

Of MICE and Conmen

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If you are a university professor widely regarded for his work on money laundering, corruption and organised crime, and you are arrested on charges of money laundering and corruption, then congratulations, you are Professor Bruce Bagley. This unfortunate academic, operating at the very top of his field, has been accused of conspiracy to commit money laundering and assisting criminals operating out of Venezuela. (Bagley denies all charges). He is far from the first to – allegedly – spot an opportunity where money laundering offers a quick profit, and definitely not the first in being an expert in the very field he is believed to have profited from.



The details of the scam – irrespective of Bagley’s involvement or not – played out with remarkable similarity to the get-rich-quick schemes offered by 419 fraudsters. Money intended to go to public infrastructure projects in Venezuela was instead moved from bank accounts in Switzerland and the UAE, to the middleman, and then on to another, disguising the provenance and nature of the funds. Bagley stands accused of laundering \$3m USD and of keeping \$30,000 as commission. While the ‘hold funds in your account’ trick is as old as online accounts themselves, this is a particularly egregious example, not just because of the identity of the alleged middleman as someone who has spent a career exposing corrupt laundering practices, but because it is believed to have gone on for two years, was a veritable cross-border exercise with the source in Latin America, a middleman in North America and destination accounts in Europe, and involved vast quantities of cash for social funding.

Alternatively, we may turn to Nigeria, where a succession of poor choices and inability to escape the spiral of corruption has led to the oil industry being mired in ever further dilemma. Dan Etete, the former oil minister, for instance: accused of using funds to buy a speedboat and being found guilty of money laundering by a French court. Or Diezani Alison-Madueke, under whose watch in the National Petroleum Corporation, \$20bn went missing. Or Farouk Lawan, the MP who led an investigation into a £4.2bn corruption scandal and who was himself – almost naturally – charged with corruption.

This is not to unduly castigate Nigeria over any other country, and again it is worth noting that all of the individuals above continue to assert their innocence. But the volume and scale of these incidents – and countless others around the world – is indicative of the problems faced when the lure of corruption becomes too much. Either an individual looks to make an ‘easy buck’ by acting as a middleman and absolving themselves of direct guilt, or individuals in an already corrupt society find it impossible to break free. The problems are of course compounded when, as with the oil industry (worldwide), the industry is so valuable that high-level corruption is practically a given.

Money has long been one of the motives for criminality – with ideology, compromise and ego being the others – but in the increasingly avaricious and capitalistic world it is fast becoming the most common. This is why, even with individuals at the very heart of their sector or country, nothing can be assumed, and no free passes given as to their trustworthiness or veracity.

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