

**Jack Blum:** I am not familiar with where the training programs are now or what the current situation is with respect to their offshore team. What I can say is that different people have done a lot of training.

**Naomi Fowler:** This is the Corruption Diaries from the Tax Justice Network. I'm Naomi Fowler.

**Jack Blum:** There was a lot of training that went on at the time of the original Swiss bank disclosures because now there were more cases than IRS could even dream of handling. And they had to have people who knew what they were looking at, knew what the underlying matters were. So, in effect, the best people, instead of working individual cases, wound up going on the road for almost a year to train others to be able to pick up on these offshore cases.

**Naomi Fowler:** With all the skills and expertise he'd gathered, Jack Blum got involved in reports, training programmes worldwide, advising governments, and the United Nations on how to tackle asset recovery and tax abuse.

It was also around this time that the European Union began an effort to train in the Caribbean, law enforcement people in the Caribbean how to deal with money laundering issues, and there the principle concern was drug trafficking. This is in the 90s, and this team asked if I would be willing to travel to the Caribbean and help in their effort to train law enforcement, and I worked with a team that was composed of people from the UK, from Europe, and we did training sessions in Grenada, we did training sessions in Dominica, Antigua, it was a laundry list of Caribbean countries. I think the first place that I did some training was at a conference in Guadalupe, but it was all over the Caribbean and before long I had visited practically every island in the Caribbean for some form of training or other.

In 1989, this is, right after I left the Senate, I got a call from the U.N. Office of Drug Control in Vienna and they wanted to put together a report on offshore money and the whole problem of tax havens. And they assembled a team of experts which included one person from Canada, another person from the UK from the University of Cardiff, another American, and we as a group were to write a report on the situation involving offshore havens and the impact the offshore havens had on taxation and on harboring criminal activity. And we put together that report.

Now the report, for a large part, was simply a description of how this offshore system worked. But the, the key part of the report were the conclusions, and the, the UN was incredibly sensitive because for the UN, the issue of sovereignty is paramount. We respect the sovereignty of every member country, and we're not going to interfere with anything that goes on within their borders, is the principle. And the proposition that the report put, and this was a proposition that I really insisted be in the report, was that the offshore arrangements were in effect interfering in the sovereignty of countries that were trying to collect tax, that it was not a question of us going to tell these island countries that had decided to write laws enabling tax evasion, and we were interfering with their right to do that, it was they were interfering with the right of other countries to collect tax. And the U.N. adopted that as a General Assembly document, which was wonderful, amazing.

We had a session, a U.N. General Assembly session in New York that discussed the issue of offshore and offshore money. This report was part of that session and then there was, uh, as part of it, we had a panel discussion which included me and the Swiss prosecutor, the chief prosecutor in Switzerland and a senior official from one of the offshore jurisdictions, but we had a very lively and full discussion. That led in turn to a decision to have a forum in Cayman for all of the offshore places to discuss what they were going to do with respect to co-operating on information exchange, on tax evasion, and on criminal money laundering. And that went forward in Cayman. I spoke at that and was involved in that session. So, there was quite a bit of activity in that period.

Now, even further, the UN pursued this, and in 1990, 91, the UN decided to hold a seminar conference on money laundering and controlling money laundering in St. Petersburg because the Russians had, for the first time, passed what appeared to be serious legislation regarding money laundering control, and we had a week-long conference courtesy of the Russian government in St. Petersburg.

The idea that a sovereign state would sell its services to a group of lawyers and businessmen in another country, who were interested in having the citizens of the country they're coming from hide from tax collectors and law enforcement officials, and what we said was that they were selling the sovereignty of their country as a shield for tax evaders and money launderers.

**Naomi Fowler:** The Corruption Diaries is a production of The Tax Justice Network, made by Naomi Fowler and Jo Barratt. Interviews with Jack Blum were recorded over several days at Jack's home in Maryland by Zoe Sullivan.