methods, which include the utilization of value-laden terminology and the presentation of "facts" without context. While examining Ramsey's written materials, I focused on instances where he used value-laden words and presented items as matter-of-fact, when there was obvious evidence to the contrary. Then, as Kappeler & Potter had done, I showed how each claim made by Ramsey concerning capital was actually a well-constructed myth.

I started by doing a close reading of Ramsey's output, in which I highlighted sections that were relevant to my topic. His book is organized into sections, which have a particular word or phrase as the subject of each chapter. While there was content in every chapter that I could have utilized in my discussion, I chose to focus on the sections that either (falsely) framed the accumulation of capital as equivalent to virtue (e.g. "integrity", "accountability", "contentment", and "tithing") or contributed to the myth of the American dream (e.g. "hard work"). Then, after presenting the particular narrative that is propagated in the sections listed above, I used examples from the case of HSBC, as well as theoretical and concrete examples, to explain why each argument made by Ramsey in relation to capital is false.

CHAPTER 3

Theoretical Framework

A number of previous theories provided the foundation for this project. Ewick and Silbey (1995) discuss how narratives as cultural productions “often articulate and reproduce existing ideologies and hegemonic relations of power and inequality” (p.212). Fortunately, Dave Ramsey is enough of a public figure and makes his opinions on matters of current events well known (2011). Thus, it becomes easy to surmise how his “narrative” on the topic of capital contributes to the existing hegemonic discourse that places value on those in society with the most money and devalues those who do not contribute to the capitalist system.

Bruner (1991) states that narratives “are a version of reality whose acceptability is governed by convention and “narrative necessity” rather than by emipiracal verification and logical requiredness” (p.4). Therefore, it was my intention in this research to deconstruct the conventional narrative that Ramsey presents in defense of capital and show how it is, in fact, logically false.

In Pedagogy of the Oppressed, Freire (1994) discusses the oppressor and the oppressed. The former is classified as a liar who manipulates the minds of others, while the latter may actually be mesmerized or afraid of the oppressor. The oppressor makes the rules and the oppressed internalizes and follows these rules. In order to break this cycle, the oppressed needs to develop a critical consciousness. Freire’s work, then, not only applies to the classroom setting, but to all cultural spheres. Here, I have mentioned his work because I feel it applies not only to the rhetoric Dave Ramsey presents, but also to how he presents it.

He is promoting the oppressor consciousness by defining what it means to be "successful" in America. His "Financial Peace University" is, as Freire discusses, a literal classroom in which he can disseminate his message for a large audience to internalize. He is fond of telling his followers that their problems are neither "structural or political, but instead stem from the fact that most people, including his [audience], are weak-willed, self-indulgent, and stupid" (Olen, 2013). There is no counterpoint given to his argument presented to millions of American families in churches across the nation. Ramsey is the teacher and his "students" listen diligently.

Antonio Gramsci (1988) is well-known for his theory of cultural hegemony. This term is used to describe the idea that ideologies, values and cultural norms of the dominant class are always given more weight than any other in society through a process of consent. This means that the dominant class must do more than just exert force to ensure their power. Instead, they must exert intellectual and moral leadership, making the masses feel as though it is voluntary to comply with their beliefs and ideologies.

However, the revolutionaries and the dominant class will continually struggle for hegemony for many of the same reasons. This was evidenced by the Occupy Wall Street protests of 2011, which pitted the dominant class against the neo- revolutionaries in a struggle over economic hegemony. Despite it's shortcomings, the Occupy movement became a mouthpiece for a shift in economic hegemony. Protestors called for a reinstatement of the Glass-Steagall Act, a revamp of the SEC, a guaranteed living wage, free college education and a single-payer healthcare system (Schmitt, 2011).

Conversely, the dominant class wished to continue to do the opposite in order to secure economic hegemony for themselves. Ramsey shows his explicit support of the current economic hegemony in all of his writing. Certainly, this is cause to examine his cultural contributions as more than just harmless economic advice, but rather a more subversive appeal to comply with the overarching thoughts and morals of the bourgeoisie. Thus, it appears to the reader that Ramsey's dogma is simply common sense that they would be wise to comply with. In this way, Ramsey is complicit with the dominant class in guaranteeing economic hegemony.

Bourdieu's (Allan, 2011) theories of habitus, field and capital are also important to the discussion at hand. Habitus is the manner in which social structures are reproduced. It encompasses a person's worldview, how one acts, thinks, feels, dresses or talks. Habitus is often something people take for granted as simply the way things are done. Bourdieu calls this unconscious acceptance "doxa." Doxa is an important term in relation to this project, as it is the unconscious acceptance of Ramsey's advice as "common sense" that allows for it to become influential in how Americans view financial crimes.

Habitus goes hand in hand with field, which is the "arena" in which habitus is played out. One's success in a particular field is dependent on how appropriate their habitus and capital is for the game played in that field. Thus, the interactions between field and habitus are measured by power possessed by those in the field. Those with lower capital will have less power in relation to those with higher capital.

Here, capital is not necessarily used in the traditional sense, although it can refer to economic capital. Bourdieu outlines 4 distinct types of capital, which include: economic, cultural, social and symbolic. Cultural capital can refer to objects, such as books or blogs, as well as the specialized ability to use said instruments. This is important to understanding why Ramsey is so problematic in relation to his discourse on capital. He has both the social capital and the cultural capital to ensure the legitimacy of his overarching message, which tells his audience that the capitalist system is working for them rather than against them.

The encoding/decoding model (Hall, 1980) is a vital component in understanding how Ramsey's message affects his audience. Of particular importance is the idea of "dominant meanings." To ensure that economic hegemony is maintained, it is important that proponents of capital put in the "work required to enforce, win plausibility for and command as legitimate a decoding of the event within the limit of dominant definitions" (p.135). This begins in the encoding stage. When Ramsey discusses the accumulation of capital in terms that equate it with virtuousness, he is ensuring that these codes are "naturalized" in this manner to his followers. Thus, as Hall states, these naturalized codes demonstrate "the degree of habituation produced when there is a fundamental alignment and reciprocity –an achieved equivalence- between the encoding and decoding sides of an exchange of meaning" (p.132).

The audience is then responding to the "professional code" (Hall, 1973, p.16), produced by Ramsey, which seeks to reproduce the dominant code. Ramsey is seen as a professional because he is a published author with a nationally syndicated talk show. He managed to bounce back from not one, but two bankruptcies. Therefore, he becomes a trusted source of information for the American public. When he tells them that the pursuit of wealth is not only natural, but in fact *virtuous*, it becomes difficult for people to understand why HSBC, a business dedicated to the accumulation of capital, could possibly be accused of any wrongdoing.

Since the undercurrent of this discussion of discourse is related primarily to the two-tiered criminal justice system in relation to the executives at HSBC, Jeffery Reiman's

1998 book, *The Rich Get Richer and the Poor Get Prison*, is especially pertinent to this topic. The pursuit of capital is mentioned as the primary reason for most crimes. Reiman explains "poverty contributes to crime by creating need, while—at the other end of the spectrum—wealth contributes to crime by creating greed." He goes on to state that there are a number of studies that show criminality is common among upper-class members of society, although these individuals are rarely arrested for their actions.

In their American Dream theory, Messner & Rosenfeld (2001) also argue that the emphasis on obtaining wealth in the United States trumps the need to do so by legitimate means. Thus, to be competitive in the capitalist system, it is both expected and necessary to break the rules. It does not matter if you are at the top tax bracket or avoiding tax accountants entirely to conceal your illegally acquired wealth, everyone must subvert the rules in order to achieve the maximum amount of wealth. Certainly, this has been true in the case of HSBC, as well as other notable money laundering cases involving high-level bank executives.

CHAPTER 4

The Power of Language

It is important to recognize that by the very language we use to describe crime, we are equating it to a concept within the capitalist system (Lakoff & Johnson, 1980); this is hardly a coincidence. “Debt” is a word used to describe both wrongdoing and the state of owing someone money. Merriam-Webster has defined the word in the following manner: Debt (n) 1. Sin, trespass 2. Something owed 3. A state of owing 4. The common-law action for the recovery of money held to be due ("Debt", n.d.).

Equally as important is the manner in which the word debt is utilized. Consider the following sentences: “He will repay his debt to society by spending his life in prison.” “She was overwhelmed by her debt.” “He is deeply in debt.” “They fell into debt.” “The company has run up huge debts.” “They paid down their debt in a year.” In each instance, debt is something that is both larger than life (you can fall into it or be overwhelmed by it) and negative (it has to be repaid, which requires some sort of sacrifice or is literally described as being “in the negative”). Thus, the use of the word debt is directly correlated with how it is viewed in Western culture (Lakoff & Johnson); since capitalism is concerned with the accumulation of wealth, being “in the negative” is just that: bad or negative.

Dave Ramsey is skilled at using language to promote economic hegemony simply by talking about debt. His books and online publications repeatedly equate the accumulation of capital with virtuousness, when nothing could be further from the truth. “How we handle or mishandle money says volumes about us as people,” (p.2) he claims. This statement is key in disseminating the myth that where there is wealth, there is also righteousness.

It becomes clear as soon as you start reading anything written by Ramsey that his conceptual system is extremely basic, yet insidious: debt = sin and wealth = virtue. In a section at the end of each chapter entitled *Keys to the More Than Enough Mansion*, Ramsey highlights the points made in each chapter that will help enable the reader to build wealth. Right away, the "keys" become about how virtuousness is the way to achieve said wealth. Ramsey claims that "values really do matter and real values are the foundation of everything to come" (1999, p.42).

Early on in his tome, Ramsey makes the argument that a lack of integrity is why many people have problems with debt (1999) and cannot become successful in American society. He cites Stanley & Danko, who assert that in their studies of millionaires, character was the most important determinate of individual wealth (1996). It is impressive that Ramsey cited a scholarly source, but what he neglects to mention is that millionaires are quite few and far between. As the 2007 statistics from the Congressional Budget Office show, the top 1% of earners accrued the same amount of wealth as the bottom 40% of earners in America (Henwood, 2011). The data is presented here in contrast with the same statistics from 1979, which shows that not only are the top earners getting richer, but the bottom earners now make less than they once did in a span of less than 30 years.

Ramsey defines integrity as "the steadfast adherence to truthfulness" (p.11), yet he is not honest with his readers when it comes to what really goes into the making of a corporate empire. Certainly, truthfulness is fairly low on the list of ways to ensure that your company is financially successful. This is apparent in the way that HSBC handled risky wire transfers from 2006 to 2009.

CHAPTER 5

Altering the Customer Account Monitoring Program (CAMP)

HSBC had an automated system called CAMP that was supposed to be used to monitor wire transfers. In theory, the program would alert the Bank's Anti-Money Laundering (AML) department for any suspicious transactions that occurred. This was not allowed to happen, as court documents attest (United States of America v. HSBC, 2012), since HSBC "knowingly set the thresholds in CAMP so that wire transfers by customers located in countries categorized as standard or medium risk [...] would not be subject to automated monitoring" (p.6). This allowed for $200 trillion dollars in wire transfers to bypass the screening process that would have otherwise flagged them for scrutiny.

This alteration was no accident. HSBC executives were well-aware of the risks involved with conducting wire transfers to Mexico (p.6). The U.S. State Department had issued a warning back in 2002 that wire transfers were a primary method of laundering money from the drug trade. However, the ability to make a substantial amount of money by doing business with "high-risk" customers trumped the need for "integrity" on the part of banking executives. By deceptively altering their own computer program, they allowed for millions of potentially illegal wire activity to occur, all while ensuring maximum profits from illegal funds procured from the drug trade.

Wealth, according to Ramsey, is also caused by what has been the neoliberal battle cry in the age of austerity. He purports that "we are taught to blame our lot in life on others" and that people will prosper only because "they made a decision that their fate is up to them, that it is their own personal responsibility" (p.18). Neoliberalism is important to the understanding of how Ramsey's doctrine becomes problematic for Americans, but first, we must elucidate what it means to describe a political climate as such.

Neoliberal ideology comprises a number of basic concepts, which include a laissez-faire system of business regulations, unabashed faith in the free market, and the idea that citizens are personally responsible for their own welfare (McCoy, 2012). Ramsey devoted a portion of his radio show to a scathing criticism of the Affordable Care Act, in which he stated "[insurance companies] are now going to have to cover people that they didn't have to cover before… sick people. It's a nice moral imperative, but it doesn't change the math" (The Dave Ramsey Show, 2013). The implication here is that we simply do not have the money to guarantee that everyone be covered by an insurance plan. Once again, the emphasis here is on personal responsibility, with no government intervention to infringe on the "freedom" of the business owner to make a profit.

CHAPTER 6

Failure to Maintain An Effective AML Program

Practices of austerity undoubtedly had an impact on HSBC's lack of oversight regarding money laundering. Despite the fact that in 2007 their AML program was already lacking, HSBC elected to "[reduce] resources available to its AML program in order to cut costs and increase its profits" (United States of America v. HSBC, 2012, p.10). In other words, the bank was "personally responsible" for ensuring that their AML department was adequately staffed, yet they chose to forgo hiring new employees because it ultimately would have hurt their bottom line. This meant enacting a hiring freeze, not replacing departing employees and not creating new positions.

Since profit was of utmost importance to the bank, this meant that monitoring suspicious transactions fell by the wayside. In March 2008, it was discovered that "only four employees reviewed the 13,000 to 15,000 suspicious wire alerts generated per month" (p.10). Much like the alteration of the parameters in CAMP, this decision was no accident. In lieu of placing a priority on the "personal responsibility" of monitoring fraud, HSBC elected to focus on driving up profit, which allowed them to have a banner year at a time when the U.S. economy was suffering. In fact, the BBC News reported (2008) that HSBC stated that they were "fundamentally strong and [had] increased the dividend [paid] to shareholders by 11% to 90 cents per share." The lesson here is that the only personal responsibility a business has is to please their shareholders.

CHAPTER 7

Hard Work

Ramsey devotes a whole chapter of *More Than Enough* to the importance of putting your nose to the grindstone. Since his "message" is coated in Christian values, he will occasionally quote Bible verses and use them to support this rhetoric. He says that "in Mark 14:7 Jesus said, 'The poor will always be with you,' and I am convinced that is because there are some people who just don't know how to work" (1999, p.182-183). He echoes this sentiment in his open letter to the Occupy Wall Street movement, saying that the majority of wealthy people achieved their success through hard work, citing Steve Jobs and Bill Gates as examples for their "positive impact on the world" (2011).

Unfortunately, Ramsey appears to ignore both history and scholarly research on the topic of what exactly goes into the making of an empire; it certainly isn't hard work. Engels (1952), in his book entitled *The Condition of the Working Class in England,* discusses the horrible conditions of factory workers in 19th century England stating that "murder has been committed if society knows perfectly well that thousands of workers cannot avoid being sacrificed so long as these conditions are allowed to continue." Woodiwiss (2005) acknowledges that notable families such as the Rockefellers, the Carnegies, and the Vanderbilt's found success through less-than-admirable means, including theft, fraud and the loss of human lives. Lee Iacocca famously defended his decision to permit the Ford Pinto to be released, despite issues with the vehicle exploding upon impact. He chalked this up to the cost of doing business, explaining that it was cheaper to settle lawsuits over dead and disfigured people than it was to fix the faulty fuel tank on the vehicle(Dowie, 1977).

It is also worth mentioning that those who put in the most hours and the most effort are also the ones who are paid the least (McNamee & Miller, 2004). Since Ramsey mentioned Steve Jobs, let's look at Apple for a moment. In 2012, the company still made their devices in deplorable factory conditions. Employees, some underage, would often work 60 hours or more per week. They are often paid less than minimum wage and are exposed to toxic chemicals and plant explosions (Walters, 2012). They work hard, so Steve Jobs didn't have to anymore.

Additionally, Ramsey believes that there is only one constant of hard work; it always involves an investment of a significant amount of one's time. In a confusing statement from his book, he proclaims that "the best way to get rich quick is to get rich slow" (p.187). The implication here is that risk is simply not the path to large monetary rewards.

CHAPTER 8

Banknotes Program & Subprime Lending

Consider this: when HSBC made poor financial decisions, such as subprime lending[1], they had to recoup their losses to stay out of debt. To do this, they elected to resort to illegal means. This is why HSBC managed to exceed annual profits from the previous year, despite being in the midst of the 2008 financial crisis. Tellingly, they openly attributed this to their strong growth in the Middle East and Latin America (Johnson, 2008), where most of the clients they laundered money for were located.

Meanwhile, when the average citizen subverts the system by selling drugs, they are punished quite harshly, especially in recent years. American prisons are filled with non-violent drug offenders (Guerino et al., 2001; Mauer & King, 2007), while nary a banker will see the inside of a jail cell for protecting the assets of the drug cartels that made street-level sales possible (Greenwald, 2012). Even the fine levied against HSBC smacks of inequality, when you think about how the low-level drug dealer in America is treated. If we were really interested in "justice," we would treat HSBC executives the same way that we treat drug dealers. As Taibbi points out, if we wanted to be equitable, we would

> dive into every bank account of every single executive involved in this mess and take every last bonus dollar they've ever earned[.] Then take their houses, their cars, the paintings they bought at Sotheby's auctions, the clothes in their closets, the loose change in the jars on their kitchen counters, every last freaking thing. Take it

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[1] Subprime lending is defined as lending that involves a higher amount of credit risk. Subprime borrowers typically have a low credit rating. The loan itself can also be atypical; for example, the loan-to-value ratio may be undesirable**Invalid source specified.**.

> all and don't think twice. And then throw them in jail. Sound harsh? It does, doesn't it? The only problem is, that's exactly what the government does just about every day to ordinary people involved in ordinary drug cases (2012).

Essentially, bankers are being rewarded for utilizing the “get rich quick” approach that Ramsey cautions against. This is also evident in their “Banknotes” program, which is described in court documents as a high risk business “because of the [increased] risk of money laundering associated with transactions involving physical currency” (United States of America v. HSBC, 2012). Banknotes was a business in which HSBC bought and sold physical currency throughout their global market. There was no automated monitoring system for Banknotes, which meant that only two officers were responsible for monitoring the transactions of roughly 500 to 600 customers (p.9). However, the risk was obviously worth it to the global bank, as customers from Mexico sold around $7 billion in U.S. currency to Banknotes each year that it was in operation. Each time money was sold to Banknotes, HSBC earned a profit simply for trading, transporting and storing the currency. Unfortunately, much of these funds were from illegal enterprises.

CHAPTER 9

Accountability, Deregulation & (Lack of) Due Diligence

In a chapter entitled, *Accountability: How to get an A in Conduct*, Ramsey states that people dislike "self-examination that points out that we are the cause of our own problems" (1999, p.131-132). This is a sentiment that is repeated again and again in Ramsey's dogma. He willfully ignores structural issues that cause poverty, in favor of the all-important virtue of personal responsibility. It is well documented that Ramsey eschews bankruptcy filings as a way to escape personal debt despite the fact that he filed twice after failed business ventures (Olen, 2013). Instead, he recommends working as many jobs as it takes to pay off one's debts, a method which he calls "gazelle intensity" (1999).

What Ramsey does here is very clever; by playing on the American value of individualism, he is covertly setting the stage for the two-tiered criminal justice system mentioned above. Citizens have to be held accountable for their own debts, real and metaphorical, yet bankers are not held responsible for their debts, real and metaphorical. Scholars have noted, long before Ramsey started his first failed business venture, that the state structures laws to benefit the economically powerful (Taylor et al., 1973, Quinney, 1980, Reiman, 1998). Consequently, personal responsibility only applies to those who are not in a position of economic power.

Laissez-faire capitalism is often a harbinger of financial disasters to come; this is usually in the form of deregulation. In 1999, the Glass-Steagall Act, which created a separation between commercial and investment banks following the Great Depression, was annulled with the help of powerful banking and financial services lobbying dollars. They spent 300 million dollars to achieve this (Stiglitz, 2009). It is interesting to note the timeline of events here; as soon as Glass-Steagall was repealed, HSBC started to make riskier acquisitions (BBC News, 2002). This is also what allowed them to begin laundering money with little oversight on multiple occasions in the beginning of the 21st century (Hollender, n.d.).

After being issued a fine that is the equivalent of a parking ticket, relatively speaking (Taibbi, 2012), it seems the bank is at it again. Most recently, they have been accused of money laundering and tax evasion in their Argentine banks (BBC News, 2013). This begs the question: why continue to resort to illegal activity in pursuit of the bottom line? The answer: because they can. HSBC's actions fly in the face of Cullen & Dubeck's findings (1985), which detailed how corporations are less prone to repeat offenses after criminal sanctions are imposed. This is where deregulation takes the stage; Sutherland argued that laws concerning white collar crimes tend to conceal the criminality of these acts (1945). The Department of Justice took this a step further in 2012, when they openly declared that HSBC would not face criminal charges for their failure to implement anti-money laundering controls (Greenwald, 2012). Lack of regulation means that all major banks are being told that they have been given a pass on criminal acts, both present and future.

Deregulation can also come in the form of internal policies at a financial institution. It was reported that HSBC's official AML Procedures Manual stated that conducting due diligence was not necessary for affiliate accounts with HSBC Mexico (United States of America v. HSBC, 2012). Typically, a bank will "verify the customer's identity and [asses] the risks associated with that customer. […] The bank should obtain information on account opening sufficient to develop an understanding of normal and expected activity for a customer's occupation or business (Bank secrecy act/Anti-money laundering examination manual, 2010)."

When HSBC decided that due diligence was unnecessary for their HSBC Mexico customers, they were essentially self-deregulating for their own benefit. Rather than do the typical nosey questioning when opening an account for a customer, HSBC elected to ignore the things that might classify said customer as "high risk," because of the benefit it would have for them monetarily. This aided them in their quest to be able to knowingly launder drug money out of Mexico without the pesky oversight and accountability that due diligence would require.

CHAPTER 10

Contentment and the Acquisition of Grupo Financiero Bital

In a chapter titled "Looking for love in all the wrong places," Ramsey tellingly states that "when you have contentment you can easily get out of debt" (p.229).The thing about monetary success, as mentioned previously, is that there is no end to the amount of wealth one can accumulate (Messner, 2001); it is a function of the capitalist system to achieve maximum profits no matter what (Passas, 1990). Thus, contentment is never part of the plan. Notice the language used here; not just profits, but *maximum profits.* Thus, the accumulation of wealth becomes a very literal 'paper chase' with no end in sight. To be competitive in such a system, persons who engage in it must resort to any means necessary to come out on top. Therefore, and contrary to what Ramsey purports, it is actually the *lack* of contentment that allows corporate entities to stay out of the negative.

How can you spot someone who is discontented? Ramsey says that they are always "looking for a shortcut. They fall for get-rich-quick scams and schemes" (p.235). He cites Proverbs 28:20, which promises that those who take part in the aforementioned scams and schemes will not go unpunished. Unfortunately, biblical justice is much more certain and severe than modern Western justice systems.

The impetus for HSBC's involvement in laundering money out of Mexico started with the acquisition of a large bank called Grupo Financiero Bital. This bank would later become the ill-fated HSBC Mexico. At the time, HSBC's Head of compliance indicated that there was no anti-money laundering system in place at Bital, and that it would take anywhere from 1 to 4 years for such a system to be up to par with regulatory standards

(United States of America v. HSBC, 2012). In reality, it took 8 years for HSBC Mexico to have a fully functioning AML program, at which point billions of dollars had been laundered between HSBC's Mexican and U.S. branches.

There is no indication in court documents as to the intentions of HSBC when they decided to extend their reach into Mexico. Given the politics of a global marketplace, it is safe to assume that HSBC was merely attempting to remain competitive with other large banking systems that already had their tentacles in Central America. However, their haste to enter into a risky market and not take the proper precautions upon doing so indicates a distinct lack of contentment, according to Ramsey's definition. Acquiring Bital, particularly at a time when the mean mortgage interest rate was 7.33 (Canner, 2002), speaks to a desire for one thing only: increasing capital no matter the cost. Furthermore, to have the audacity to willingly ignore requests for compliance with AML standards indicates that this was a scheme in which HSBC was certain that they had little to lose.

CHAPTER 11

Tithing/Giving Back

The acquisition of capital itself is often framed in terms of 'it's not about the money; we're helping people.' Both Ramsey and HSBC, predictably, issue this rhetoric. Consider the language used in the sale of banking products: *Grow* your wealth; Investment opportunities; *Helping* you buy your first home. Each catchphrase makes us feel as though we are being gently guided towards a positive outcome, despite the fact that we are actually parting with our hard-earned money and there is ostensibly no guarantee that we will get it back. Banks are very aware of the legal liability that comes along with making these claims, as is evidenced by the lengthy paragraphs of fine print that dangle ominously from the bottom of their webpages and printed materials.

Ramsey has a similar arrangement--which is somehow more nefarious because it is couched in scripture-- when it comes to the money management business. In the first chapter of his book (1999), he compares what he does to being a pastor or psychiatrist: "[…] We counsel hundreds of folks[…] who have reached a point of crisis." While it is true that Ramsey does assist people with becoming more financially literate, his help comes at a price. He is the author of several books that retail for an average of $15 to $20. His website sells DVD versions of his "Financial Peace University" (FPU) for $250. He conducts live versions of FPU at churches and other large venues, with the price of admission for these events ranging from $40 to $200.

Like many of those who use their wealth "to help others," it soon becomes necessary to include charity work in their mission statement to further illustrate how they help others while still adhering to capitalist principles. Ramsey is a huge proponent of giving back, but not for the reasons we might expect. When people come to him for financial counseling, he often recommends that they do some sort of charity work; this may mean working in a soup kitchen, but it could also mean that you continue to tithe the recommended 10% of your income to your church. However, his reasoning behind these exercises is so that you can see "how small [your own problems] really are in comparison to what some of your fellowmen face" (1999, p.268). In essence, charity becomes a means to help the giver, perhaps even more than it helps the receiver. Serving food to the homeless for an hour is doing nothing to fix the structural inequality, caused by capitalism, which creates homelessness in the first place.

In his book, *Violence*, philosopher Slavoj Zizek explains the issue with "giving" quite well: "Charity is the humanitarian mask hiding the face of economic exploitation. […] The developed countries "help" the undeveloped with aid, credits and so on, and thereby avoid the key issue, namely their complicity in and co-responsibility for the miserable situation of the undeveloped" (2008, p.22). Thus, in a capitalist society, charity becomes necessary to displace the harm caused by capitalism in the first place. In other words, you can give a homeless man a coat, but it will not cure him of his homelessness unless you resolve the structural issues that caused him to lose his home in the first place. Donating to charity, whether in the form of a coat or a monetary contribution, is a means by which to help them cope with the consequences of capitalism. It also helps to reinforce economic hegemony by making it appear as though capitalism is about give and take, when in reality it is only about the latter.

CHAPTER 12

Corporate "Charity" as Strategic Public Relations Maneuver

In light of their recent scandals, it becomes important for HSBC to tout their charitable efforts as a strategic public relations move. Through both employee volunteer work and monetary donations, they are involved in myriad NGOs that serve various communities. One of these programs is Junior Acheivement (JA). JA puts volunteers, usually business professionals, into classrooms to teach students about starting a business, managing money, economics, ethics, and the stock market. Foucault explained that institutions want to control the discourse on particular subjects, for to control language is to control people (Burke, 2000). As Thompson (1987) states, there is a difference between justifying a point of view and imposing it on others. He explains:

> To justify is to provide reasons, grounds, evidence, elucidation; to impose is to assert or re-assert, to force others to accept, to silence questioning or dissent. To justify is to treat the other as an individual capable of being convinced; to impose is to treat the other as an individual who must be subjected. This distinction suggests that an interpretation would be justified only if it could be justified without being imposed, that is, only if it could be justified under conditions which included the suspension of asymmetrical relations of power. (p. 532)

Certainly, by inviting a speaker into a classroom and expecting students to listen attentively to what he or she has to say assumes that there is in fact an asymmetrical balance of power: the students are subjected to this discourse rather than being convinced that the capitalist system is one that is helpful to them. Meanwhile, the whole affair is framed as a "community service project."

By using Junior Achievement to control the discourse on the political economy of capitalism, HSBC and other supporters of the program ensure that through indoctrination young people will not learn to question a system that continually oppresses the powerless. Therefore, and in keeping with the principles imparted by Ramsey, HSBC has shrewdly used their involvement in charity to benefit them twice over: they have used the charity work to make themselves appear more ethical in light of their contiual disregard for the law and to provide a sanctioned platform for them to disseminate capitalist dogma to impressionable young people.

CHAPTER 13

We've Had More Than Enough

For a country that raises such a big stink when we and other nations are attacked by terrorists, we didn't seem to care that a major financial institution pretty much protected the assets of these people for the better part of a decade. Additionally, for every law enforcement officer, solider, or human slave that has died or otherwise suffered as a result of any type of trafficking, our refusal to prosecute those who aided and abetted these criminals says that we value a financial institutions "health" over the welfare of human beings. It bears repeating that in issuing the equivalent of a parking ticket for such severe actions, we indicate our willingness to subjugate law and basic notions of justice to the larger, and more important, matter of capital accumulation.

Allow me to express a novel idea: Banks need us to survive, not the other way around. I have personally worked in both the for-profit banking sector and the non-profit banking sector, which is commonly known as "cooperative banking." Cooperative banking is when a community bands together to provide financial services for the group. For example, I worked for a credit union that serves teachers and healthcare professionals. The rates offered by the credit union usually tend to be more reasonable than those of a for-profit bank. They also tend to be more careful about how they lend money.

Way back in 1993, *Time Magazine* published an article that reflected this point; in essence, we could "let banks die and still have a vibrant economy" (Baumohl). More recently, the rise of peer-to-peer lending sites, such as Kickstarter and Funding Circle, have challenged the idea that banking middlemen are even necessary anymore (Pagano, 2012).

Marx takes it a step farther when he argues that the capitalist system will eventually disintegrate entirely (1970). So how can we accelerate this process to ensure that a capitalist political economy will no longer continue to harm generations of people?

Language is more important than we realize in creating cultural norms. This sentiment is echoed in a 2014 interview with geographer David Harvey. He feels that this can be accomplished by "'changing mental conceptions of what the good life is,' and that you do so in part by changing the language" (Carlson, 2014). Ramsey reinforces cultural hegemony regarding the importance of capital, while concurrently bolstering the myth that there is a both a legitimate and virtuous method to accrue said capital. While HSBC offers a case study for understanding how a cultural emphasis on capital is problematic, the example that they set is hardly an anomaly. The impetus for laundering money and selling drugs at street level is the same; both actions are an attempt to secure wealth because we have been told that this is a priority.

As Harvey points out, our definition of the good life is inherently flawed because it presents an unrealistic picture of what will make us happy. In order to shift the current paradigm of "money over everything," we need to be made aware that fulfillment exists without capital. In his 1999 book, *Luxury Fever:Why money fails to satisfy in an era of excess*, Robert H. Frank discusses how "bigger houses and faster cars [...] don't make us any happier" (p.6). The oft-cited proverb tells us that the best things in life are free, but Americans rarely heed this advice.

According to the Parisian think-tank, Organization for Economic Co-operation and Development, the United States is ranked number one in household wealth, but twelfth in life satisfaction (Handley, 2012). The reason for this disparity, and further evidence that economic welfare should not be measured by Gross Domestic Product alone, lies in the fact that Americans spend much more on healthcare costs, have a poor work-life balance and sense of community (Stokes, 2011). Thanks to strong labor unions, Europeans are actually forced to take more vacation time than their American counterparts, making their emphasis more on experiencing life and leisure than the accumulation of wealth (van Gilder Cooke, 2012).

Admittedly, this is a situation where change will have to come incrementally. However, by changing the language we use to discuss success, hard work and those in need of financial assistance, it is a revolution that can be ignited on a small scale. Success does not have to be equated to monetary gain. Working hard is possible without forcing people to work overtime for extra wages. Financial assistance in the form of welfare should not be viewed as a shameful prospect. These are ideas, and ideals, that should be promoted. It doesn't matter who says these words; as long as they are being heard, change will be inevitable.

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