A large British government delegation travelled to a major UN conference on fighting corruption in Amman last week. I too was at the same time when news broke that the British Government had abandoned the Serious Fraud Office’s probe into BAE System’s defence deals with Saudi Arabia. For almost 20 years I have worked to stamp out corruption but this scandalous decision has almost made me lose the will to continue. I have to wonder how the British government dared to send a large delegation to that worthy meeting in Jordan. This illegal decision is a betrayal of the British people, and every international legal principle that Britain is committed to uphold.

We can all understand how tempting it is to turn a blind eye to corruption if payments to foreign governments can secure big defence contracts that generate employment, trade and ease friendships with countries we want as allies. Until the end of the last century it was widespread that such payments were not just tolerated, but were tax deductible. This is how the world used to be.

But the international community came to understand how harmful these practices were. Corruption sustains bad governance. We have had countless examples throughout Africa, Asia and South America of how slush funds operated by Western companies give dictators access to secret sources of money to buy arms or thwart democratic opposition movements. Bribery and corruption are among the most important obstacles to democratic development and the fight against global poverty.

So it was a tremendous achievement in the late 1990s when the countries of the OECD agreed a convention to stamp out bribery in business transactions. This led in 2003 to the UN Convention against Corruption which Britain ratified in the spring of this year. Ratification means Britain has not only implemented the terms of the convention as part of its domestic law but has solemnly told the international community that it will uphold the new standards.

Nobody would be astonished to learn that Kenya for example had flouted its commitment to international anti corruption rules. But when the UK—which in the eyes of much of the world is the home of the rule of law—arrogantly announces that it will disregard the convention, because to pursue the Saudi inquiry would interfere with contracts and pose security implications, then it is a bombshell that wrecks ten years of good work.

What Tony Blair’s government has done is a direct violation of Article 5 of the OECD convention. This clause specifically says no consideration should be taken of economic interests, political concerns or the effect on a government’s relations with other states. It is mandatory, and clear: even when there are political consequences you cannot tolerate corruption.

Of course the probe into dealings with the Saudis was always going to put pressure on the UK. Britain is now in a comparable situation to that of France in 1996/97 when I investigated oil giant Elf for kickbacks and bribes for contracts with Gabon and other West-African countries. As the investigating magistrate on the case I was at the time warned that my work ran contrary to “national security”. The words used were oddly similar to the words Lord Goldsmith used announcing the end of the Saudi investigation last Thursday.

The difference however is that as a member of the French judiciary I was independent. Various parties warned me to back off, and for eight years I had to live with police protection. But because it is abnormal
in a democracy to have a mechanism for interrupting an official fraud inquiry, I was able to get to the bottom of the scandal. The investigation led to 30 people being convicted in 2003 for having looted 450 m Euros.

The misuse of power to block official inquires is a common practice in developing countries, but in a democracy you have checks and balances. A separation of powers and no intervention by the executive in the work of the judiciary should be tolerated. Stopping an inquiry like this is a sign of democratic immaturity.

It is interesting that the OECD recently highlighted worries about the ambiguity of the position of Britain’s Attorney General and his relationship with the Executive. Yet those who care about corruption in the world find it incredible that this weakness in your system has now been exploited. In the universal struggle against corruption we trusted Britain.

Shamefully, by interrupting the inquiry, by foiling the SFO’s attempts to get to the Swiss bank accounts the government has denied the British people its democratic right to learn exactly where alleged payments in this case were going. I can tell you from my experience in the Elf scandal the money does not always go where the head of the company tells you it has gone, and that claiming that national interests are at stake is often a mask to hide embarrassing details of a corrupt money trail from emerging.

Frequently, as I have found, big percentages of bribes end up being used for the personal enrichment of individuals and in the coffers of political parties. This is something Britain must reflect on.

Rather than giving in to blackmail or threats by the Saudis to pull out of future deals, Britain could have asked for the help of the OECD in this matter, so that rival French or American companies would not get promised Saudi markets. That would have been a more positive way to approach it.

The tragedy is we in the West can ignore the consequences of kickbacks paid to secure contracts from foreign regimes. The money often ends up back in our Western banks, or we gain access to cheaper oil and our factories get jobs. But in Angola, Gabon, Congo, Kenya, Nigeria they can’t live with it. It is destroying their states. In these countries you have very brave prosecutors who are putting their lives at risk they know that this is a war they are fighting.

The effect of stopping the Saudi probe is terrible for professionals involved in anti corruption world wide. It is a terrible outcome for the Serious Fraud Office. How can they be motivated now if just when they are getting close to the target Lord Goldsmith can say we will stop?

Stamping out corruption from the pettiest level to the highest levels of government, is a vital part of efforts to combat poverty. This is why the Department for International Development have a special police squad to help foreign governments with their inquiries into bribery and money laundering.

As far as I can see, Tony Blair’s decision has stabbed its own overseas aid wing in the back. What kind of credibility do they have now, when the countries they preach to about stamping out corruption know that the British government tolerates it?