**SUMMARY AND CONCLUSIONS - Chapter 5: Financial markets: what role for ethics?**

Global financial markets have opened up new opportunities for wealth creation and rewarded handsomely those who have driven innovations in finance. Faith in markets to continue to develop in an orderly and stable manner, while expanding to encompass more countries and environments, proved over-optimistic. Numerous national financial crises of the 1980s and 1990s, followed by a global financial crisis in 2008, stunned governments and societies. A new critique of finance and its leading actors was a result. Finance may seem remote to most ordinary people: they see the realities of household expenditures and taxes, but do not see the movements of global capital markets. But these markets increasingly affect ordinary people, in their jobs, welfare services and pensions. Suspicion and fear of global finance has led to accusations against both large companies and governments. A groundswell of hostile public opinion has ensued. Much of the criticism has focused on unethical behaviour.

Governments face multiple challenges in putting in place regulatory frameworks to prevent another financial crisis. But a more difficult challenge is the deep-seated profits-at-all-costs culture which this chapter has highlighted. Even as banks were cleaning up the toxic derivatives and bad loans, more innovative financial products were being devised to facilitate new potential profits, and off-exchange trading has boomed. As this chapter has shown, regulation has been a response of governments, but all would agree that cultural changes also play a crucial role in creating a more sustainable business model in the financial sector. One lesson that governments and international bodies have taken on board is that finance is not simply about business and governments: it is about societies.