Guinea's battle against corruption: which side is the west on?

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The sharp lawyers who counter the effort for clean governance are not based in Guinea: they are in London, Paris, New York

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Across Africa democratically elected leaders are fighting against corruption in the natural resource sector. But by various means, corruption fights back. Those under investigation hire highly paid legal guns to sue and silence, and highly paid public relations gurus to twist and smear. Impecunious governments trying to impose the rule of law find it subverted into the rule of lawyers and trial by media.

Nowhere is this struggle playing out more graphically than Guinea. The nation's first democratically elected president, the long-exiled democracy campaigner Alpha Condé, and his distinguished finance minister, Kerfalla Yansane, are struggling against an inheritance of systemic plunder. One such inheritance, highlighted both by the Financial Times and Global Witness, is the allegation that the world's most valuable iron ore deposits were handed over for a song, on the deathbed signature of a military dictator. The purchasers have defended the deal, but as the African telecoms billionaire Mo Ibrahim said in Dakar last weekend: "Are the Guineans who did that deal idiots, or criminals, or both?"

Within its first two years, the new government introduced a mining code, launched a review of past contracts to ensure that they complied with due process, and installed the indomitable Aissatou Boiro at the head of the treasury to impose integrity on money flows; all while regularising Guinea's standing with the international community. The legal aggression and smearing publicity duly followed, but worse was to come. On Friday evening, Boiro was gunned down in the street. Her assassins are still at large.

For two decades the west has willed on the struggles for democracy and decent governance in Africa. But having encouraged governments such as that of President Condé to join the battle against corruption, we now have both the incentive and the responsibility to see that they succeed. The incentive is that our own major resource extraction companies are now so intensely scrutinised that they are disadvantaged by corruption: it is the competitive advantage of their rivals.

With the US election out of the way, it is time for American companies to face this reality. To date, their response to the Cardin-Lugar amendment requiring transparency in their transactions has been to mount a legal challenge. Rather than this doomed and demeaning strategy of pushing back, they would be well advised to push forward.
Cardin-Lugar is being imitated: this month the European parliament is likely to adopt it across Europe. Canada, home to the world's main financial market for second-tier resource extraction companies, is about to become an aberrant laggard that is surely not beyond the reach of influence.

The success of decent African governments in their struggle against corruption is not only in our interest, it is partly our responsibility. Inadvertently, we are currently providing much of the capacity needed for corruption to fight back. We are not, of course, complicit in the murder of Boiro, though her blood should remind us that brave people are putting their lives on the line. But the sharp lawyers and slick public relations consultants who counter the effort for clean governance are not based in countries such as Guinea: they are in London, Paris and New York.

Similarly, the clandestine flows of dirty money essential for corruption, which Boiro was trying to trace, depend on an army of facilitating lawyers, accountants and bankers. They are the people who establish shell companies and nominee bank accounts to conceal true beneficial ownership, and whip money across borders far faster than the lumbering process of inter-governmental legal co-operation. Governments such as Guinea's bear the brunt of these ethically wretched activities, but they are beyond their capacities to address.

They are not, however, beyond our own capacities. We could turn the system of mutual legal assistance, whereby governments are supposed to co-operate to prise information out of suspected criminals and witnesses, from a sham into a reality. We could require the documents that establish shell companies and bank accounts to carry the names of the lawyers and bankers who executed them. These people could then face legal liability to ensure that the authorities could readily establish beneficial ownership. Our governments and our associations have an obligation to rein in the unscrupulous tail of our professions.

The critical global struggle of our generation will not be over the shift in economic power - it will be between our values and those of China. The contrasting processes of selection for a national leader have just dramatised this difference. In Africa, China's mantra, publicly expressed on a presidential tour of the continent, has been, "we ask no questions" - an approach that might be exemplified by its dealings with Guinea. The military junta that preceded President Condé resorted to the gun yet more gruesomely than Boiro's killers, mowing down 157 pro-democracy demonstrators in a stadium. Within a month a Chinese company flew in and signed a multibillion-dollar deal.

The west's economic battle with China will be lost: power will inevitably shift. The battle of values can be won, and if it is won the shift in economic power will be less consequential. But we will only win the battle of values if we put our house in order. We must decisively end our schizophrenic stance of preaching decency while being lackeys for crooks and sharks.