

Martin: Hired for being a Whistleblower

Introduction

In his early career, Martin was a policeman in the UK, specialising in money laundering and international fraud cases. He was recruited to a major bank in London, where he was put in charge of preventing money laundering, and gained a significant pay rise. He continued working in banking and joined the London branch of the U.S.-based Wachovia, in 2005. Once there, Martin realised the institution was heavily involved in laundering money for criminals such as drug traffickers in a wide range of countries, including Mexico, Latvia and Russia.

After blowing the whistle, internally and externally, Martin continued working at this bank for a while – until a report he wrote on ongoing and large-scale Russian fraud, and his blocking of related transactions, drew the ire of management. He was harassed and bullied for this, and he eventually issued employment tribunal proceedings against his employer. A settlement was reached out of court. He was joined by the Department of Justice in pursuing the bank and his whistleblowing subsequently resulted in the organization having to pay a \$160 million penalty in 2010. Although he says he would think twice about blowing the whistle again, Martin acknowledges that a lot of good has come of it, including the chance to, as he puts it, meet incredible people. He now works for an international news agency who hired him because of his whistleblowing, not in spite of it.

The disclosure

Wachovia was laundering money for foreign clients, including drug cartels in Mexico. The nature of Martin's role technically made him an unwitting whistleblower from the day he took the job: as an anti money laundering officer he was formally required to inform the authorities of illegal activity. Martin fulfilled his responsibility by raising the alarm repeatedly, both inside and outside of the organisation. The US authorities and regulators then took action against some of the bank's clients.

After disclosing, Martin was placed on sick leave, which eventually became unpaid. Contrary to some medical advice, he insisted upon returning to work. Soon after, he had to file another whistleblower report. "They weren't ready for me... I discovered further details related to another laundering system I'd been looking at before I went sick the previous year. The scale of the laundering using companies and partnerships incorporated in the UK had risen to some \$3 billion. I suspected it was money from Russian organised crime being laundered through the bank." When he sought to notify the UK regulator, they replied saying they didn't want to talk to him. Nonetheless, he filed another substantial whistleblowing report highlighting how, in his workplace, "the game was fraud and theft and money laundering."

Martin was harassed and bullied for making his disclosures, so he pressed ahead with employment tribunal proceedings. The case was settled out of court, and the bank paid him to sign a confidentiality agreement.. The bank was fined \$160 million in 2010, solely in relation to the Mexican drug money laundering.

The new role

Martin describes how the regulator, an organization he had perceived as an ally, had fabricated allegations and a false whistleblower report against him to obstruct his career. “When you blow the whistle on a bank, indirectly, you’re also blowing the whistle on regulatory failure... they even said, ‘It’s right to record intelligence against a person who may say something negative about the Regulator.’ I said, ‘... You’re telling me that you cannot take criticism and anybody who criticises you, you’ll create intelligence about them?’” Unable to find work in the banking world, Martin suffered for some years as his attempts to find a role within a bank were repeatedly thwarted. He began consulting on anti-fraud and managing risk. This work brought him around the world, writing, lecturing, presenting and giving interviews.

In 2012, Martin saw an advertisement for a job with Thomson Reuters, an international news organisation and regulated foreign exchange trading business, and applied through an agent. Having already worked with some people from this company, he knew he would like a role there. His background placed him in an unusually strong position for their ‘Head of Financial Crime’ vacancy. He has been there ever since, advising clients on his specialist areas of anti-money laundering controls.

Factors that helped

Pivoting

Martin explains that, as a whistleblower, you can either let the experience “become an anchor that drags you down” or else you can “take it and ride on the crest of a wave with it.” He chose to do the latter. Knowing that his career in banking itself was over, he looked to other ways of recreating a career path. He became a self-employed consultant on anti-money laundering and risk management. “It’s how you pack it, wrap it and spin it.” Martin made use of his connections and social media tools to cultivate a strong network, through which he could secure endorsements and further work. This proved vital to getting back into well-paying employment. In fact, one of his consulting clients became his new employer.

Financial Security

Many whistleblowers suffer extreme financial hardship, which can have detrimental effects on their health and ability to work. Alternatively, it may mean that they have little option but to accept jobs that are low-paying and do not utilize their skills. For Martin, economic pressure was not a huge problem. For most of the whistleblowing process, he was salaried. When he was eventually placed on unpaid sick leave, he swiftly rectified this by going back to work. His insurance covered legal protection, so he could litigate without incurring expenses. Furthermore, he reached a financial settlement with the bank. While he might be earning more had he stayed in the bank, he does not regret what he did and acknowledges that he is well-paid in his current role.

Education

Martin’s qualifications helped him in his post-disclosure career survival. Before joining Wachovia, he already had an anti-money laundering diploma. After leaving, he undertook another diploma, in financial crime. This strong educational background aided him in his consultancy work and in securing his current position.

Being a Whistleblower

Unusually for whistleblowers, Martin was selected for the position he has worked in since 2012-head of financial crime at Thomson Reuters- precisely because of having made his disclosures. His prospective employer looked on it as a positive advantage for the organisation. During his application process for the role Martin was told, "We would like to employ a whistleblower, like you. We think you're good for our company and good for what we stand for."

Summary: Martin today

A highly-qualified and persevering individual, as are many whistleblowers, Martin has come through difficult times for the sake of social justice. His career was extinguished and yet he managed to gain a well-paying position. In the time between these stages, he worked as a specialist consultant, leveraging his experience in anti-fraud work and whistleblowing to survive.

In the future, Martin may well return to consulting. He describes how he would like to see the banking industry become less passive about fraud and corruption. Given his success in the legal proceedings against Wachovia, perhaps his insight and rare expertise will contribute to a wider change in practice and policy.