

Jes Staley quits over Epstein report: The character flaw that led to downfall of charming Barclays boss

Jes Staley, the [banker in charge of Barclays until this morning](#), is a charmer.

He first made his name as the [boss](#) of [JP Morgan](#)'s private bank in [New York](#), where his job was to befriend and schmooze the very rich, of which [Jeffrey Epstein](#) was just one.

He was good at it. Staley remembers details about those he wishes to please; asks after their family, takes them into his confidence. Small things, but they work.

He is also, as one senior City executive said to me, "loyal to the point of it being a character defect".

In the UK, we first saw this flaw when he raced to the defence of a colleague, Tim Main, who had had some health issues, but had recovered.

He was fined £642,000 by the FCA for attempting to unmask an internal whistle-blower, who had sent letters to the board questioning the appointment of Mr Main to a senior role.

Staley thought the letter writer was trying to smear a friend and told colleagues to find the identity of the author.

CEOs should not be interfering with whistle-blowers, but it was possible to see the incident as an example of Staley's decency. Someone attacked his friend and he couldn't stand idly by.

Unfortunately, this loyalty extended to Jeffrey Epstein even after he had been convicted of soliciting prostitution.

He visited Epstein in prison in 2008, and went to his private Caribbean island as recently as 2015.

Was this that fierce allegiance, or willful blindness?

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Either way, Staley's time as CEO is over— we await the final report from the Financial Conduct Authority into why they plainly thought he should go.

For Barclays directors, perhaps they felt they could withstand one censure from the watchdog for the whistleblowing incident, but that two was untenable.

What has the FCA got on Staley in relation to Jeffrey Epstein?

Giving the appalling wider context the answer is probably “not much”, at least by comparison.

The most likely conclusion from the watchdog's impending report is that Staley mis-characterised his relationship with the convicted sex offender.

That there was a meeting here or there that didn't tell the board or the regulator about, perhaps because he forgot.

What seems potentially more embarrassing is that there are emails from Staley to Epstein that are on the exuberant side

of polite. Emails that, as they say, have not aged well.

In 2017 Staley was pranked into email exchanges with a comic he mistook for then chairman John McFarlane.

“You are a unique man, Mr McFarlane,” he wrote. “You came to my defense today with a courage not seen in many people. How do I thank you?”

To British ears this is fawning, or at least over the top. But Staley is just like that.

He made a point frequently of thanking me for my support, for example, not realising that this made it sound like we were closer than we are and that as a journalist, I’m not really supposed to be in the business of giving support to CEOs.

But he meant well.

It is a personal calamity that Staley’s name will now be forever linked to Epstein’s.

There is so much more to him than that, not least the legacy of a strong investment bank franchise at Barclays that would have been scrapped years ago had he listened to critics.

He was a terrific CEO, albeit one that at times couldn’t seem to get out of his own way.

Barclays staff speak warmly of him. They returned the loyalty he offered.

The FCA investigation has been ongoing for nearly two years. One wonders why it took them this long and if there isn’t some sense in which, having spent that much time and money on an inquiry, they were unlikely to conclude that there was no case to answer.

When the FCA investigation first emerged, Staley said of Epstein: “I thought I knew him well and I didn’t...For sure,

with hindsight, with what we all know now, I deeply regret having had any relationship with Jeffrey Epstein.”

The regulator and the Barclays board might ponder just how much hindsight – or insight, or plain common sense – was needed to figure out that Jeffrey Epstein was bad news.