

Why Wall Street and Main Street Are Not So Far Apart



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From facilitating overseas investment to safeguarding retirement accounts, global banks are essential to economic growth as well as individuals' financial goals. The most valuable currency, however, is integrity.

Six years since the financial crisis, it isn't surprising that the financial sector still faces heavy scrutiny. The crisis remains a fresh memory and many of its aftereffects are still with us — from settlements of legacy issues that keep banks in the headlines with negative news to the prolonged, uneven recovery from the recession. The economy — and in particular, the housing and employment markets — have taken far longer to improve than they have from past recessions.

This has created an environment in which the role banks play in our industries, communities and the economy at large is often ignored, and sometimes twisted into something sinister. To some extent,

that's to be expected. Rightly or wrongly — and the truth is a little bit of both — people blame banks for the lion's share of what led to the financial crisis.

But as we move forward and think about what consumers, businesses and governments need to grow, innovate and compete on an increasingly global stage, it becomes clear that banks of all sizes are needed to drive job and economic growth. Wall Street must help Main Street prosper.

How? Almost everyone intuitively knows that banks are necessary to help people safeguard their cash, deposit their paychecks and pay their bills. But the modern financial

system keeps the global economy running in many other ways and provides much-needed support and services to companies and institutions of all shapes, sizes, scale and scope.

Global banks help their clients compete on the world stage, create jobs and sell their products in markets everywhere. In fact, last year alone, Citi facilitated some \$600 billion in trade flows for our clients, about half of that for U.S.-domiciled firms or their overseas subsidiaries. When Apple opens a store in South Africa, or Caterpillar ships a tractor to Thailand, you can be sure there's a global bank supporting them.

From the perspective of these and other companies, having to navigate 20 or more different banks on a daily basis and handling thousands or even millions of transactions per day

would be a nightmare. And not merely from an expense standpoint, but from a regulatory and control perspective as well. The more banks a company is forced to use, the more complexity and risk it takes on.

It would be naive to think that multinational companies wouldn't be harmed if we undermined their ability to sell their goods and services around the world. Big banks provide more than geographic diversity to these firms. We also help them meet payroll, help finance the supply chain, manage their cash and exchange currencies—in addition to core lending across a range of timeframes and terms. For a client looking to break into a new market or expand in an existing one, the expertise of its banking partner is invaluable.

And it's not just established companies and multinationals that

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need these services. For today's startups hoping to become tomorrow's giants, sources of early support vary widely — from angel investors to venture capital. All require the capital markets — facilitated by global banks — to redeem those investments through initial public offerings and the liquidity provided by the securities market. Individuals also benefit from the operations of the capital markets in funding and growing pensions, retirement accounts, college savings plans and many other vehicles for meeting their financial aspirations.

To be a trusted partner to today's multinational companies, global banks must operate with integrity. It is the currency through which we earn and deserve the trust of our clients and customers. With that foundation, we can and will continue to play the vital role that banks like Citi have for more than 200 years — serving the needs of our clients to support economic growth and expand financial inclusion.



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