Top British politicians caught in cash for access sting

Robert Stevens 27 February 2015

Two former UK government ministers—Labour MP Jack Straw and Conservative MP Sir Malcolm Rifkind—have been exposed in a Channel 4 *Dispatches* documentary as ready to accept thousands of pounds from a private company in return for access to their political and business contacts.

Straw, an MP since 1979, was foreign secretary from 2001-06 in the Labour government of Tony Blair. He played a key role in Britain's illegal 2003 invasion of Iraq. He also served as home secretary and justice secretary in the Labour government.

Rifkind has been an MP for more than 40 years and served as a minister in the cabinets of Conservative prime ministers Margaret Thatcher and John Major. So trusted was Rifkind in ruling circles that in 2010 he was nominated by parliament to be chairman of its critical Intelligence and Security Committee. In that position he has had access to classified intelligence from the UK security agencies MI5, MI6 and Government Communications Headquarters (GCHQ). GCHQ, in concert with the US National Security Agency, conducts mass surveillance of the world's population.

The *Dispatches* documentary, "Politicians for Hire", was a joint investigation with *Daily Telegraph* reporters and was broadcast Monday evening. In the programme, undercover reporters posed as staff of a fake Chinese communications agency, PMR, and held discussions with the MPs about joining the company's "advisory board". The choice of a Chinese company was to make what happened doubly embarrassing.

On camera, Straw states that his services would require payment. "So normally, if I'm doing a speech or something, it's £5,000 a day, that's what I charge," he stated.

He revealed that he used his position to operate "under the radar" in order to assist ED&F Man, a commodities trading company that paid him £60,000 a year, to demand a change in European Union legislation regarding sugar production in Ukraine. Straw began work for ED&F Man in 2011, just months after Labour was kicked out of office. The legislation was subsequently changed, in favour of what the company had requested. He told the reporters that on another occasion he used "charm and menace" to convince the then Ukrainian prime minister, Mykola Azarov, to change laws on behalf of ED&F Man.

While Straw was being recorded, he said that he would not take up a paid position with PMR while still an MP but, he said, he expected to be soon elevated to the House of Lords and "The rules there are different and plenty of people have commercial interests there. I will be able to help you more."

Rifkind told the undercover reporters that he has extensive political contacts and although not a minister, could arrange "useful access" to every British ambassador in the world. Among the contacts cited by Rifkind was Madeleine Albright, the former US Secretary of State. "I still have the contacts with all these people who have served at a very senior level. Some of them still do serve—are still active," he said.

As a former defence minister, Rifkind said that he had contacts in that area, and for good measure boasted, "I am involved with the World Economic Forum, Davos, and they have a number of specialist committees—one of which looks at nuclear security, nuclear weapons security."

Describing how he could establish what government "thinking" was on a particular issue, he said, "[I]n my own case I could write to a minister... I wouldn't name who was asking."

Explaining how much he expected to earn in return for political influence, Rifkind said his usual fee for half a day's work was "somewhere in the region of $\pounds 5,000$ to $\pounds 8,000$."

Asked if he could commit the necessary time to PMR,

he explained, "I am self-employed—so nobody pays me a salary. I have to earn my income."

This will no doubt come as a surprise to many. Rifkind, as with all MPs, receives a taxpayer-funded £67,000 salary. On top of this, MPs can claim many thousands of pounds in expenses. As chair of the ISC, Rifkind was paid thousands in addition, taking his basic parliamentary pay to more than £80,000 a year. In these circles, income of well over £100,000 with expenses is considered chump change.

Due to the fallout resulting from the scandal, Rifkind and Straw both suspended themselves from their parties, pending parliamentary inquiries which are to investigate if they have breached the parliamentary code of conduct. After initially saying he would not stand down from the ISC, Rifkind was forced to resign his position Tuesday. Straw was due to stand down as an MP at this year's election and Rifkind said he would also stand down.

Sir Alistair Graham, a former chairman of the Committee on Standards in Public Life, said if Rifkind wrote to a minister in the way he described, it "would be a clear breach of the code of conduct."

From the comments of both MPs since the exposé, their main concern is apparently that they have fallen for a ruse previously used by *Dispatches* to expose the financial skulduggery of MPs. Monday's broadcast was a replica of a 2010 *Dispatches* investigation in which senior Labour figures Geoff Hoon and Stephen Byers were also recorded offering their services for money.

Today, any divisions between the political elite and big business have been effaced, with MPs viewing their political careers as just a stepping stone to eventual personal enrichment. Many MPs get on the gravy train while still in parliament, and establish the future contacts with big business necessary for more lucrative future earnings.

According to the *Telegraph*, 180 MPs have second jobs, bringing in a total of £7.4 million a year. Rifkind declares five other jobs outside Parliament, through which he has raked in £800,000 in the last five years. 30 MPs were paid at least the equivalent of their MP's wage for other employment. One Conservative MP, lawyer Geoffrey Cox, declared annual extra earnings of £820,000—12 times his MP's salary. Working a total of 1,953 hours of outside work, he pocketed an hourly rate of £420, or £20 every three minutes. All told, MPs spent more than 26,600 hours on non-parliamentary duties last year.

The scandal is just the latest confirmation of the revolving door that exists between parliament/government

and the banks and major corporations. The fees being discussed by Rifkind and Straw are chickenfeed compared to the fortunes they know can be amassed once their parliamentary careers are over.

Although not shown in the aired *Dispatches*, Straw also told their reporters he assisted a furniture company, Senator International, to win two government contracts, one of which was worth up to £75 million over four years, after he lobbied a minister on its behalf. He said for the firm it was "about getting on the ladder for government contracts," which are a "big" target for any office furniture business. According to the *Telegraph*, Straw had not previously disclosed his relationship with Senator International.

Straw told the reporters that he was now "considering an offer" from Senator International to go on their board as an executive, which he would "almost certainly take."

This path is well-trod for bourgeois politicians of all stripes in the UK and internationally. Former German Chancellor and Social Democratic Party leader Gerhard Schröder took over as the head of the supervisory board of the North European Gas Pipeline (NEGP) after his election defeat in 2005.

In 2009 Joschka Fischer, the ex-German Green Party leader and foreign minister in the former Social Democratic Party-Green government, took up a post as adviser for the Nabucco pipeline project.

For this grasping, avaricious layer, however, Tony Blair is the man to emulate. By 2014, according to estimates, through his Tony Blair Associates consultancy and extensive property holdings, his personal wealth stood at around £100 million.



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