

(1, 23) For the Love of Money

By Sam Polk

The New York Times: Sunday Review OPINION January 18, 2014

<http://www.nytimes.com/2014/01/19/opinion/sunday/for-the-love-of-money.html>

In my last year on Wall Street my bonus was \$3.6 million — and I was angry because it wasn't big enough. I was 30 years old, had no children to raise, no debts to pay, no philanthropic goal in mind. I wanted more money for exactly the same reason an alcoholic needs another drink: I was addicted.

(2, 24) Eight years earlier, I'd walked onto the trading floor at Credit Suisse First Boston to begin my summer internship. I already knew I wanted to be rich, but when I started out I had a different idea about what wealth meant. I'd come to Wall Street after reading in the book "Liar's Poker" how Michael Lewis earned a \$225,000 bonus after just two years of work on a trading floor. That seemed like a fortune. Every January and February, I think about that time, because these are the months when bonuses are decided and distributed, when fortunes are made.

(3, 25) I'd learned about the importance of being rich from my dad. He was a modern-day Willy Loman, a salesman with huge dreams that never seemed to materialize. "Imagine what life will be like," he'd say, "when I make a million dollars." While he dreamed of selling a screenplay, in reality he sold kitchen cabinets. And not that well. We sometimes lived paycheck to paycheck off my mom's nurse-practitioner salary.

(4, 26) Dad believed money would solve all his problems. At 22, so did I. When I walked onto that trading floor for the first time and saw the glowing flat-screen TVs, high-tech computer monitors and phone turrets with enough dials, knobs and buttons to make it seem like the cockpit of a fighter plane, I knew exactly what I wanted to do with the rest of my life. It looked as if the traders were playing a video game inside a spaceship; if you won this video game, you became what I most wanted to be — rich.

(5, 27) It was a miracle I'd made it to Wall Street at all. While I was competitive and ambitious — a wrestler at Columbia University — I was also a daily drinker and pot smoker and a regular user of cocaine, Ritalin and ecstasy. I had a propensity for self-destruction that had resulted in my getting suspended from Columbia for burglary, arrested twice and fired from an Internet company for fistfighting. I learned about rage from my dad, too. I can still see his red, contorted face as he charged toward me. (6, 28) I'd lied my way into the C.S.F.B. internship by omitting my transgressions from my résumé and was determined not to blow what seemed a final chance. The only thing as important to me as that internship was my girlfriend, a starter on the Columbia volleyball team. But even though I was in love with her, when I got drunk I'd sometimes end up with other women.

(7, 29) Three weeks into my internship she wisely dumped me. I don't like who you've become, she said. I couldn't blame her, but I was so devastated that I couldn't get out of bed. In desperation, I called a counselor whom I had reluctantly seen a few times before and asked for help.

She helped me see that I was using alcohol and drugs to blunt the powerlessness I felt as a kid and suggested I give them up. That began some of the hardest months of my life. Without the alcohol and drugs in my system, I felt like my chest had been cracked open, exposing my heart to air. The counselor said that my abuse of drugs and alcohol was a symptom of an underlying problem — a "spiritual malady," she called it. C.S.F.B. didn't offer me a full-time job, and I returned, distraught, to Columbia for senior year.

(8, 30) After graduation, I got a job at Bank of America, by the grace of a managing director willing to take a chance on a kid who had called him every day for three weeks. With a year of sobriety under my belt, I was sharp, cleareyed and hard-working. At the end of my first year I was thrilled to receive a \$40,000 bonus. For the first time in my life, I didn't have to check my balance before I withdrew money. But a week later, a trader who was only four years my senior got hired away by C.S.F.B. for \$900,000. After my initial envious shock — his haul was 22 times the size of my bonus — I grew excited at how much money was available.

(9) Over the next few years I worked like a maniac and began to move up the Wall Street ladder. I became a bond and credit default swap trader, one of the more lucrative roles in the business. Just four years after I

started at Bank of America, Citibank offered me a “1.75 by 2” which means \$1.75 million per year for two years, and I used it to get a promotion. I started dating a pretty blonde and rented a loft apartment on Bond Street for \$6,000 a month.

(10) I felt so important. At 25, I could go to any restaurant in Manhattan — Per Se, Le Bernardin — just by picking up the phone and calling one of my brokers, who ingratiate themselves to traders by entertaining with unlimited expense accounts. I could be second row at the Knicks-Lakers game just by hinting to a broker I might be interested in going. The satisfaction wasn't just about the money. It was about the power. Because of how smart and successful I was, it was someone else's job to make me happy.

(11) Still, I was nagged by envy. On a trading desk everyone sits together, from interns to managing directors. When the guy next to you makes \$10 million, \$1 million or \$2 million doesn't look so sweet. Nonetheless, I was thrilled with my progress.

My counselor didn't share my elation. She said I might be using money the same way I'd used drugs and alcohol — to make myself feel powerful — and that maybe it would benefit me to stop focusing on accumulating more and instead focus on healing my inner wound. “Inner wound”? I thought that was going a little far and went to work for a hedge fund.

(12) Now, working elbow to elbow with billionaires, I was a giant fireball of greed. I'd think about how my colleagues could buy Micronesia if they wanted to, or become mayor of New York City. They didn't just have money; they had power — power beyond getting a table at Le Bernardin. Senators came to their offices. They were royalty.

I wanted a billion dollars. It's staggering to think that in the course of five years, I'd gone from being thrilled at my first bonus — \$40,000 — to being disappointed when, my second year at the hedge fund, I was paid “only” \$1.5 million.

(13) But in the end, it was actually my absurdly wealthy bosses who helped me see the limitations of unlimited wealth. I was in a meeting with one of them, and a few other traders, and they were talking about the new hedge-fund regulations. Most everyone on Wall Street thought they were a bad idea. “But isn't it better for the system as a whole?” I asked. The room went quiet, and my boss shot me a withering look. I remember his saying, “I don't have the brain capacity to think about the system as a whole. All I'm concerned with is how this affects our company.”

I felt as if I'd been punched in the gut. He was afraid of losing money, despite all that he had.

(14) From that moment on, I started to see Wall Street with new eyes. I noticed the vitriol that traders directed at the government for limiting bonuses after the crash. I heard the fury in their voices at the mention of higher taxes. These traders despised anything or anyone that threatened their bonuses. Ever see what a drug addict is like when he's used up his junk? He'll do anything — walk 20 miles in the snow, rob a grandma — to get a fix. Wall Street was like that. In the months before bonuses were handed out, the trading floor started to feel like a neighborhood in “The Wire” when the heroin runs out.

(15) I'd always looked enviously at the people who earned more than I did; now, for the first time, I was embarrassed for them, and for me. I made in a single year more than my mom made her whole life. I knew that wasn't fair; that wasn't right. Yes, I was sharp, good with numbers. I had marketable talents. But in the end I didn't really do anything. I was a derivatives trader, and it occurred to me the world would hardly change at all if credit derivatives ceased to exist. Not so nurse practitioners. What had seemed normal now seemed deeply distorted.

(16) I had recently finished Taylor Branch's three-volume series on the Rev. Dr. Martin Luther King Jr. and the civil rights movement, and the image of the Freedom Riders stepping out of their bus into an infuriated mob had seared itself into my mind. I'd told myself that if I'd been alive in the '60s, I would have been on that bus.

But I was lying to myself. There were plenty of injustices out there — rampant poverty, swelling prison populations, a sexual-assault epidemic, an obesity crisis. Not only was I not helping to fix any problems in the world, but I was profiting from them. During the market crash in 2008, I'd made a ton of money by shorting the derivatives of risky companies. As the world crumbled, I profited. I'd seen the crash coming, but instead of trying to help the people it would hurt the most — people who didn't have a million dollars in the bank — I'd made money off it. (17) I don't like who you've become, my girlfriend had said years earlier. She was right then, and she was still right. Only now, I didn't like who I'd become either.

Wealth addiction was described by the late sociologist and playwright Philip Slater in a 1980 book, but addiction researchers have paid the concept little attention. Like alcoholics driving drunk, wealth addiction imperils everyone. Wealth addicts are, more than anybody, specifically responsible for the ever widening rift that is tearing apart our once great country. Wealth addicts are responsible for the vast and toxic disparity between the rich and the poor and the annihilation of the middle class. Only a wealth addict would feel justified in receiving \$14 million in compensation — including an \$8.5 million bonus — as the McDonald's C.E.O., Don Thompson, did in 2012, while his company then published a brochure for its work force on how to survive on their low wages. (18) Only a wealth addict would earn hundreds of millions as a hedge-fund manager, and then lobby to maintain a tax loophole that gave him a lower tax rate than his secretary.

Despite my realizations, it was incredibly difficult to leave. I was terrified of running out of money and of forgoing future bonuses. More than anything, I was afraid that five or 10 years down the road, I'd feel like an idiot for walking away from my one chance to be really important. What made it harder was that people thought I was crazy for thinking about leaving. In 2010, in a final paroxysm of my withering addiction, I demanded \$8 million instead of \$3.6 million. My bosses said they'd raise my bonus if I agreed to stay several more years. Instead, I walked away.

(19) The first year was really hard. I went through what I can only describe as withdrawal — waking up at nights panicked about running out of money, scouring the headlines to see which of my old co-workers had gotten promoted. Over time it got easier — I started to realize that I had enough money, and if I needed to make more, I could. But my wealth addiction still hasn't gone completely away. Sometimes I still buy lottery tickets.

In the three years since I left, I've married, spoken in jails and juvenile detention centers about getting sober, taught a writing class to girls in the foster system, and started a nonprofit called Groceryships to help poor families struggling with obesity and food addiction. I am much happier. I feel as if I'm making a real contribution. And as time passes, the distortion lessens. (20) I see Wall Street's mantra — “We're smarter and work harder than everyone else, so we deserve all this money” — for what it is: the rationalization of addicts. From a distance I can see what I couldn't see then — that Wall Street is a toxic culture that encourages the grandiosity of people who are desperately trying to feel powerful.

I was lucky. My experience with drugs and alcohol allowed me to recognize my pursuit of wealth as an addiction. The years of work I did with my counselor helped me heal the parts of myself that felt damaged and inadequate, so that I had enough of a core sense of self to walk away.

(21) Dozens of different types of 12-step support groups — including Clutterers Anonymous and On-Line Gamers Anonymous — exist to help addicts of various types, yet there is no Wealth Addicts Anonymous. Why not? Because our culture supports and even lauds the addiction. Look at the magazine covers in any newsstand, plastered with the faces of celebrities and C.E.O.'s; the superrich are our cultural gods. I hope we all confront our part in enabling wealth addicts to exert so much influence over our country.

I generally think that if one is rich and believes they have “enough,” they are not a wealth addict. On Wall Street, in my experience, that sense of “enough” is rare. The money guy doing a job he complains about for yet another year so he can add \$2 million to his \$20 million bank account seems like an addict.

(22) I recently got an email from a hedge-fund trader who said that though he was making millions every year, he felt trapped and empty, but couldn't summon the courage to leave. I believe there are others out there. Maybe we can form a group and confront our addiction together. And if you identify with what I've written, but are reticent to leave, then take a small step in the right direction. Let's create a fund, where everyone agrees to

put, say, 25 percent of their annual bonuses into it, and we'll use that to help some of the people who actually need the money that we've been so rabidly chasing. Together, maybe we can make a real contribution to the world.

Sam Polk is a former hedge-fund trader and the founder of the nonprofit Groceryships. A version of this op-ed appears in print on January 19, 2014, on page SR1 of the New York edition with the headline: For the Love of Money.