



## Justificatory Narratives: The Collapse of Greensill Capital

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### Abstract

The collapse of Greensill Capital, a company whose self-styled owner experimented with innovative *supply-chain finance*, led to parliamentary inquiries in the UK during the course of 2021. This paper tells the story of the collapse and analyses the justifications mobilised by the company's owner, Lex Greensill, in defence of his acts. His exculpatory narratives contain classical components that characterise white-collar and financial crime, but also some innovative aspects that may prefigure the future development of these types of crimes.

### Keywords

Altruism; innovation; uncertainty; new constitutionalism.

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## Introduction

Lex Greensill founded his company in 2011 with seed finance from friends and close family. He rose from a watermelon, sugar cane and sweet potato farmer in Australia to an international financial star (Neate 2021). He devised a supply-chain finance system that offered companies money to quickly pay their suppliers while his bank would take a cut. The system was deemed appropriate to expedite transactions in the private and the public sectors alike, as companies would borrow money to pay bills while waiting to be paid by their customers. In an interview, he stated that the idea developed in his mind when, having to wait a long time for retailers to pay the family business, his parents could not send him to university (Neate 2021).

Before setting up his own company, Lex Greensill worked at global banks such as Morgan Stanley and Citibank, where he met key figures of the British establishment. Among these was civil servant Tim Haywood, who was to become cabinet secretary. Impressed by Greensill's acumen, Haywood was instrumental in the appointment of the financier as a government adviser tasked with helping small businesses. At the age of 34, Greensill was given a desk in the Cabinet Office and a 'gov.uk' email address, which allowed him to access major Whitehall departments and leaders. While remaining an independent financial operator, he offered a new payment scheme that was adopted by the National Health Service (NHS): his bank would quickly reimburse pharmacies for the cost of prescription drugs that the health service would take a long time to settle. Greensill Capital provided the total sum of £1.2billion in loans to pharmacies, taking a fee for every loan. It can be hypothesised that the inefficiency of the NHS in settling debts, resulting from austerity measures, became a key factor in the privatisation of segments of its activity.

Business continued to prosper when Japanese investment giant SoftBank injected more than US\$1.5billion into the firm, bringing its valuation to approximately US\$7billion. But Greensill's empire reached its zenith through his relationship with Sanjeev Gupta, who bought up struggling UK steel businesses.

When Lord Myners, a live peer who had served as financial services secretary under Gordon Brown's government, publicly raised concerns about Greensill Capital operations, attempts were made to coopt him by offering him a position in the company. Emails exchanged between Lex Greensill and Lord Myners, revealed by investigative journalists of *The Guardian*, show the latter inquiring about the financial benefits he might enjoy by accepting to join the board of directors. He was later interrogated by a House of Lords committee and asked to clarify his relationship with the firm (Lewis, Davies and Goodley 2021).

This was when the involvement of former British Prime Minister David Cameron became known to the wider public. Mr Cameron had promoted the government's chain finance initiative and the new NHS payment scheme and, after leaving office, was offered a senior adviser position in the firm. Fascinated by his new employer, he felt Greensill had taken on the world, radically reshaping the sphere of finance, democratising access to capital and, particularly, making low-cost funding available to small businesses. He was reported as having pleaded with insistence on behalf of the financier in an attempt to include him among the beneficiaries of the coronavirus loan scheme. Greensill was honoured by Queen Elizabeth II for services to the economy.

More audacious forms of supply chain finance were experimented with, for example, the provision of cash based on sales more than three years in the future and the creation of packages linking debts to short-term bonds. As the risks became too great, key backer Credit Suisse withdrew its US\$10billion in financial support while the company's main insurer refused to renew its cover. The collapse of the company cost creditors US\$2.7billion and threatened 50,000 jobs worldwide, while the damage suffered by Gupta's GFG Alliance, which relied on Greensill financing, amounted to some 5,000 jobs in Britain's steel industry being put at risk.

Details that supplement this concise chronicle of events emerged when Mr Greensill appeared before the Treasury Select Committee formed by Members of Parliament. The following section reports his defence

in the form of clarification (or justification) of his conduct (Sky News 2021). This will be followed by a brief review of the literature on financial crime, focused particularly on work that bears some sort of assonance with the arguments presented and the analytical logic adopted here.

## Self-Defence

### *Preliminary Statement by Lex Greensill:*

*I will provide [a] clear understanding of [the] issues. I bear complete responsibility. I am saddened that many thousands [of] hardworking people have lost their jobs. It is deeply regrettable that we were let down by our leading insurers and by some of our main customers. I am truly sorry.<sup>1</sup>*

Q: On 12 July 2019 there was a meeting with Lord Myners, who afterwards revealed that he detected a Ponzi scheme, describing the business model as disquieting. The concern was about funds not being based on liquidity. Lord Myners noted the risky nature of open-ended investment vehicles and the mismatch between these and the underlying assets.

A: *I was surprised to hear the evidence provided to this committee two weeks ago. It is not consistent with my recollection of the events. The concerns he raised in the House of Lords were inconsistent with the discussion we had in 2019. However, our own assets are different: they have a brief period of time in which they are outstanding, as they get paid (redeemed) and self-liquidate quickly. As we grew, we felt that we needed some regulatory experience and could benefit from Myners' experience; he was amenable. Let me read the statement he made after the 12 July meeting: 'I am comfortable with the business and its operations. I heard or saw nothing that would warrant the use of the word fraudulent or anything similar'. On the 7th October Lord Myners congratulated the company on developments and the establishment of new partnerships.*

Q: Did Lord Myners intend to join the business?

A: *Only health issues hampered his commitment to the company.*

Q: Was anybody else present at the July meeting? Did he send this report personally?

A: *Nobody else was present at the meeting. No notes were taken. The statement came through a middle person, whose name I am not sure I can reveal. I may provide it later in writing, if needed in a justice court.*

Q: Why did Greensill Capital fail?

A: *Because our investors needed insurance to protect their assets against default. Our principal insurance provider decided not to renew their contract. Credit Suisse also decided to stop funding our business. The insurance was withdrawn because: a) the COVID-19 pandemic, which impacted on the entire insurance industry; b) our business became too much concentrated on large customers [difficult to protect]; 3) our regulators in Germany [where Greensill owned a bank] felt there was uncertainty with respect to our ability to provide liquidity to our larger customers. The German regulators proposed a reduction of exposure we held for one of our customers, which was impossible for us to comply with.*

Q: Tim Haywood (one of London's highest-profile investors) was fired by his employer, asset manager GAM [Global Asset Management], following a report into alleged misconduct. What were you thinking when you employed him?

A: *My main concern was not reports about misconduct, but the uncertainty of capital markets in general. With COVID-19 nobody knew what was going to happen in the future.*

Q: So, if everything was going well, why did David Cameron's lobbying start? The lobbying was very intense [...] were arrangements made with Cameron?

*A: Given that we were not regulated and did not have bank access in the UK, we were looking for more funds. We were making a considerable contribution to the country, so access to state funds was appropriate ... again due to uncertainty of the future. Support from the Central Bank and the Treasury was available to other companies; this was a period of crisis, which started in 2009–2010. We talked about this and uncertainty in the capital market. Liquidity was limited and this could impact our supply-chain financing operations. We were concerned for our customers. We were providing funds for small businesses around the world. Greensill at no time sought funding for itself: our clients needed constant liquidity. This is the real economy.*

Q: Thank you, Lex. Why did you not replace the insurers?

*A: We were sure the contract would be renewed; we had already agreed on a draft document. With COVID-19 came extremely frightening times. There were expectations of significant losses. So, governments assured support. Insurers also needed more money to provide cover for the losses.*

Q: What was your relationship with Gupta?

*A: I am not in a position to comment, because our own internal investigation is underway on this issue. We had some business with Gupta that grew with time, but I cannot provide any detail. Again, this was a problem of excessive trading concentration with certain large customers, which created strong interdependence between them and us.*

Q: The asset you term ‘future receivables’ was ‘insecure lending’ in itself, wasn’t it?

*A: Those were based on real assets. So they were secure and they are widely used in financial business.*

Q: But regulators stated that you did not provide evidence of having assets.

*A: This is [a] question of definition, of classification: to us assets were available but the regulators did not classify them as such. And our clients had full information about what they were doing.*

Q: Eventually your lobbying activity was successful; you initially aimed at £200m but at the end you were given £400m, although not from the Treasury, but from the British Business Bank.

*A: I cannot confirm this.*

Q: Can you confirm that the cost of the collapse is between £3.5billion and £5billion, and that the direct cost is £1billion, as Lord Myners remarks? Or did Myners lie?

*A: I am telling the truth. There was no cost for the taxpayers; in fact, we helped businesses that got a better deal with us than they could ever get elsewhere from banks. This is the future.*

Q: You haven’t helped business, but damaged the reputation of legitimate supply-chain finances. It is a Ponzi scheme, fraudulent conduct; it is redolent of Madoff. It smacks of this.

*A: Before me, nobody knew of supply chain finance, now they all provide this service.*

Q: Are you a fraudster?

*A: I am not.*

Q: Your financial service is a trick. Fraud, by definition, is an act of deception by which the right or interest of another is injured [...] a dishonest trick. This is precisely what your model of prospective receivables is [...] lending against transactions that never happened, may never happen, and with companies that may

even ignore that they are involved in a transaction [...] And then selling it on as a low-risk loan [...] it is an imaginary thing.

*A: All investors understood exactly what they were doing. In every investment there is risk. This is why we purchased very expensive insurance, in order to protect public and private customers. We helped the economy in line with other forms of financial activity that have always taken place, long before we started our activity.*

Q: You knew the insurers were never going to pay (cover) for the risk wrapped up in your operations, but still you looked for high-risk borrowers. Then the solution was getting government money: shifting the risk onto the public, through the coronavirus support program. You say the public was not hurt, but Islington Town Council is among your creditors.

*A: I am sorry this occurred. But, on the other hand, we helped pharmacies, to the benefit of the public: taxpayers saved money.*

Q: But some of your clients were actually not your clients; invoices addressed to them were fraudulent, they did not trade with you.

*A: I cannot comment on clients.*

Q: You were securitising invoices that did not exist. Credit Suisse bonds have lost a lot. People have invested in those bonds, which were created by you and securitised against real assets, but were unsecure.

*A: Investors made decisions based on full information they received. We have to learn from this for the future. We will have to do more to guarantee certainty. We trusted too much one insurance company and concentrated too much risk on one group of large customers. But we developed a model that will be adopted by others. Highly developed technology, this was the main novelty we introduced. Machine learning: predicting at [an] individual pharmacy level what drug was going to be prescribed in the next two months and provide credit to them accordingly.*

Q: If this is the future, as you say, this will be a mess.

*A: We managed to reduce the cost of capital and with new technology we will be learning more and more; certainty and longevity will come from insurers.*

Q: Did David Cameron have a role in the involvement of SoftBank?

*A: SoftBank injected money before David Cameron became an adviser, but simply because the valuation of the company was US\$3.5 billion.*

Q: Vodafone was a creditor and at the same time an investor: did this not constitute insider dealing or conflict of interests?

*A: If you invest in a fund, this is managed by the owners of the fund, not by Greensill.*

Q: But SoftBank gave money and invested in Swiss bonds (created by you) and equity investors with Greensill.

*A: True: we shouldn't have shareholders we lent money to. We realised but [...] there is always conflict [...] we tried to manage it by separating procedures, separating the ability of shareholders to influence the extension of credit. The decision-making mechanism had to be separated.*

Q: Do you think it is appropriate that a business like yours was not regulated by the Bank of England or the Financial Conduct Authority?



*A: It is for government to decide what should be regulated. I repeat: we failed because of over-reliance on a single insurer and because of COVID-related events. We were regulated in Germany, where we owned a bank. We were proactive in contacting regulators in the UK, and explained what we were doing. No advice came back. Nor did they take any more interest after the GAM funds scandal.*

Q: Why was Cameron your adviser?

*A: He advised us on how to develop the brand awareness of our firm, on the quality of our business; we added many customers after he came in; we also experienced a tremendous international expansion. He was a PAYE (Pay As You Earn) employee, attended board meetings regularly. I cannot say the quantity of shares he held. He also travelled on our behalf: for instance, going to Australia to contact insurers.*

### **Corporate-Financial Crime**

The Greensill case can be read against the background of the immense literature available on financial crime. Such literature focuses on specific scandals (Barak 2012; Sullivan 2015), locates them within the analytical framework of white-collar and corporate crime (Geis 2016; Ruggiero 2017), interprets them as manifestations of a general culture of dishonesty (Tillman, Pontell and Black 2018) or relates them to the unfettered development of greed in the economic sphere as a whole (Will, Handelman and Brotherton 2013). Contributions focus on processes of victimisation (Dodge and Steele 2015), the criminogenic conditions that characterise the banking industry (Tillman 2015) or the international networks where furtive money circulates and accumulates (Arlacchi 2018). Causative approaches are adopted, aetiologies formulated and policies advocated, usually inspired by the rejection of abstract capital accumulation and nostalgic appreciation of productive capitalism (Dion and Weisstub 2020; Monaghan and Monaghan 2020). While large parts of this vast literature can be fruitfully applied to the examination of the case at hand, the present paper proposes a specific analysis of the ways in which financial crime is justified (Ruggiero 2015). A celebrated precedent of this approach in criminological theory is, of course, the groundbreaking work conducted by Sykes and Matza (1957), whose techniques of neutralisation reveal how offenders are able to deny the harm produced or the very criminal nature of their acts. However, such techniques seem to be precisely situated and pragmatically mobilised within contexts in which notions of morality and legality are negotiated. Ex-post rationalisations: they reflect an agonistic endeavour involving one party condemning and the other defending itself. The notion of justification adopted here instead implies the recourse to general principles and philosophies that are presented as non-negotiable in that they are thought of as belonging to a collective patrimony of values. Such principles and philosophies, in brief, are not deemed reflections of a specific subculture but core, constitutive elements of *our culture*.

Lex Greensill used exculpatory narratives rather than techniques, mobilising a number of variables with which he claimed intimate cultural attachment. Let us try a discrete examination of each of such variables.

### **Altruism**

Narrative matters to action, the two being linked in fashions that are not mutually exclusive. First, narratives may be pre-constituted schemata that influence or guide action, and second, they may consist of ex-post rationalisations that legitimise it. In both instances, they communicate meaning packaged as stories, which 'influence our behaviour in ways that other discursive forms do not' (Presser 2018: 9–10). Lex Greensill was guided by his principles and, simultaneously, shaped his principles by acting; in other words, he made stories come true: 'Actions may be planned to generate an already imagined story of those actions' (Frank 2010: 132). The justificatory strategy he utilised allowed him to escape guilt, but it was not a mere exculpatory invention; rather, it echoed ideas held by the social milieu to which he belonged. His was an implicit appeal to higher loyalties, signalling attachment to a set of values inspiring economic initiative in general and financial activity in particular. The code words used by Lex Greensill derive from his own 'thought community'. However, there is a difference between the higher loyalties described by Sykes and Matza and the thought community idealised by Greensill. As remarked above, the former refers

to values and principles that characterise specific social groups and their subculture, while the latter alludes to a market behavioural philosophy that is, purportedly, a connatural patrimony to all.

Some of his justificatory arguments are part of the traditional rationalisations adopted by white-collar and corporate offenders. Such offenders can easily claim that their aim is not the illegal achievement of goals but the expansion of business. The tools utilised, in this sense, are beyond normative judgment, although the unintended consequence caused may be socially damaging. David Cameron, when questioned about his involvement in the affair, confirmed Greensill's statement, claiming that he opened up the world for the company employing him. His trips abroad were led by the inner impetus possessed by all enterprises aiming to increase wealth and wellbeing. Lobbying, as a by-product of such impetus, is a healthy tool, he remarked, while misconduct in business is not premeditated but results from context and pragmatism. Cameron said: *'Just because a business goes into administration doesn't mean that everything was wrong, it doesn't mean the whole thing was necessarily a giant fraud'* (Elgot 2021). Like Greensill, he also mentioned that these were extraordinary times and that he would never put forward anything that was not in the public interest. Concern for the public, in Greensill's words, came in the guise of concern for small businesses that relied on his funds. However, both Cameron and Greensill invoked a higher common principle that normally justifies economic practices, namely altruism.

'Liquidity was limited', said Greensill, thus, empathising with his customers, or if you will, defying the claim that faith in free markets entails an exclusive recognition of individual interests. Greensill's altruism, in sum, while referring to a higher principle (caring for others), attempted to tie his particular interests to the interests of all. His worth as a human being and a financial operator, in his defence, was proven by his determination to protect the small, the weak, the recipients of his generosity. In fact, he was let down by those who lacked altruism, namely his leading insurers and some of his prime customers. He stressed that he made a considerable contribution to the UK economy, therefore, depicting himself as perfectly eligible to state funds. This sort of 'welfare state for the rich' was invoked as a right, as he felt that his business had been undermined by large insurers and powerful investors.

## **Innovation**

There is a crucial variable in economics that accompanies justificatory strategies. It is Schumpeter's concept of innovation, also mobilised by Lex Greensill. For Schumpeter, the economic process is evolutionary by nature and can never be stationary. The fundamental impulse that sets and keeps the economic engine in motion derives from new consumer goods, new methods of production or distribution, new markets and new forms of financial organisation. Such an engine revolutionises conducts, destroying old structures and incessantly creating new ones: 'This process of Creative Destruction is the essential fact about capitalism' (Schumpeter 1961: 83). Greensill Capital was indeed innovative, as the company rearranged the structure of finance, offering what its owner described as a better deal than customers could ever obtain elsewhere. And when accused of damaging the reputation of legitimate supply-chain finance, he robustly defended his own acts because they prefigured the future. His prescience, perhaps, implied the ignorance of those judging him.

Criminology relies on another idea of innovation, namely the celebrated deviant adaptation proposed by Merton, that is, the pursuit of legitimate goals through illegitimate means. It could be stressed that Lex Greensill straddled the two types of innovation, entrepreneurial and deviant, at the same time, thus, echoing two classical competing views of entrepreneurs. When he was told that his was fraudulent conduct redolent of a Ponzi scheme and convicted financier Madoff, his defence of innovative means to approach finance inadvertently rehearsed the exchange between Adam Smith and Jeremy Bentham around rates of interests. Smith's argument was that if the legal rate of interest were established at too high a level, a great amount of money would be lent to prodigals, who alone would be willing to pay up such high interest. Sober people, he contended, would not venture into the competition. A great part of the capital of the country would, thus, be kept out of the hands that were most likely to make profitable and advantageous use of it and thrown into those who were most likely to waste and destroy it. In reply, Bentham contended that prudent and sober people would never venture into any innovative project, thus, never contributing

to growth and improvement. Development has always been based on risk, and he claimed all new manufacturing methods, all new branches of commerce, all new practices in agriculture, as Smith himself taught him, may present themselves as forms of speculation in which the innovators promise themselves and others extraordinary profits. But if the innovation is successful, Bentham continued, the new trades and practices become established. Financial experiments may be dangerous and expensive but should be encouraged (Bentham 1787; Ruggiero 2017). Incidentally, David Cameron appeared to enthusiastically heed such encouragement when he claimed that the UK had to continue to innovate technologically and financially, as the country aimed at becoming leaders in capital markets. However, technological innovation may bring along the opportunity for fraud in that it can create blind spots where conduct ceases to be precisely linked to the effects it causes. The distance between financial operators and their potential victims increases, while the harm suffered by the latter becomes invisible. The overwhelming emphasis on the solutions offered by technology will increase speed and efficiency but also trigger indifference for the effects of choices, a decline of moral imagination and depersonalisation of relations (Ruggiero 2021; Virilio and Lotringer 2002).

### **Risk and Uncertainty**

A related variable that seems to redeem economic conduct and potential misconduct is risk. Entrepreneurs are prepared to purchase goods and labour and to commit their capital while running the risks of facing market instability. Over the past centuries, uncertainty was a key notion for the analysis but also for the ascent and the collective appreciation of enterprise and entrepreneurs. Assuming risk fosters the ability to initiate and coordinate a productive process and, at the same time, to gain redemption in case of unorthodox conduct. Deviating from existing rules is a venial sin for altruists: entrepreneurs, while personally accepting risk, mobilise the initiative and participation of others and help circulate goods; in brief, they act in the name of collective interest. Risk, ultimately, allows for the blurring of moral boundaries whose precariousness reflects the uncertainty of economic initiative itself.

In economics, Frank Knight (1921) distinguished uncertainty from risk, defining the former as lack of knowledge that is immeasurable and impossible to calculate and the latter as measurable uncertainty. Greensill referred to uncertainty many times, elevating it at the rank of a criminal causative variable. Uncertainty as an aetiological tool was applied to the financial market in general as well as to the contingent situation determined by the COVID-19 pandemic. Uncertainty surrounded the amount of funds received by the British Business Bank as well as the existence of false invoices. The possibility that the Bank of England or the Financial Conduct Authority would exercise their regulatory role was also uncertain, as neither provided the advice he requested. David Cameron's lobbying, finally, was meant to reduce the uncertainty of Greensill Capital's future in financial markets.

In brief, Lex Greensill perpetuated a justificatory explanation proposed by classical criminologists and inherited by economists and even philosophers. Cesare Beccaria, for instance, described the financial sphere as a casino, while Keynes claimed that there is uncertainty about what drives speculators and their actions. In the *New York Evening Post* of 25 October 1929, he talked of 'the extraordinary speculation on Wall Street', while many commentators who filled the pages of *The Economist* shared his opinion. In 1930, he started his series of essays on 'one of the greatest economic catastrophes of modern history', which threw the system into a 'colossal muddle', showing how easy, in his view, is to lose control of a 'delicate machine, the working of which we do not understand' (Keynes 1972: 127). Some contemporary economists would endorse this analysis, for instance, stressing that uncertainty pervades decisions, although we always try to persuade ourselves that we know what the future holds for us: we have a false understanding of our own power to make predictions (Kay and King 2020). But long before economists reached the awareness of their own uncertainty, Benjamin (1999, 2016) equated the rising and tumbling of stocks and shares to gambling, namely, a form of divination that perceives social and historical forces as fate. Financiers adopt the radical uncertainty of the gambler, for whom wins and losses are caused by the energy of inscrutable spirits.



## New Constitutionalism

Lex Greensill claimed that, at a meeting with Lord Myners, the latter congratulated the company for establishing new partnerships and that no mention was made of anything resembling fraud. Greensill's defence appeared to rely on the contradictory statements made by Myners, who, in fact, did mention fraud when interrogated in the House of Lords. Conversely, what Greensill was implicitly defending was his right to conduct business, in an oblique endorsement of specific principles guiding market operators. His reference to the COVID-19 pandemic contained the notion that business is hampered by external forces that 'impacted on the entire insurance industry'. Regulators in Germany also acted as external forces, as they hampered financial operations by doubting Greensill's ability to provide liquidity to customers. Their proposal to reduce exposure for customers was judged impossible to comply with, as such a reduction would have amounted to a form of unjustifiable restraint upon market freedom. Wittingly or otherwise, Greensill was supporting a series of values that compose what is known as new constitutionalism, a philosophy that seeks to embed neoliberal ideas about the natural primacy of the market and the rights of capital into national and international law.

Constitutions demarcate and define the rules and principles that govern authority. Groups of people design and champion constitutions to establish more or less permanent agreements in relation to their respective rights and duties (Colley 2021). Constitutions may be designed by previously powerless people who transform regimes and acquire decision-making capacity in a new political-institutional context. For instance, such groups may seek to entrench their right to employment, housing, education and land. They can also be designed by powerful groups who attempt to prevent others from challenging the status quo. Wars at times create opportunities for championing new constitutional arrangements and demarcating authority and rights. Similar opportunities are offered by globalisation, accompanied by increased mobility of humans and capital.

With new constitutionalism, business and enterprise are, thus, naturalised, while expansion and economic initiative are described as a 'drive', a human need, although the appeal to nature, in fact, 'is only a mere mask for denial and domination' (Adorno 2021: 79).

New constitutionalism champions private power and hinders state power; it separates economic practices from democratic procedures; it attempts to neutralise local and national rules while affirming global trade rules (Gill 1998, 2002, 2008). A global governing entity that incorporates the principles of new constitutionalism is the World Trade Organization, with its tireless opposition to public policies applied to the economic arena and to national interference in markets (Gill and Cutler 2014; Inman 2021; McBride and Teeple 2011; Ruggiero and South 2013; South 2016).

Greensill's practical adherence to new constitutionalist principles started with his company joining the Cabinet Office when his relationships with political representatives intensified. He was given the opportunity to claim the rights of capital and the natural primacy of markets vis-à-vis inefficient state policies. As a mobile financial actor, he became a sovereign political subject whose interests were prioritised over those of local and national communities.

## Conclusion

The collapse of Greensill Capital led to a parliamentary inquiry that displayed old and new ways in which the imperative to justify conduct in the economic sphere manifests itself. The justificatory narratives offered by its owner were not synonymous with deceit or insincere alibis but examples of self-authorisation to act and self-approval for the effects achieved (Boltanski and Thévenot 2006). His answers to the enquiring panel were structured as an ideology, in the sense that they referred to a set of 'a priori plausible ideas and discourses describing how society should be structured' (Piketty 2020: 5).

Altruism, innovation and risk provided redeeming arguments for the harm caused, while achievement was located in the future, when the efficacy of the techniques utilised by Greensill, purportedly, are destined to

predominate. Uncertainty characterising current and future market conditions justified the invasion of the political sphere, where private wealth turned into a governing engine. Principles of new constitutionalism emerged in the justificatory narratives, as Lex Greensill affirmed the right of private enterprise to fight public interference in the economic arena. Highlighting the inefficiency of the state was his way of ‘locking in’ commitment to neoliberalism and ‘locking out’ state intervention, ideally to be made, with time, illegal. Politicians, he claimed, are greedier than financiers.

David Cameron admitted that his private forms of lobbying in favour of Greensill Capital should have taken more ‘formal channels’, or perhaps he felt that such formal channels, with the triumph of new constitutionalism, would be abolished, like other formal prerogatives of state action. Lex Greensill shared with Cameron this anticipatory attitude, and perhaps he hoped that his conduct, inverting the order of his name and surname, will in the future become the *Greensill Lex*, a new law destined to be followed by others. Justificatory narratives, in general, anticipate or preside over legislative change, at the global and local level, in economic and political affairs, in military invasions and in equally destructive economic ventures. The Greensill Lex, in sum, is an attempt to decouple finance from crime, a single experiment that chimes with other attempts to sever any notion of harm from power.

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<sup>1</sup> The author produced a transcript from the three-hour interrogation broadcast on Sky News on 12 May 2021. Q and A indicate questions and answers respectively. Here and there, the text is abridged and slightly edited for clarity.

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## **Appendix**

### **Public Comments on YouTube:**

They make a big deal about these inquiries and then everything gets brushed under the carpet.

He looks like a crook, sounds like a crook, dresses like a crook. Trained in the art of interview by Prince Andrew and David Cameron.

A City of London money laundering scam has imploded. The collateral damage is going to be huge. The English establishment is very scared.

Typical British ‘inquiries’—addressing people being questioned by their first name: Lex, David (those posing questions know little about business) (Sky News 2021).