

Jack Blum: Let's talk about Nigeria.

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

Jack Blum: The problem for Nigeria was not the lack of talent or knowledge or anything else other than the problem of lots of oil money, overwhelming greed and a dysfunctional governmental system.

Naomi Fowler: In this episode, Jack Blum speaks of two memorable visits he made to Nigeria; the first at a time of huge political turmoil and adaptation after independence from Britain, and the second during a visit with the United Nations.

Jack Blum: When I left the Senate the second time and went back into private practice, I was approached by one of the people I'd had dealings with before, and he said he was working with a company that wanted to, uh, get a crude oil contract in Nigeria, that they had refining capacity but they were totally unwilling to pay a bribe to get it, there was no way they were going to engage in anything illegal or nefarious. And, uh, would it be possible for me to help them, uh, make some kind of deal in Nigeria? And this guy who approached me, uh, said that he he was approaching me to be the lawyer, but he knew a man in Nigeria who was quite prominent, who would be very helpful in getting this deal through, and who was not a bag man, and who was owed a lot by the current government. The man we were talking to was a man by the name of, uh, Upabi Asika. And he was part of the Igbo group, uh, during the Civil War, but he was a man who later brokered the peace agreement between the Igbo and the northern, uh, Nigerians that ended the Civil War and everybody respected him and he was a tribal chief and, uh, highly respected. And we believed and he believed that, uh, the government would, uh, help him get whatever concession was possible to, uh, help a client and, uh, that would all be a matter of, uh, honest business dealing.

I connected with the oil company and we all arranged to travel from London to Nigeria to meet with various people in Nigeria to make this all work, and that included meeting with Asika and then meeting with people from the Nigerian National Oil Company and seeing if we could make a deal.

Well, that was my first trip to Nigeria and it was, uh, a rather remarkable experience because, first of all, we arrived in Nigeria at a time when there was, uh, an attempted coup against the then President Babangida. There was a kind of level of economic disruption and chaos, which meant that the Nigerian currency, the Naira, was pretty low in value. And the business of simply physically travelling to Nigeria was pretty difficult. Examples of what I'm talking about are you were warned, don't check any baggage because if you check a bag you probably I'll never see it again. So put everything in the carry on, and by the way you're going to be travelling first class because we want to guarantee you're going to get a seat on the plane and that you'll be treated well and as a first class passenger you'll be relatively much safer than you would be if, uh, you were travelling otherwise. We were advised, uh, at least the people I was working with were advised, that we should carry our own needles with us to Nigeria because in the event that we needed an injection of some kind it was virtually impossible to get a sterile needle and you could wind up with God knows what disease if you

had to rely on what was available locally. And, of course, there were also then the question of immunisation and, and, uh, God knows you needed, uh, everything under the sun. I can't tell you how many shots I had to be immunised for travel in Africa. and also anti-malarial was another, another big thing.

The problem with flying in and out of Nigeria was that Nigerian Airways, which was owned by the Nigerian government, I believe, at the time, had the right to control half the flights in and out of the airport in Lagos. Nobody trusted Nigerian Airways. The safety record was abysmal. And this was not the airline of choice to fly on. The need then was to go on some other airline that would provide you with the safety and security you wanted and whose staff would do their best to make sure you were taken care of when you were getting both on and off the plane to go, to go to Nigeria.

I knew that this was going to be rough when we landed in Nigeria and were going through the area where bags are to be claimed. We didn't have any, we were instructed it was all carry on and I'm watching the baggage carousel and all the people and the chaos you, you would expect on arrival at an African airport. And all of a sudden, behind the bags in the carousel or whatever it was that was conveying the bags around, a rat comes strolling across like he's part of the, part of the staff at the airport.

Anyway, we, we managed to get through everything and we, some guy on the ground who Asika had arranged, was taking care of us. And on we went to what was then the only hotel in Lagos that foreigners felt comfortable in, the Echo Hotel, which was owned by the French and was part of the French chain. But this hotel was perpetually overbooked and was not quite up to the standards that the hotel chain maintained around the world.

We had a number of preliminary meetings and the Nigerians went through a whole big thing about, uh, prove to us you can do this, that you have the finances to do it, that you're a legitimate company, blah, blah, blah. All of that was stuff, yes, we'll get you all of that information, we'll come back. But when you have all that information, we'll be more than willing to, to talk and to, to do a deal.

So, then it was time to leave Nigeria because this was going to be the first of what were obviously going to turn into several trips. And, now Asika, arranged for further help escorting us out of the country, and there was a former chief of police from the Lagos Police Department who was going to help us get through customs and all the rest. Despite all of that, to get from the front of the airport to the plane required about four or five different small payments to people involved. And when we got to the gate to get on the plane, there was something I have never seen before, and I travelled a lot, and that was an auction of boarding passes. And fortunately, as first class passengers, we didn't have to engage in the auction, but I discovered what was going on was that the ground staff understood that people were desperate to get on the flight because if they were stuck and they were bounced off the flight, they would have to go back into the city. And what was happening at the time was there were bandits who were on the road between the airport and the city, and the bandits would put a pile of rocks in the road, stop the car, and grab everybody, kill them, and steal their stuff. So nobody wanted to be stranded at the airport. And nobody wanted to have to go back into the city in the middle of the night. Hence the ability of the ground staff to

auction off the boarding passes because those were the people who were going to get on the plane and get going.

So, the airline we were flying was Lufthansa. And Lufthansa had these cabin stewards that looked like they had just come off a professional wrestling routine. And they helped escort us to make sure we got to our seats in the front of the plane. And then the [inaudible] to board the rest of the passengers began, and finally we were back in London.

It was a stunning experience, but there was something else about it which was equally stunning. In the course of the initial visit, Asika asked to have dinner with me and a number of his colleagues. He assembled a group of about five or six people who I had obviously never met before, they were all Nigerian. And we were having dinner at what everybody understood was a really good restaurant in town, it was a Chinese restaurant on top of the Echo Hotel. Well, just about every one of the people around that table, except me, had a Ph.D. from a distinguished university in either the U.S. or the U.K., spoke at least three and possibly as many as five or six languages, as sophisticated a group of people as ever I've had dinner with. Incredibly smart, very aware of the situation of both Nigeria and world affairs, and strikingly much better informed and better educated than the people who were part of the oil company retinue that was travelling with the team that was gonna negotiate the contracts.

I began to understand something else. Nigeria is a country that was made up of a really large number of tribes having 70 mutually un-understandable languages, tribal languages, and a system of government that was a legacy of both Germany and the UK. And all of this was leading to a governmental mess, to say the least.

After that initial experience, I went back to Nigeria two more times, and despite our very best efforts, no deal could be arranged. Asika was deeply disappointed, he said they've treated me very poorly, they owe me, but there's nothing I can do, and you won't make payments so, you know, it's over.

So I didn't go back again for some time. When I did go back it was as part of the UN group, which I had been working with on asset recovery and now what the UN Under Secretary, who was in charge of the UN Center on Crime Control and Prevention, and the whole issue of drug trafficking. We all travelled together as a group. We left from, I think it was Zurich. We met in the airport in Zurich and flew on to Lagos. This time, we were greeted by an armada of people and hustled through and once again to the Echo Hotel. This time amazingly I'm given a room key and I wind up going to the room and finding it's occupied, which is kind of a shocker! But in any event, it was an opportunity to get back in, in business in Nigeria, so we had some meetings in Lagos. The meetings were, again, quite extraordinary. There was an audience with the King of Lagos. There was a session with the UN staff in Lagos. A group of people who had advanced degrees and the like, and once again demonstrating the depth of human resource and talent. And then a meeting with the then President of Nigeria to discuss the issue of recovering funds. There was a gentleman who was connected to, I think it was the Nigerian Justice Ministry, but, uh, he was with us and, you know, I asked him, you know, everybody else here seems to be busy trying to figure out how to make as much money as they can, why are you doing what you're doing, which is working with the government and trying to help recover the assets?

And he said, I'll, I'll tell you a story about why I'm where I am and doing what I'm doing. He said, I had a very close friend. He was somebody I went to school with who had made an enormous amount of money. He built himself a spectacular house outside of Lagos, he had hired a group of people to act as security guards around the house. And he was apparently on top of the heap here in Nigeria. But what happened was, one day his wife went into a bank in Lagos came out, and apparently was followed. The people who were tailing her decided that she had taken a lot of money out of the bank and when they saw where she lived, you know, they attacked the house. They killed the guards, broke in and demanded that she turn over all those dollars or whatever it was she had taken out of the bank and she said it was just a minor transaction, I have no money. They shot him, and ran away from the house. He was left with a bloody, a bloody leg and a severed artery, put a tourniquet on it, and then started to try to find a hospital that would treat him. Two hospitals said he didn't have the equipment or the blood, and they'd have to go to a third, and he died en route to the third hospital. And this Nigerian said this is exactly why I have to go after government corruption and tax evasion. Because we would have an infrastructure that would mean that you wouldn't die looking for a hospital that might be able to help you.

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.