A structural ritualisation analysis of money laundering within the Swiss banking sector

1. Introduction

Switzerland, a landlocked country located to the west of Central Europe, is well-known as one of the world’s most competitive financial centres. It is also known as ‘the Swiss Confederation’ as it is a federal directorial republic. Federalism “describes the union of equal governing bodies, whose independence is to be preserved by their very union” (Coordinating Committee for the Presence of Switzerland Abroad, 1992). Although found in mainland Europe, Switzerland is not part of the European Union (EU). The objective of this article is to research the heavily debated topic of money laundering in the Swiss banking sector, not Switzerland’s political policies or the state of its economy. “Switzerland has steadfastly resisted efforts by the EU and the OECD to reduce, and preferably abolish, long-standing Swiss banking confidentiality rules” (Doggart, 2002).

In this paper, we argue that it is the social environment surrounding an embedded group and the culture within this environment that play an important role in creating a cognitive script and taken-for-granted behaviours that allow the normalisation of money laundering activities crime within the Swiss banking sector. The main research question therefore is as follows: are Swiss banks offering a sanctuary for criminals who use their bank secrecy laws to hide the source of their illicit funds to elude authorities? In order to answer this question, we use HSBC as a prototype example of embedded ritualised money laundering practices in the Swiss banking sector. To provide a foundation to answer this question, the paper is anchored with the theory of structural ritualization. By anchoring the analysis with structural ritualization theory, our intention is to show that the patterns of behaviour and
actions observed among the group embedded within the Swiss banking sectors are a product of the social structure within the larger environment.

2. Swiss Banking Secrecy Law and Anti-Money Laundering Policy

The money laundering process is often separated into three phases; placement, layering and integration. These steps are undertaken to make the funds seem legitimate and so that their origins cannot be associated with illegal activities. The first step, placement, can be seen as the step in which the illicit funds are cleaned by mixing them together with legitimate funds and physically depositing them into a financial system. The second stage, layering, disassociates and separates the illicit funds from their illegal source by using layers of complex and thorough financial transactions. The final step is integration. Fundamentally, this is when the funds are reintroduced into an economy after obscuring the audit trail and disassociating the illegal money from the perpetrator (Young, 2013; Hopton, 2009; Lilley, 2006; Truman & Reuter, 2004; Board of Governors of the Federal Reserve, 2002; Blunden, 2001; Stessens, 2000). Although the method of using the three phases to analyse the complex process of money laundering is useful, it is important to note that money laundering differs from case to case and there is a diversity of origins, methods and phases (Ryder et al., 2014; Truman & Reuter, 2004; Blunden, 2001; Stessens, 2000).

The role of offshore financial centres and banking secrecy in ‘white-collar crime’ has become a widely discussed subject that revolves around the political and economic dilemma of money laundering and anti-money laundering policies. The criminalisation of cleaning ‘dirty money’ that has been created by illegal activity, such as drug trafficking or terrorist financing, is important as “it facilitates crime by capacitating crime groups and networks to self-finance, diversify and grow” (Levi, 2002).

Money laundering can be seen as the process by which proceeds of crime such as drug trafficking or terrorist financing are cleansed and converted into assets that seem to have
It is clear that money laundering is used for unlawful and illegal purposes as it conceals the origins of illegal proceeds, allows organised ‘white-collar’ crime to persist by creating a mask of legitimacy around illicit funds and reduces the probability of these funds being identified or traced (Young, 2013; van Duyne et al., 2013; Camp, 2009; Lilley, 2006; Beare, 2003; Bennett, 2002; Blunden, 2001; Barbot, 1995). Posing as a large threat and obstacle to the global economy, money laundering allows criminals to continue to finance their illegal businesses or organisations and supports their extravagant, luxurious lifestyles with no regard for society (Young, 2013; Hynes et al., 2009). It is essential to note that money laundering is mainly driven by criminal activity and for this criminal activity to remain successful, the source of the illicit funds must remain unknown (Lilley, 2006; Blunden, 2001). Criminals use money laundering as a way to convert dirty money into a form that can be used more conveniently in commerce while hiding the dirty money’s true origins (Barbot, 1995). Ping (2004) stated that the Financial Action Task Force (FATF) estimates that “as much as $85bn per year in drug proceeds could be available for laundering in the USA and Europe.” An offshore financial centre (OFC) is often used to carry out money laundering as they have strong banking secrecy laws that allows the origins of the illegally sourced funds to remain hidden (Young, 2013). Individuals or companies involved in money laundering try to decrease their association with the illegal funds so that they cannot be traced.

‘Banking confidentiality’ is the concept that allows the illegal money laundering activity to occur undetected. It is essential to note that the terms ‘banking confidentiality’ and ‘banking secrecy’ are often used synonymously and interchangeably. Banking confidentiality can be described as a professional obligation and a privilege, legally protecting a customer’s financial information (Young, 2013; Carr & Jago, 2014; Ping, 2004). The term ‘offshore’ is often used to describe a foreign jurisdiction that has more favourable regulatory and tax frameworks than the investor’s domestic jurisdiction (Dowling, 2004; Antoine, 2002). Young
(2013) argues that it is a combination of lax supervisory and regulatory frameworks, as well as strict banking confidentiality laws that make OFCs attractive to criminals who can easily manipulate the financial system for their own purposes and benefits.

Globally, bank secrecy has proved to be a useful instrument when attracting foreign investment and “appears to have been developed before Roman times when temples acted as banks” (Antoine, 1999). Bank secrecy can be defended for a number of reasons. Plato-Shinar (2007) considers the right to privacy as a basic human right and that it should be seen as a fundamental right when it comes to handling one’s financial information. One of the main reasons that Switzerland have confidentiality in its banking sector is due to the fact that authorities “protects the right of bank customers to have their banking information remain confidential” (Lauchli, 1997). According to Ryder et al. (2014), although Swiss bank secrecy had been evident since the sixteenth century, it was in 1934 that it was formally codified and stated that anyone who breaches the secrecy law attracts a sanction. It has been argued that the initial development of Swiss banking secrecy laws were for the purpose of preventing Nazi Germans from investigating and seizing Jewish assets that were being held in Swiss bank accounts (Carr & Jago, 2014; Ryder et al., 2014; Ping 2004). Although the term ‘laundering’ is now associated with the cleansing of dirty money, it was originally related to the actual business of washing clothes. Criminal gangs and ‘mob bosses’ acquired businesses with high cash revenue, such as laundrettes, to disguise the true origin of their large sums of money, which were usually acquired from illegal, criminal activity (Lilley, 2006).

Switzerland has a central bank, the ‘Swiss National Bank’, with all bank processes, investment trusts and the stock exchange being monitored by the ‘Federal Banking Commission’ (FBC) (Doggart, 2002). The Financial Action Task Force (FATF), established in 1989, is an inter-governmental body with the aims of implementing policies that ensure the safety of global financial systems against money laundering. Switzerland is a member of the
FATF along with 35 other members (Ryder et al., 2014). The FATF standards, which were revised in 2012, provided recommendations for member countries that suggested “countries should criminalise money laundering on the basis of the Vienna Convention and the Palermo Convention” (Ryder et al., 2014). The FATF’s standards and recommendations are progressive, however until banks actually start to implement the removal of banking secrecy globally, their efforts may prove to be insufficient. Following debate over many years surrounding Swiss banking secrecy laws, Stessens (2000) confirmed that a law has come into effect, which states that whenever there are concrete evidence that a transaction may have illegitimate, illegal or immoral origins, it should be investigated by the bank. However, this is often met with difficulty due to a criminal’s ability to obscure the audit trail through placement, layering and integration. Concrete evidence of white-collar crime is often hard to obtain when banking confidentiality and money laundering are concerned (van Duyne et al., 2013; Hopton, 2009; Gough, 2005; Truman & Reuter, 2004; Blunden 2001). Although banking confidentiality laws initially had noble and credible intentions, “due to its very nature it is open to abuse and has been subverted by money laundering and organized crime” syndicates (Carr & Jago, 2014).

The threat of money laundering arising within the Swiss banking sector highlights the level of corruption, misconduct and deviance that can systematically become embedded in the system. There are often arguments regarding who can be held responsible for money laundering, with blame often being placed on Money Laundering Reporting Officers (MLRO), local managers and executives (see Bello and Harvey, 2016). However, it seems peculiar to blame individuals for a problem that pervades the entire industry. Arguments are often put forward that points to the culture of certain jurisdictions or banking industries to be blame for the unethical, illegal actions and behaviours of actors within the sector (Bello and Harvey, 2016; Otusanya, Ajibolade, & Omolehinwa, 2011).
3. **Structural Ritualisation Theory**

To gain a better understanding of the money laundering phenomena in the Swiss banking sector, the paper will build on previous organisational ritualised behaviour and focus on the social structure within the Swiss banking sector. Using a wide range of media content and sources of information, the paper seeks to provide evidence that the financial misconduct within this sector is a product of the social environment and rather than individual decisions. The Swiss banking sector has “fostered an environment conducive to the normalization of deviance” (Knotterus et al., 2006). To analyse the social environment and structure within the Swiss banking sector, the paper employs the theory of structural ritualisation, a theory that suggests that it is the environment surrounding a group of people and their ritualised practices that will “play a crucial role in the reproduction, and sometimes alteration, of social relations, identity, and social structure” (Knotterus & Berry, 2002). In Switzerland, the prestigious and competitive banking sector has had its credibility and cooperation to anti-money laundering policy questioned because of its banking secrecy laws.

The theory of structural ritualisation “examines processes occurring in a social group, which is embedded within larger social environment” (Knotterus, 1997). This theory states that actors do not simply copy ritualised practices, but, that they are followed and conducted in a manner that confirms certain behavioural patterns in the wider environment. The behavioural traits that have become evident in the wider social structure strongly influence the processes and practices carried out by the embedded group. These ritualised practices have become taken-for-granted actions and can be seen as a sort of ‘cognitive script’, which directs their actions and behaviour (Knotterus et al, 2006; Knotterus & LoConto, 2003; Knotterus & Berry, 2002; Sell et al., 2000; Knotterus & Guan, 1999; Knotterus, 1997).

Symbolic rituals festers through embedded groups (2000; Knotterus & Guan, 1999; Knotterus, 1997). The theory explains that an embedded group refers to a bounded group
nested or located within a more encompassing organized collectivity. Examples of embedded
groups would include an informal youth group within a school system or a problem-solving
group within a bureaucratic organization (Knotterus & Berry, 2002; Sell et al., 2000;
Knotterus & Guan, 1999; Knotterus, 1997). In this case, the embedded group will be the
employees, managers or other personnel working within the Swiss banking sector. The theory
of structural ritualisation has been developed from the theories of ritual and routine, which
have been previously documented in the psychology and anthropology literature. Ritual, a
fundamental aspect of the theory, has often been used when analysing religious behaviour;
however, this theory uses rituals to focus on certain processes and social actions that are
found in different examples of environments or social settings. It is argued that the definition
of ritual that is used in this theory is similar in approach to that of Kertzer’s (1988), which
defines ritual as repetitive and socially standardised behaviour.

Ritualised symbolic practices (RSPs) are practices that help develop the ‘cognitive
script’ that dictates an embedded groups’ behaviour and have been described as schema-
driven (Knotterus & Berry, 2002; Sell et al., 2000). Schema refers to an organised pattern of
behaviour that arranges information into segments and develops the relationship and
behavioural similarities between them. These actions or behavioural patterns can be observed
throughout social structure and can often dictate or direct the interaction between actors
within ‘organizational milieus’ such as offices or organisations. RSPs are often described as
schema-driven ‘action repertoires’, where ‘action repertoire’ is defined as “a set the elements
of which are socially standardized practices” (Knotterus & LoConto, 2003). The definitions
of RSPs emphasises that the ritualised processes or actions are not simply copied by the
embedded group, but that the patterns of behaviour develops a symbolic framework, which
enables a cognitive script to be replicated throughout the social structure (Knotterus et al,
The theory of structural ritualisation argues that RSPs are influenced by four key factors within a larger social environment (Knotterus & LoConto, 2003). These four factors are repetitiveness, salience, homologousness and resources. Repetitiveness can be seen as the frequency that a ritualised practice is performed within a social setting or domain. The degree to which the RSP is repeated can change - the repetitiveness in some domains can be quite rare, however, in other domains the RSP could occur frequently. Salience can be seen as the “degree to which a RSP is perceived to be central to an act, action sequence, or bundle of interrelated acts” (Knotterus, 1997). Fundamentally, salience is the degree to which an RSP is prominent. Knotterus and Berry (2002) argued that homogeneousness refers to the degree of perceived similarity among different RSPs or, in other words, different practices may exist within a domain and exhibit varying degrees of similarity in their meaning and form. The greater the similarity between the RSPs, the more likely they are to reinforce each other. Finally, resources are the tangible and non-tangible materials or characteristics that enable an actor to perform a RSP. In other words, these are the materials available to actors that are necessary to perform different RSPs. If these resources are more readily available, an actor will feel more inclined to engage in the ritualised practice (Knotterus et al., 2006; Knotterus & Berry, 2002; Sell et al., 2000; Knotterus & Guan, 1999; Knotterus, 1997).

A final important concept in the theory of structural ritualisation is ‘rank’. Knotterus (1997) defines rank as the relative standing of a RSP in terms of its dominance. According to the theory, “the higher the rank of the ritualized symbolic practices in the social environment, the greater the likelihood that these will be reproduced” (Sell et al., 2000). In other words, a RSP will have a greater influence on the behaviour and routines of an actor if its rank is higher. A RSPs importance can differ depending on the environment or social setting in
which it is found (Knotterus et al, 2006; Knotterus & Berry, 2002; Sell et al., 2000; Knotterus & Guan, 1999; Knotterus, 1997).

Switzerland’s banking sector has always had a reputation for being thriving and well respected, however, this reputation has been tarnished in recent years due to heavy criticisms of its strong banking confidentiality laws. The confidentiality laws protect client financial information and prohibit the bank from revealing this information to other parties. These laws have made it easier for criminals to hide their illegal proceeds in Swiss financial institutions and later reintroduced them into their domestic economies after the ‘dirty money’ has been cleaned and the audit trail obscured, a process known as money laundering. This process comes at a detriment to society as it enables criminals to continue operating illegal businesses and supports their illegally-earned lavish lifestyles. In this paper, the theory of structural ritualization is used to understand the structural elements surrounding the actors that affect and influence their behaviour in the Swiss banking sector. Can the process of money laundering be blamed on individual deviancy within the Swiss banking sector, or should the blame be put upon an environment that fosters deviance and is enhanced by ritualised symbolic practices and behavioural patterns? The rest of the paper is devoted to answer these questions using content analysis.

4. Methodology

4.1 Content Analysis

Content analysis is used to analyse documents or texts and “seeks to quantify content in terms of predetermined categories and in a systematic and replicable manner” (Lewis et al., 2009). It can be described as the process of taking the content of communication or written resources and organising it into systematic, quantitative data. Content analysis is used to take a large amount of information and transform it into a manageable amount that can be used for further research. It allows a researcher to convert qualitative data such as text or documents
into numerical data that can be further used for analysis. Many different aspects can be used for analysis such as significant actors, images, themes or words. Traditional content analysis involves the researchers trying to identify the content they want to analyse (themes, words etc.) and record the frequency of their occurrence in the text (Blumberg et al., 2014; Burns & Burns, 2008; Cooper & Schindler, 2008; Lewis et al, 2007; Bryman & Bell, 2007).

4.2 Data Collection

This section describes the methods of data collection, the reliability and validity of the results and the limitations of the research in general. The aim is to provide a justification of the data collection used in the paper, the type of data collected, and explain how the data was gathered. Following the explanation of the validity and reliability of the data, we then proceed to discuss the limitations of the study along with ethical issues encountered.

The study employed a similar data collection technique used by Knotterus et al. (2006) in his article titled: “Exposing Enron: Media representations of ritualized deviance in corporate culture” to study ritualisation of money laundering in the Swiss banking sector. Part of the data collection plan was to gather secondary data using written media sources in the form of newspapers. A qualitative secondary data collection technique will be used followed aby a content analysis, which “involved identifying themes and then recording the frequency of their occurrence in the text” (Bryman & Bell, 2007).

Initially, completing a general overview of the Swiss banking sector using simple search engines such as Google seemed a useful way to begin the data collection process. We identified certain news publications that we wanted to use in the research based on their reliability as sources of information. We began by searching broadsheet newspaper organisations in the United Kingdom (U.K.), which led to the Financial Times, the Guardian, the Telegraph and the Independent. Upon accessing the websites for these broadsheet newspapers, we were able to use their personal search engine functions to search for news
articles. We initially use the terms ‘money laundering’ and ‘Switzerland’ for a general search of newspaper articles. After reading and analysing two dozen articles, we discovered that we may be able to gain more reliable and specific articles if we searched for individual banks that had been involved in money laundering and tax avoidance scandals. This led us to start using the terms ‘HSBC’, ‘Credit Suisse’ and ‘UBS’ in the searches.

This new search technique allowed us to gain a better understanding of the culture and themes that were present in specific Swiss banks. There was often information that was not directly related to the issues under investigation. For example, there were several articles produced in the search that were related to tax evasion as it is often seen as being related to money laundering; however, we felt this was not appropriate or suited to the research. We decided to use the dates of the articles that were already obtained (2011-2015) to refined the search. This produced more suitable and useful articles. After analysing these initial four broadsheet newspapers, we gathered a range of articles. However, it was not a sufficient amount for the content analysis and we started to search elsewhere. Researching other news organisations such as the Huffington Post, the Washington Post, The Daily Mail, Reuters, the Economist and Bloomberg allowed us to use the same search terms as before and gather more articles. After getting rid of unsuitable information, duplicate articles and articles that were not from a suitably reliable source, we were left with sixty-five articles related to money laundering within the Swiss banking sector.

After gathering the data for analysis, we began by re-reading the content and highlighting the general themes that were present within the articles. This allowed us to identify the ritualised practices that were evident in the sector due to recurring themes and record the frequency of each theme’s occurrence in the articles. The general themes that were present included: corruption, illicit origin of money, drug trafficking, cartel, arms dealing, blood diamond trading, terrorist financing, theft, power, scandal, impropriety, criticism of
regulation and Swiss law, laziness, tarnished reputation, accusations, abuse of jurisdiction reputation, abuse of company reputation, image, embarrassment, safety, profitability, reputation defence, blame, pleading innocence, failure to accept responsibility, hindsight, organisational deficiencies, past mistakes compared to current performance, ignorance, red flags, turning a blind eye, awareness, distraction, suspiciousness, playing-down of a situation, regret, remorse, apology, accountability and taking responsibility for actions. We decides that these were too many to analysed and then categorised them into six significant themes with each significant theme being related to a specific category of RSPs (e.g., see Knotterus et al., 2006). As highlighted in Table 1, the six core themes identified were: corruption, reputation, blame, regret, ignorance and criticism.

4.3 Validity and Reliability

As with content analysis, the validity and reliability are two important factors when assessing and justifying the quality of research. However, when using secondary qualitative data there has often been criticism of the relevance, reliability and validity of the data. Validity refers to the extent to which the collection of data is related to what the researcher wants to measure (Source). Reliability, on the other hand is related to the accuracy, consistency and precision of the measurement process (Cooper & Schindler, 2008; Lewis et al., 2007; Blumberg et al., 2014; Bryman & Bell, 2007; Burns & Burns, 2008). To ensure the validity of the results, we used specific research informed terms to identified themes. To further ensure we had gathered valid data, we went back through the collected data, eradicated any articles that were not relevant to the research and ensured that there was no irrelevant information that was not directly related to the research. To ensure the reliability of results, we only used reliable newspapers or news organisations as sources while ignoring information coming from tabloid or unreliable sources. Also, we eradicated all duplicate
articles and analysed the themes within the data thoroughly to further ensure the results were reliable.

4.4 Limitations of the Research

Throughout the data collection process, we came across certain limitations that need to be addressed. Evidently subjectivity was an element that needs to be put into perspective when analysing the articles. Bias from the writer was evident throughout the articles reviewed. This made it difficult to conduct a fair and justified content analysis. However, this bias often allowed us to assess the culture and general attitude toward financial crime within the Swiss banking sector. Furthermore, after conducting a pilot analysis of the initial articles, we found that the data gathered was often related to the same two banks – HSBC and Credit Suisse. This, in a way, narrowed our research of the sector as a large amount of the content was related to the same banks who had been involved in financial misconduct. However, we realised in order to assess money laundering in this sector, we had to analyse the actors or banks that had been involved in the misconduct.

5. Findings and Discussion

Table 1 Core categories of themes for content analysis

<table>
<thead>
<tr>
<th>Category</th>
<th>Practices related to RSP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corruption</td>
<td>corrupt, illegal, immoral, or criminal behaviour or actions. Allowing the laundering of illicit proceeds from drug trafficking, arms dealing, terrorist financing, or blood diamond trading, impropriety, scandals or abuse of power or position.</td>
</tr>
<tr>
<td>Reputation</td>
<td>tarnishing or the abuse of the reputation of a jurisdiction or company, accusations, tarnished image, embarrassment or using reputation to defend wrongdoing or misconduct.</td>
</tr>
<tr>
<td>Blame</td>
<td>pleading innocence by blaming others, responsibility not being clearly outlined or failure to accept responsibility, placing responsibility in someone else’s hands, using current performance or improvements in performance as justification or an excuse for past mistakes, or hindsight.</td>
</tr>
</tbody>
</table>
regret or remorse for past actions or mistakes, genuine sincerity when apologising, general apology for actions or scandal, or acceptance of responsibility or accountability for past mistake.

**Ignorance**
turning a blind eye to financial misconduct or crime, ignoring significant red flags, willing failure to observe standards, awareness of financial misconduct or suspicious behaviour, or distraction.

**Criticism**
criticism of Swiss law or financial regulation, criticism of lazy regulation or laws that aren’t strict enough, the inability to convict criminals or perpetrators due to Swiss law, or obligation.

Table 2 highlights the six core themes of corruption, reputation, blame, regret, ignorance and criticism that are being used to identify the chosen RSP categories. Upon recording the frequency of each themes’ occurrence throughout the articles and using repetitiveness and salience as the crucial indicators of rank, we suggest that analysing the frequency with which an RSP is repeated and its prominence will allow us to further support the argument that structural ritualisation in practice is evident in this sector (Knotterus et al, 2006; Knotterus & LoConto, 2003; Knotterus & Berry, 2002; Sell et al., 2000; Knotterus & Guan, 1999; Knotterus, 1997). Table 2 also shows that sixty-five articles were gathered in which at least one of the six possible RSPs were identified.

**Table 2** Frequency of theme occurrence in newspapers

<table>
<thead>
<tr>
<th>Theme</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corruption</td>
<td>61</td>
<td>93.8</td>
</tr>
<tr>
<td>Reputation</td>
<td>31</td>
<td>47.7</td>
</tr>
<tr>
<td>Blame</td>
<td>20</td>
<td>30.8</td>
</tr>
<tr>
<td>Regret</td>
<td>20</td>
<td>30.8</td>
</tr>
<tr>
<td>Ignorance</td>
<td>17</td>
<td>26.2</td>
</tr>
<tr>
<td>Criticism</td>
<td>14</td>
<td>21.5</td>
</tr>
<tr>
<td>TOTAL</td>
<td>65</td>
<td>100</td>
</tr>
</tbody>
</table>
5.1 Corruption

The corruption category of RSPs made up the largest section of themes identified throughout the newspaper articles. Out of the sixty-five articles, RSPs related to the corruption category were identified 61 times, which was 93.8% of the total articles analysed. The high frequency of RSPs in this category suggests that corrupt practices and rituals were very common and normalised throughout the social structure and environment in the Swiss banking sector. These results imply that actors within this jurisdiction were complicit and allowed illegal transactions and the laundering of dirty, illicit proceeds to pass through their institutions.

Using the scandal associated with HSBC between 2010 and 2015 in their Swiss arm as an example, it has become evident that employees within HSBC were taking part in corrupt ritualised practices. In a Financial Times article related to HSBC Swiss arm, it was stated that:

… Swiss prosecutors raided its offices in Switzerland as part of their investigation into claims the bank helped clients launder the proceeds of drugs and arms trafficking, and terrorism (Financial Times, 2015).

Another article produced by the Guardian, which referred to the scandal as the ‘HSBC files’, highlighted several corrupt RSPs which included concealing “large sums of money for people facing allegations of serious wrongdoing, including drug-running, corruption and money laundering”:

The files show the bank provided services to a circle of African diamond traders who broke the law. They included Emmanuel Shallop, jailed for six years by Antwerp court for importing illicit Angolan conflict diamonds in 2001-2002. Shallop, also alleged to have dealt with Sierra Leone rebels, hid almost £2m in an HSBC account (The Guardian, 2015).

HSBC, in the same article, were also accused a number of times of providing services to arms dealers, drug-runners and cartels. HSBC’s Mexican division, which is a subsidiary of
its Swiss arm, allowed drug cartels to launder £572m in cash. Related to the notorious BAE corruption scandal,

Turki bin Nasser, a member of the ruling Saudi family, and his ‘business manager’, the Lebanese politician Mohammad Safah, had more than $60m of assets in HSBC accounts. Prince Turki, as head of the Saudi air force, was named in 2004 as the biggest secret beneficiary of a $92m BAE slush fund (The Guardian, 2015).

Employees of HSBC Suisse allowing proceeds from questionable, illegal backgrounds to be passed through their bank are a perfect example of corrupt behaviour and abuse of position. Given the evidence, the HSBC employees were, in a way, working alongside with drug traffickers and cartels, arms dealers, conflict diamond traders and terrorist financers for their own benefit, regardless of the possible effects to the bank or the Swiss society. The criminogenic environment was a factor that normalised corrupt behaviour at HSBC Suisse. This environment formed the cornerstone and encouraged employees to help clients laundered money and be complicit in corrupt ritualised practices.

Another situation which has brought further accusations of misconduct upon the Swiss banking sector was the Petrobras oil scandal. Petrobras, a Brazilian oil company, was “mired in a corruption scandal in which company executives allegedly directed hundreds of millions of dollars from overpriced contracts to politicians”. This scandal had again tarnished the Swiss banking sector and show signs of further corrupt behaviour from certain accused banks, including HSBC Suisse:

Switzerland has frozen $400 million of assets in more than 30 banks as the country’s attorney general probes money laundering related to Petroleo Brasileiro SA’s widening corruption scandal (Bloomberg Business, 2015).

In another case, accused Bernardo Freiburghaus, a Brazilian-Swiss dual citizen, of allegedly oversaw,

… the movement of illicit money to Switzerland from countries including Brazil and the U.S. More than $100 million held by his clients has already been seized from Swiss accounts and returned to authorities in Brazil (Bloomberg Business, 2015).
HSBC was again brought into the spotlight when a Financial Times article reported their involvement in the Petrobras scandal:

… the alleged use of Swiss bank accounts in the Petrobras case is fuelling efforts in Brasília to investigate accusations of tax avoidance by Brazilians at HSBC in Switzerland (Financial Times, 2015).

The amount of Swiss banks that have been connected to this scandal has again raised the concern of a criminogenic environment. More than thirty banks were involved in the freezing of assets related to the scandal. The high level of impropriety, corruption and willingness to accept proceeds from illegal backgrounds is not only detrimental to society, but is a reflection of the banking culture and that pervades the entire sector.

5.2 Reputation

As the RSP category with the second highest frequency throughout the newspaper articles, themes related to reputation were referenced 31 times, accounting for 47.7% of all content. Again, this high frequency indicates that clients and general perceptions of the company or jurisdiction’s reputation were very central and related to the embedded groups’ motives and actions. The high percentage suggests that the environment within the Swiss banking sector is very concerned and affected by the reputation of the bank or jurisdiction. However, often this is detrimental as some actors are more concerned about the effect on the reputation of a company an action will have as opposed to the effect it has on society or clients.

There are also concerns about the usually respected reputation of Swiss banking quality and whether or not this image is being tarnished. Frédéric Rochat, director of private bank Lombard Odier, had certain views regarding the sector’s reputation:

“… clients from emerging markets seeking safety and stability still flock to Swiss private banks, as do European clients seeking diversification. The ‘Swiss-made quality of service’ remains a selling point” (Financial Times, 2015).
However, following the corruption scandal involving Brazilian oil company Petrobras and certain Swiss banks, and the money laundering investigation at HSBC’s Swiss arm, which revealed that illegal practices were still be carried out within the Swiss banking sector, Eric Syz, CEO of Syz Group, spoke out regarding the reputation of the jurisdiction:

“... it is hard to ignore the steady stream of harmful allegations directed at Swiss banks since the crisis, which many in the industry fear have tarnished the reputation of the entire sector”. He went on to explain that “the Swiss label of quality stands for something, but a lot of bankers abused it. Maybe [these issues] tarnish the sector in general”” (Financial Times, 2015).

In regards to the HSBC money laundering investigation, arguments were made regarding Swiss banking secrecy and the bank’s reputation. A banker from one of HSBC’s rival companies stated that “this is extremely damaging both for the bank and for the concept of banking secrecy. HSBC’s franchise was already pretty damaged here, which is why they tried to sell it a few years ago” (Financial Times, 2015). Many other actors within the sector seek to defend its reputation. An employee of the Swiss Bankers Association argued that the recent scandals are “not a good thing for the entire Swiss financial centre – that is clear. It is very important to say that today the Swiss banks have really changed” (Financial Times, 2015).

HSBC, already accused of having a “bruised reputation” (The Huffington Post, 2015), seemed adamant to stand by its reputation when it came to allegations of money laundering. What was described as a “torrid few months for HSBC” (Financial Times, 2015), the Bank felt it was important to state repeatedly that it was working with regulators and Swiss prosecutors to address concerns regarding its internal control and systemic risks policies. However, after HSBC was found guilty of allowing the proceeds of illegal practices such as drug trafficking to be laundered in their Swiss private bank, it seems that they were aiming to portray a compliant reputation in the past, instead of admitting wrongdoing and protecting the reputation of the sector.
Upon analysing the opinions and behaviours of many actors within the Swiss banking sector, it is evident that reputation plays an important part in ritualised behaviour. However, there are differences regarding how RSPs related to reputation dictate the behaviour of certain actors. Some actors seem to do all they can to defend the reputation of the jurisdiction within which they operate. On the other hand, it seems that certain employees care more about preserving the reputation of their companies by keeping important, often incriminating, information secret. Given the culture and environments in which these companies operates, it is small wonder then that they would endeavour to protect their own reputation rather than to ensure the protection of the reputation of the sector as a whole.

5.3 Blame

RSPs related to blame made up another large portion of ritualised acts and behaviours in the newspaper content. With a fairly high frequency of 20 references throughout the 65 newspaper articles, themes related to this category were present in 30.8% of the total content analysed. This relatively high frequency indicates that ritualised behaviours involving blame and failure to accept responsibility were fairly evident throughout the Swiss banking sector and were an important part of the cognitive script dictating behaviour.

Several important businessmen involved in the HSBC scandal, including Chairman Douglas Flint, group chief executive Stuart Gulliver and former Chairman Lord Stephen Green, have received negative attention in the media calling for them to take responsibility for their actions and be held accountable for the Company’s past mistakes. However, the businessmen have often refused to accept responsibility for their HSBC’s action and have responded by placing blame on other employees or factors. In an article by the Financial Times describing how Flint could have restored accountability at HSBC, there were arguments put forward regarding responsibility and blame:
“… they acknowledge, mistakes were made, controls were lax, practices were inappropriate and the organisation’s structure was flawed. But it was not their fault” (Financial Times, 2015).

The author went on to explain that fault lay in the hands of whoever was responsible for areas involved in the scandal. When referring to the Mexican and Swiss acquisitions that were cornerstone to the scandal, the following excerpt outlined the themes of blame and the negation of responsibility by Mr Flint:

“It would be an odd board indeed that made such acquisitions without the specific blessing of its finance director. So the bank’s most senior official was in a position of responsibility. Does it follow he was responsible and therefore accountable? Not according to him. The chairman claims that HSBC’s federated structure made it impossible for board members to know how the bank’s different businesses were operating. Yet was he not part of the executive team that created the structure and was charged with making it work?” (Financial Times, 2015).

It became evident throughout the content analysis that HSBC often used the inefficiency associated with past corporate structures as an excuse for mistakes and tried to distract attention from the scandal by boasting how current performance and compliance standards have improved. An article by the Daily Mail explained the banks attempt to do so:

“HSBC laid the blame for these terrible misdeeds – involving drug barons who put people’s lives at risk – on a historic corporate structure that allowed rogue operations, such as those in Mexico and Switzerland, to carry on virtually unchecked.” (The Daily Mail, 2015).

Another article by the Guardian explained that Mr. Flint also placed blame for “the failings on local managers in Switzerland and saying secrecy surrounding Swiss banking made it difficult for him to see what was going on there” (The Guardian, 2015). Further content by the Financial Times supported this statement and noted that “Stuart Gulliver, chief executive, and Douglas Flint, chairman, both refused to take personal responsibility for the wrongdoing revealed at HSBC’s Swiss private bank … Instead, they insisted on collective responsibility and pinned much of the blame on local Swiss executives.” (Financial Times, 2015).
Several regulatory authorities have come forward and spoke out about the HSBC scandal and HSBC management’s refusal to accept responsibility:

“The Bank of England’s top regulator has told MPs that bosses at HSBC should take personal responsibility for the scandal at its Swiss private bank, saying that he made it clear to the bank for years that it was too unwieldy to manage.” (The Guardian, 2015).

The evidence outlined and the high frequency of occurrence lends supports to structural ritualisation within the Swiss banking sector. It is evident that senior executives at HSBC and the bank itself fail to accept responsibility and blame past mistakes and money laundering convictions on other executives and factors such as banking secrecy and the corporate structure. The fact that this environment and ritualised behaviours are evident at such a high level in the Bank’s hierarchy suggests that this culture is embedded in the leadership of the Company:

“… the notion of being responsible but not accountable does not wash. The Oxford English Dictionary lists responsible and accountable as synonyms. The public get it. Their political representatives get it. What will it take for the board of Britain’s largest bank to get it?” (Financial Times, 2015).

5.4 Regret

Similar to the blame category of RSPs, themes related to regret accounted for 30.8% of all newspaper references. The content gathered indicates that RSPs related to regret or remorse for past mistakes or actions are quite prominent within the Swiss banking sector, helping to form the environment within this sector. RSPs related to regret introduced a more genuine and apologetic nature of actors within the sector, as opposed to the corrupt, dishonest themes that have been analysed earlier. As with these typed of discourse, there is often debate regarding the credibility and sincerity of the regretful and apologetic nature of actors. A Financial Times article highlights themes related to regret within the HSBC laundering scandal:

In a public statement, Mr Flint said: “We deeply regret and apologise for the conduct and compliance failures highlighted which were in
contravention to our own policies as well as our expectations of us” (Financial Times, 2015).

Rona Fairhead, chair of HSBC’s audit committee at the time were responsible for governance and compliance across HSBC. The Guardian highlighted her response to the scandal at HSBC with the following quote:

“One has to be realistic and sometimes bad things do happen,” she told MPs at the hearing. “Sometimes the controls you think are effective turn out not to be so … The only way to respond if you had made a mistake is to apologise – that is absolutely what we have done” (The Guardian, 2015).

In an article by the Huffington Post, Lord Green, who previously exhibited RSPs related to blame, came forward and expressed regret for HSBC’s actions and mistakes:

“I do not believe I have a case to answer other than in the important sense that as chairman and chief executive I was responsible for what the company did. HSBC has expressed regret for the failures. I share that regret.” (The Huffington Post, 2012).

The content highlighting that themes of regret and remorse for HSBC’s actions were evident throughout the Bank, even at the highest level. Several important employees have ‘held their hands up’, admitted their mistakes and apologised. However, other stakeholders expressed concerns about whether these apologies are enough and sincere. James Moore from the Independent wrote that “HSBC’s mea minima culpa is really about PR and damage limitation” and questioned the authenticity of HSBC’s honesty:

“If Mr Gulliver and his bank really wanted to show contrition, they would be apologising not just to its customers, colleagues and shareholders. They would be apologising to the citizens of this country … Mr Gulliver’s letter should be read less as an apology and more as an exercise in damage limitation” (The Independent, 2015).

James Moore went on to use a metaphor of an individual who had committed grievous bodily harm (GBH) as an example to explain that apologising and pleading the historic nature of the offence may not be enough to justify the actions:

“…if you had committed GBH while drunk, it wouldn’t get you very far in court a few years later to plead that it was a historic offence. You might get a bit knocked off your sentence if you had
demonstrated genuine contrition, faithfully attended AA meetings and not touched a drop since then, but that’s about it.” (The Independent, 2015).

It is evident from the foregoing discussion that there are regretful and remorseful themes within the Swiss banking sector that form ritualised behaviours and actions of the embedded group. The RSPs related to regret indicate that actors are able to take responsibility for their actions, admit past mistakes and apologise. The RSP’s categories that were mentioned before were related to more dishonest, illegal activity such as corruption and blame, however, the RSPs related to regret may indicate that the environment and social structure within the sector may not be entirely directed toward misconduct and deviance. As mentioned earlier, there are concerns that the regret shown by actors, especially in the HSBC scandal, is insincere and dishonest. Many executives at HSBC are accused of having an ulterior motive when they show remorse, such as protecting their reputation. Consequently, deviant or corrupt tendencies may still be a ritualised occurrence within the sector.

5.5 Ignorance

The RSPs related to ignorance makes up 17 or 26.2 percent of the articles. This finding indicates that embedded in the Swiss banking sector are instances where individuals exhibit behaviours related to ignorance, turn a blind eye to financial misconduct and ignore other significant red flag of money laundering conduct. It also indicates that actors are often willing to allow individuals who are being investigated for criminal behaviour or are known to engage in criminal behaviour to use the bank’s services, which links the themes of ignorance or/wilful ignorance to money laundering and corruption.

Using the scandal revolving around HSBC, it seems that RSPs related to ignorance were evident throughout the social structure at HSBC. It was revealed in leaked files that personnel at HSBC were accused of being aware of wrongdoing, but chose to ignore it:
“In total, there are 60,000 leaked files, some of which provide details of how the bank was aware of tax-avoidance behaviour and wrongdoing by some clients.” (Financial Times, 2015).

The Financial Times released an article revolving around the tax avoidance and money laundering storm that HSBC found itself in and made reference to the fact that the Bank was aware about suspicious behaviour of their clients:

“News reports claimed that the files showed that HSBC had opened Swiss bank accounts for clients who were subsequently convicted of crimes or who were thought to be in break of their national tax obligations … Documents show that the bank knew a Danish customer who arranged to collect bundles of kronor might be breaking Danish law.” (The Financial Times, 2015).

Throughout the content analysis there were several other instances where it seemed that themes related to ignorance could be observed within the HSBC environment. In one article, Lord Green admitted “that the Republic/Safra private banking acquisition had raised some red flags about potential problems ahead” (Financial Times, 2015) and highlights that HSBC may have been aware of possible misconduct and wrongdoing at the banks its was acquiring. However, HSBC went forward with the acquisition nevertheless. In another article, it was highlighted that RSPs related to ignorance were evident in different sections of the banking sector. Certain investigators claimed that “HSBC ignored warnings of possibly improper activities from internal compliance offices, law enforcement officials and regulators” (Financial Times, 2012). Throughout the content, HSBC were also accused of “turning a blind eye” (The Guardian, 2015) to illegal activity and being “pervasively polluted for a long time” (The Huffington Post, 2012).

These evidence indicates that ignorance can be observed throughout the Swiss banking sector, and specifically at HSBC. The environment within the Bank was conducive to corrupt practices and influenced the behaviour of actors within it. The level of ignorance and the awareness of financial misconduct occurring within the Swiss banking sector are evidence of deviancy and corrupt practices within its structure. The environment in itself
seems criminogenic to an extent. It is the willingness to help prospective (and in some cases known) criminals with their financial needs that shows the lax compliance mechanisms that characterized the industry and how money launderers takes advantage of it.

5.6 Criticism

As the category with the lowest frequency, RSPs related to criticism were documented only 14 or 21.5 percent of the times. This finding highlights that themes related to criticism are evident in the Swiss banking sector; however, they are not as influential in daily ritualised practices. This category relates to any criticism of Swiss law or financial regulation. The criticism usually comes in the form of banking secrecy problems and the inability to convict criminals due to Swiss laws or regulation.

The Swiss financial system often receives criticisms due to banking secrecy and confidentiality laws that dictate banks are legally obliged to keep clients’ financial information private. The reason secrecy laws receive a lot of criticisms is due to the fact that the confidentiality often protects criminals by obscuring the audit trail and making it difficult for regulators to detect criminal behaviour:

“Geneva’s chief prosecutor blamed weaknesses in Swiss law for his failure to pursue HSBC’s Swiss private bank … He decried the weakness of Swiss laws, which require prosecutors to prove money-laundering was intentional and that the bank knew money flowing through its accounts were the proceeds of a crime” (Financial Times, 2015).

Furthermore, HSBC, amid a money laundering scandal, had their Swiss private arm’s premises in Geneva raided by Swiss prosecutors:

“The move came amid mounting domestic criticism of Swiss financial regulators’ perceived hands-off approach to the banking industry” (Financial Times, 2015).

The chief prosecutor for the canton of Geneva, Olivier Jornot, ordered the raid on HSBC’s premises. However, due to secrecy laws, he could only prosecute the Bank with ‘organisational deficiencies’. Highlighting the inherent weakness in the system, Jornot
“lamented Swiss laws, which require officials to prove that the bank knew about illegal activity” (The Telegraph, 2015). He stated:

“This affair demonstrates the weakness of Swiss law at the point where funds enter the system. When we have a law that doesn’t punish financial intermediaries accepting doubtful funds then we have a problem. This problem dates from long before the HSBC affair” (The Guardian, 2015).

Relating the enforcement problems to the Petrobras oil scandal in Brazil that involved a number of Swiss banks, Swiss Attorney-General stated that this scandal occurred “at a time when Swiss justice has been criticized for moving too slowly” (Bloomberg Business, 2015). The relatively low frequency of criticisms of Swiss law and regulation in the Swiss banking sector indicates that lax enforcement is often an issue that is not address. Although the theme is not that prominent throughout the content analysis, Olivier Jornot argued that circumstances need to change within the sector:

“… when we have a law that practically doesn’t punish intermediaries accepting money of dubious origin, there is a problem” (Reuters, 2015).

There seems to be a structure of soft enforcement and penalties that that become ritualised in the Swiss banking sector. When penalties are enforced, they appear to be ineffective to serve as a general deterrent to misconduct within the sector.

6. Conclusion

The paper provide evidence that money laundering in the Swiss banking sector is a product of ritualised practices that are embedded and foster in an environment that is conducive to corrupt and unethical practices. The evidence gathered indicates that misconduct in the sector is not carried out by individuals for personal gain, but that the ritualised practices by actors are part of a cognitive script that dictates behaviour. The banking secrecy laws are pivotal to conceal such practices. As mentioned earlier, Swiss secrecy laws make it illegal for financial institutions such as banks to reveal a client’s
financial information to other parties. Albeit its advantages, Swiss banking secrecy often enables criminals to hide proceeds of illegal activity and convert illegal funds into legitimate funds by obscuring the audit trail. Converting illicit money into legitimate assets is a huge problem for Swiss authorities and can only be eradicated if Swiss banks work together to reduce banking secrecy and encourage the criminalisation of money laundering.

Structural ritualization theory emphasises that actors within a larger social environment do not simply copy certain ritualised practices, but that they follow and conduct these practices in a way that confirms certain behavioural traits in the larger environment. The ritualised symbolic practices (RSPs) become taken-for-granted actions and form a so-called cognitive script, which dictates actions and behavioural patterns. The findings of this research support the principles of structural ritualised theory that it is ritualised practices and taken-for-granted patterns of behaviour, which cause actors within the Swiss banking sector to willingly allow criminals to launder money in their banks, not so much their own individual decisions or motives.

The evidence provided from the sixty-five media references allowed us to identify certain themes that were apparent with more frequency and importance. We found that highly ranked RSPs involving corruption, reputation, blame, regret, ignorance and criticism influence the embedded group’s patterns of behaviour and formed part of the cognitive script that dictated their behaviour and actions in the Swiss banking sector. These themes were repeated more often, were seen as more prominent and central to white-collar crime and illegal practices in the Swiss banking sector.

More specifically, the RSPs related to corruption were clearly evident in the actors’ daily routines and played a major role in the socialization of their conduct to involve in corrupt behaviour. It was apparent that employees within the Swiss banking sector were willing to deal with clients involved in criminal activity and accept proceeds from illegal
origins such as drug trafficking, blood diamond trading and arms dealing. The high frequency of corruption RSPs suggest that entities involved normalised unethical, illegal practices and made employees feel that these practices were permitted.

Reputation and themes related to reputation were also quite important in dictating the way that certain actors behaved. This was evident whether it was regarding the jurisdiction as a whole or the company that they worked for. Some individuals or groups were quick to protect and preserve Switzerland’s financial reputation by denouncing those who abuse banking secrecy laws and allow money laundering to occur. On the other hand, others used reputation and image as a way to protect their companies and themselves. These actors did so even though they were aware of misconduct and wrongdoing within their companies.

RSPs related to blame and regret were also relatively high. It was evident that actors within the sector, even at senior levels of certain banks, readily blamed others and failed to take responsibility for their actions. Others showed regret and remorse for their part mistakes. However, they were often accused of not showing genuine remorse and only doing so to protect themselves.

RSPs that recorded lower frequencies were those related to ignorance and criticism. This indicates that these RSPs were evident throughout the content and the sector; however, they were not as important in dictating patterns of behaviour. These RSPs including ignoring significant red flags or turning a blind eye to illegal activity, as well as criticisms of Swiss law and regulation.

In conclusion, it is apparent that there are a range of ritualised practices and behavioural patterns that were evident throughout the Swiss banking sector. The high level of key RSP categories, such as corruption and blame, highlight the problem within the sector and may explain why the embedded group becomes complicit and foster the process of money laundering activities. That said, the key RSP categories and their high frequency of
occurrence throughout the content emphasises the level of structural ritualisation that is evident in the sector. We have provided evidence that it is not the individuals that have normalised illegal and unethical behaviour in the sector, but that the actors have developed taken-for-granted patterns of behaviour that are evident and repeated throughout the larger socio-structural environment. The larger socio-structural environment in the Swiss banking sector and throughout certain companies affect how the embedded group acts and influence their relationships, identities and behaviours.
### Appendix A

**INFORMATION RELATED TO CONTENT ANALYSIS**

Table to show the number given to each individual article

<table>
<thead>
<tr>
<th>Article Number</th>
<th>Article Title</th>
<th>Newspaper</th>
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<tbody>
<tr>
<td>1</td>
<td>Syz: Bankers abused the Swiss label of quality</td>
<td>Financial Times</td>
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<td>2</td>
<td>Former HSBC chairman admits mistakes over acquisitions</td>
<td>Financial Times</td>
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<tr>
<td>3</td>
<td>Week in Review, June 6</td>
<td>Financial Times</td>
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<tr>
<td>4</td>
<td>Swiss prosecutor blames weak laws for failure to convict HSBC</td>
<td>Financial Times</td>
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<td>5</td>
<td>Harsh realities dawn on Switzerland's private banks</td>
<td>Financial Times</td>
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<td></td>
<td>How HSBC chariman Flint can restore accountability at his bank</td>
<td>Financial Times</td>
</tr>
<tr>
<td>7</td>
<td>HSBC, the bank that ran aground while overseas</td>
<td>Financial Times</td>
</tr>
<tr>
<td>8</td>
<td>Swiss prosecutor raids HSBC's Geneva premises</td>
<td>Financial Times</td>
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<tr>
<td></td>
<td>Leaked HSBC files damamge bank and lift veil on banking secrecy</td>
<td>Financial Times</td>
</tr>
<tr>
<td>10</td>
<td>Timeline: History of HSBC controversies</td>
<td>Financial Times</td>
</tr>
<tr>
<td>11</td>
<td>HSBC in Swiss tax avoidance storm</td>
<td>Financial Times</td>
</tr>
<tr>
<td>12</td>
<td>HSBC's Mexico nightmare on money laundering</td>
<td>Financial Times</td>
</tr>
<tr>
<td>13</td>
<td>UBS to post €1.1bn bail in French tax case</td>
<td>Financial Times</td>
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<td>14</td>
<td>HSBC braced for $1bn US penalty</td>
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<td>15</td>
<td>HSBC faces surging overseas pay costs</td>
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<td>16</td>
<td>Credit Suisse under scrutiny over Fifa payments</td>
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<td>17</td>
<td>Brazil: Oily mess</td>
<td>Financial Times</td>
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<td>18</td>
<td>HSBC files: Swiss bank hid money for suspected criminals</td>
<td>The Guardian</td>
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<tr>
<td></td>
<td>and money laundering from Belgian state</td>
<td>The Guardian</td>
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HSBC bosses should take responsibility for Swiss scandal, regulator insists

Switzerland to return Sani Abacha 'loot' money to Nigeria

Revealed: Swiss account secret of HSBC chief Stuart Gulliver

HSBC's Swiss private bank: French prosecutor formally requests trial

HSBC files: Rona Fairhead declines to answer queries about activities at Swiss bank

Swiss authorities freeze bank assets as part of Petrobras investigation

Lord Green admits HSBC should have conducted tougher checks on Swiss arm

HSBC pays record $1.9bn fine to settle US money-laundering accusations

HSBC money-laundering scandal almost puts Barclays in shade

HSBC files: international outcry over activities at bank's Swiss arm

HSBC: Swiss bank searched as officials launch money-laundering inquiry

Swiss launch BAE inquiry over alleged money laundering

HSBC money-laundering procedures 'have flaws too bad to be revealed'

HSBC's Swiss compensation - not much for the bank but a big deal for Geneva

HSBC pays out £28 settlement in money-laundering case

HSBC tax avoidance scandal: Timeline of Britain's biggest banking leak

James Moore: HSBC's mea minima culpa is really about PR and damage limitation
HSBC scandal: Swiss offices searched as prosecutors probe alleged money laundering
Switzerland freezes $400 million amid Petrobras laundering probe
Swiss defend seven-year delay to HSBC money-launder probe Petrobras-linked money laundering probe spreads to banks
HSBC's Geneva unit searched in Swiss money laundering probe
Swiss probe banks to gauge exposure to Petrobras scandal
Odebrecht's alleged money man points Brazil probe to banks
Swiss banks drawn into Petrobras scandal
David Cameron endorses Lord Green at UKTI in Olympic investment speech
Telegraph's Peter Oborne wants independent probe into paper amid raid on HSBC in Geneva
HSBC's David Bagley resigns after bank 'allowed Mexican drug cartels to launder money'
HSBC settles $1.9bn for aiding drug lords, terrorists and rogue states
HSBC boss Stuart Gulliver: I'm sorry for 'the mistakes of the past'
Swiss regulator says HSBC scandal "unsavoury" reminder of past
Swiss prosecutor finds 300 bank accounts linked to Petrobras scandal
HSBC let drug gangs launder millions: First Barclays, now Britain's biggest bank is shamed - and faces a £640 million fine
Swiss prosecutors investigate HSBC for money laundering over claims it helped hide millions for arms dealers and blood diamond traders
Swiss prosecutor raids HSBC office, opens criminal inquiry
Alex Brummer: HSBC has behaved like the mafia - yet still not one of its bankers has been put on trial
Laundering probe puts banks on spot
Murder victims' families sue
HSBC over drug gang money laundering
HSBC to pay £28m after money laundering investigation
Map: Who's hiding the most money in secret Swiss bank accounts?
HSBC to pay $43 million Geneva money laundering settlement
Hiding Sir's Black Cash
America the not so brave
French magistrates open formal criminal probe into HSBC
French prosecutor recommends criminal trial for HSBC
Bank of England holding HSBC executives' 'feet to the fire'

Appendix B

The frequency of each newspaper that was used

<table>
<thead>
<tr>
<th>Newspapers used</th>
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<tbody>
<tr>
<td>Financial Times</td>
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<tr>
<td>The Guardian</td>
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<td>The Independent</td>
<td>4</td>
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<td>Bloomberg</td>
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<tr>
<td>The Daily Mail</td>
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<tr>
<td>The Telegraph</td>
<td>3</td>
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<tr>
<td>The Huffington Post</td>
<td>5</td>
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<tr>
<td>The Washington Post</td>
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<tr>
<td>Reuters</td>
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<tr>
<td>The Economist</td>
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## Appendix C

### Articles in which each theme appeared

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<thead>
<tr>
<th>Theme</th>
<th>Newspaper Article in which theme appears</th>
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<tr>
<td>Corruption</td>
<td>1, 2, 3, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 51, 52, 53, 54, 55, 56, 57, 58, 61, 62, 63, 64, 65.</td>
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<td>Reputation</td>
<td>1, 2, 5, 6, 7, 8, 9, 19, 20, 23, 26, 27, 29, 32, 33, 38, 39, 41, 44, 46, 47, 48, 50, 52, 54, 56, 57, 61, 62, 63, 65.</td>
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<td>Blame</td>
<td>2, 4, 6, 9, 12, 18, 20, 22, 23, 25, 26, 34, 36, 45, 49, 54, 55, 58, 59, 65.</td>
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<td>Regret</td>
<td>6, 8, 11, 12, 14, 18, 22, 24, 26, 27, 30, 36, 39, 41, 45, 48, 49, 52, 54, 60.</td>
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<td>Ignorance</td>
<td>2, 7, 9, 11, 12, 16, 18, 19, 28, 30, 32, 37, 43, 46, 47, 53, 57</td>
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<td>Criticism</td>
<td>4, 8, 18, 21, 26, 33, 39, 40, 42, 47, 55, 56, 58, 60.</td>
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