

Swiss banker jailed for supplying information to WikiLeaks

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Swiss authorities arrested a former banker and whistleblower after he made a public handover of information on wealthy tax evaders to the Internet web site WikiLeaks. Rudolf Elmer was taken into custody Wednesday evening, two days after a press conference in Zürich where he delivered data on offshore bank accounts to WikiLeaks.

Under Swiss law, police and prosecutors may hold Elmer for 48 hours while they decide whether there are grounds for a longer detention. A joint statement from the police and state prosecutor said, “The state prosecutor’s office is checking to see whether Rudolf Elmer has violated Swiss banking law by handing the CD over to Wikileaks.”

Elmer is the former manager of the Cayman Islands branch of the Swiss investment bank Julius Baer, used by multimillionaires and corporations to avoid taxes in the United States and other countries. He gave WikiLeaks details on 2,000 such individuals and companies.

In an extensive interview with the British newspaper the *Observer*, published January 16, he said, “I am a critic of the system and want to tell society what happens in these murky oases.”

While declining to identify any of the tax evaders, Elmer said they included 40 politicians and other “pillars of society” worldwide, and included people from “the US, Britain, Germany, Austria and Asia—from all over.”

He turned to WikiLeaks because “The man in the street needs to know how this system works,” he said. Wealthy individuals, multinational conglomerates, financial institutions and hedge funds were “using secrecy as a screen to hide behind in order to avoid paying tax.”

Elmer said that Swiss bank secrecy was justifiable for

ordinary people, “but in these instances privacy is being abused so that big people can get big banking organizations to service them.”

Top officials of the banks were in on the tax-evasion schemes, he said: “I have worked for major banks other than Julius Baer, and the one thing on which I am absolutely clear is that the banks know, and the big boys know, that money is being secreted away for tax-evasion purposes, and other things such as money-laundering—although these cases involve tax evasion.”

“Once you become part of senior management,” he told the *Observer*, “and gain international experience, as I did, then you are part of the inner circle—and things become much clearer. You are part of the plot. You know what the real products and service are, and why they are so expensive. It should be no surprise that the main product is secrecy. ... Crimes are committed and lies spread in order to protect this secrecy.”

Monday’s press conference came after Elmer returned to Switzerland from Mauritius to face trial for violation of Swiss bank secrecy laws, in a case unrelated to the WikiLeaks disclosure. He was found guilty Wednesday after a brief trial, but received only a nominal punishment.

Judge Sebastian Aeppli rejected prosecution demands to give Elmer an eight-month prison sentence and instead sentenced him to a fine of 7,200 Swiss francs (\$7,505), suspended for two years. A few hours later, police arrested Elmer for providing the CD to WikiLeaks.

Elmer’s lawyer Jack Blum said that Elmer gave the material to WikiLeaks because Swiss officials would not take action on his complaints of conspiracy and tax evasion.

The lawyer pointed out that the Swiss charge on which Elmer was convicted represented gross

overreach by the prosecution, since Elmer was charged under Swiss law but the disclosure of information came from the Cayman Islands. “This is bold extraterritorial nonsense,” he told the *Observer*.

Elmer has been linked to WikiLeaks since early 2008, when he handed over confidential data from his former employer, the banking firm Julius Baer. The bank sued WikiLeaks and temporarily blocked dissemination of the information, but the court order ultimately was overturned and the suit dropped.

WikiLeaks founder Julian Assange, in a statement to the press Monday, said the powerful financial interests were working with the US government against the Internet-based organization. He cited the actions of Visa, MasterCard, Citibank, PayPal and other financial intermediaries, which have blocked credit card contributions to the group.



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