

When the flaws are endemic fining banks is not enough

Published: January 13, 2026, 1:30 pm

The FT [carries this headline this morning](#):

HSBC says it's "shameful, embarrassing and very painful" that it has had to do this.

The reality is though that this is the comment of an organisation in denial. What HSBC has not recognised is that this is not just the result of errors: these failures are the result of systemic flaws in global capitalism that makes those who lead it think they are over, above and beyond regulation by the state.

It's true that the state has caught up here. But fines won't solve this. Nor will tinkering with some internal governance rules in HSBC address this. Only reforming capitalism itself - and building Courageous States - can solve this.

The flaw is endemic to the system in other words, it is not a fault of it.

And it's time we realised that.