

Unchecked, big banks can turn into big bullies

Anthony Kuipers/Moscow-Pullman Daily News

The government has been holding Wells Fargo's feet to the fire following a recent scandal relating to fake accounts. We hope they don't let up.

Bank employees opened as many as 2 million unauthorized checking and credit card accounts for unsuspecting customers due to an aggressive sales culture that pushed them to meet lofty sales targets, or else face the risk of getting fired.

A Consumer Financial Protection Bureau investigation into the bank's practices led to the bureau settling with Wells Fargo for \$185 million. Politicians don't think that's enough.

Sen. Elizabeth Warren and others, in addition to asking Chief Executive John Stumpf to resign, called for a Department of Labor investigation into Wells Fargo firing more than 5,000 employees,

Stumpf resigned from a Federal Reserve advisory panel, but has yet to resign from Wells Fargo.

"You should give back the money you took while the scam was going on," Warren said.

Now, many also wonder if the bank ignored overtime laws as its employees worked after hours and weekends to meet sales quotas.

This is another example of what happens when a big bank goes about its business unchecked. Only in this case, it not only hurt customers, but its own employees.

Fixing this will not only require leaders like Stumpf to step down, but a major cultural shift, one where employees are not forced to become quota-obsessed drones, and unsuspecting customers are not treated like pawns in a sales scheme.

This scandal begs an obvious question. Is Wells Fargo the only bank to employ these sales tactics, or is it simply the only one that got caught?

It appears the latter is true. Nearly a dozen current and former employees from other large banks anonymously told CNN Thursday they too are under great pressure to get customers to open multiple accounts. One called it "an industry-wide problem."

The outrage from political leaders like Warren is not misplaced. Banks like Wells Fargo must not be allowed to operate under the assumption they can bend the rules and mistreat their employees without consequence.