

FINANCE & DEONTOLOGY

A seminar on the risks of money laundering for the Financial Analysis Specialised Master's Course

Financiers can no longer ignore deontology. The financial crisis has emphasised the importance of an unshakeable pairing: **risk and profitability**. Profitability at any price can no longer be the only driver. Risk must be taken into account, and notably the risk of money laundering. Such an idea may appear obvious, but secondary, in the sense that figures about this subject are mostly either little known or underestimated. Yet 1 000 billion dollars of “black” money, i.e. only money earned in crime (ignoring “grey” money, resulting from white-collar misdemeanours), is laundered annually!

A seminar on this question was given on 1st December 2010 for students of the Specialised Master's course in International Financial Analysis. It helped them to realise the scale of the phenomenon (**dirty, black and grey money is estimated at \$6 000 bn. per year, or 10 % of global GDP**). Today, those who work in finance (traders, bankers, insurers, chartered accountants, official auditors) are subject to drastic regulations to fight against money laundering and the financing of terrorism. Their responsibility can be called into question, with important criminal and professional consequences. All these actors are obliged by law to organise themselves and show their willingness to take part in this war against money laundering, by setting up internal standardised procedures and by in-service training for all staff in this sector. A certification process has been developed by the AMF (Financial Markets Authority) with this in mind. The seminar is viewed as a way to participate in this struggle.

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