# NatWest’s return to private ownership closes a costly chapter but legacy of 2008 crisis lingers



The return of NatWest, formerly known as the Royal Bank of Scotland (RBS), to private ownership represents a pivotal moment in the UK's financial narrative, yet its practical implications may be limited. The government’s 17-year journey from a £45.5 billion bailout in the wake of the 2008 financial crisis to this recent divestment concludes with a staggering loss of approximately £10 billion for taxpayers. This marks not only a financial retreat but also a symbolic closure on a turbulent chapter in British banking history.

Under the stewardship of Paul Thwaite, who was a relatively obscure figure during the crisis, NatWest has undergone a metamorphosis. Thwaite's leadership reflects a broader generational shift in banking culture—today’s bank leaders are cautious, shaped by the harrowing near-collapse of the financial system they experienced two decades ago. Gone are the days of ostentation associated with figures like Fred Goodwin of RBS and Adam Applegarth of Northern Rock. Today's bankers tend to favour a more subdued approach, focusing on sustainable practices rather than aggressive expansion.

The ramifications of the 2008 crisis extended beyond banking; it fundamentally altered the political landscape. As disenfranchisement and resentment burgeoned among the populace, the rise of populist leaders across the political spectrum became evident. The fallout from the financial meltdown shifted perceptions of institutions, fuelling a climate of mistrust that has given rise to figures such as Donald Trump. Many analysts see this trajectory as a reaction to the economic anxieties exacerbated by the crisis and subsequent austerity measures, particularly in the rust-belt regions of the USA, which have felt abandoned by both globalisation and economic policy.

In the aftermath of the financial crisis, G20 leaders convened in 2009 under the leadership of then-UK Prime Minister Gordon Brown, pledging to implement stricter financial regulations and orchestrating a collective response that included central banks flooding markets with liquidity through quantitative easing. This initiative, while initially stabilising, has led to prolonged economic issues, with critics arguing that it extended the very malaise it sought to mitigate. Jamie Dimon, CEO of JP Morgan, stands as a notable figure from that era who has consistently advocated for responsible banking practices and been critical of populist tariffs and policies.

As NatWest emerges fully into private hands, the broader context remains fraught with challenges. The formative experiences of both banking executives and politicians are likely to shape future policies, responses to financial crises, and the regulation of markets for years to come. Though the formal separation from government ownership suggests a return to normalcy, the complex legacies of the 2008 crisis will continue to affect economic landscapes and political ideologies worldwide.

In essence, while the cessation of government ownership marks a significant milestone for NatWest, the enduring consequences of the 2008 financial crisis remind us that the road to recovery remains intricate and fraught with ideological and practical complexities that will influence future generations.

## Reference Map:

* Paragraph 1 – [[1]](https://www.dailymail.co.uk/money/comment/article-14769953/RUTH-SUNDERLAND-Financial-crisis-2008-haunts-us.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[3]](https://www.reuters.com/sustainability/society-equity/uk-government-says-it-has-sold-its-last-remaining-natwest-stock-2025-05-30/)
* Paragraph 2 – [[1]](https://www.dailymail.co.uk/money/comment/article-14769953/RUTH-SUNDERLAND-Financial-crisis-2008-haunts-us.html?ns_mchannel=rss&ns_campaign=1490&ito=1490), [[2]](https://www.ft.com/content/dbbe4978-3f95-46cc-8866-34e1abaf5867), [[4]](https://www.ft.com/content/ede5be67-7623-448a-8f4e-ca8bde6aed95)
* Paragraph 3 – [[5]](https://www.ft.com/content/a2150ee7-75df-4b33-9ec2-43b41a6f5712), [[6]](https://www.reuters.com/business/finance/natwests-16-year-journey-crisis-bailout-reprivatisation-2025-05-30/)
* Paragraph 4 – [[7]](https://apnews.com/article/24118ca4ee73d0e4d977ed1cba54eac2)

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## Bibliography

1. <https://www.dailymail.co.uk/money/comment/article-14769953/RUTH-SUNDERLAND-Financial-crisis-2008-haunts-us.html?ns_mchannel=rss&ns_campaign=1490&ito=1490> - Please view link - unable to able to access data
2. <https://www.ft.com/content/dbbe4978-3f95-46cc-8866-34e1abaf5867> - This article chronicles the dramatic collapse and recovery of the Royal Bank of Scotland (RBS), which was nationalised during the 2008 global financial crisis. It details RBS's aggressive expansion, the £49 billion acquisition of ABN Amro, and the subsequent £45.5 billion bailout by the UK government. The piece also discusses the bank's transformation into NatWest, its return to private ownership, and the broader implications for the UK's financial landscape.
3. <https://www.reuters.com/sustainability/society-equity/uk-government-says-it-has-sold-its-last-remaining-natwest-stock-2025-05-30/> - Reuters reports that the UK government has sold its remaining stake in NatWest, formerly known as RBS, marking the end of a 17-year involvement that began with a £45.5 billion bailout during the 2008 financial crisis. The article highlights the financial outcomes of the sale and the bank's shift from a global institution to a UK-focused lender.
4. <https://www.ft.com/content/ede5be67-7623-448a-8f4e-ca8bde6aed95> - This Financial Times article discusses NatWest's return to full private ownership after a £46 billion bailout during the 2008-2009 financial crisis. It covers the government's financial recovery, the bank's strategic shift under CEO Paul Thwaite, and the broader context of the UK's post-crisis financial recovery.
5. <https://www.ft.com/content/a2150ee7-75df-4b33-9ec2-43b41a6f5712> - The Financial Times examines the UK's bank bailouts, focusing on the sale of the remaining shares in NatWest. It contrasts the UK's approach with the US's Troubled Asset Relief Program (TARP) and discusses the financial and political implications of the UK's bailout strategy.
6. <https://www.reuters.com/business/finance/natwests-16-year-journey-crisis-bailout-reprivatisation-2025-05-30/> - Reuters details NatWest's 16-year journey from crisis bailout to reprivatisation, covering the £45 billion government bailout during the 2008 financial crisis, the bank's restructuring efforts, and its return to private ownership in 2025.
7. <https://apnews.com/article/24118ca4ee73d0e4d977ed1cba54eac2> - The Associated Press reports on the UK government's sale of its remaining shares in NatWest, concluding a chapter that began with a £45.5 billion bailout during the 2008 financial crisis. The article discusses the financial outcomes and the bank's shift to private ownership.