

TURTLE BAY

Malloch-Brown switches sides again

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Five years ago, **Mark Malloch-Brown**, the former U.N. deputy secretary-general, played a central role in defending the United Nations against allegations of widespread corruption in the \$64 billion Oil-for-Food program in Iraq. Today, Malloch-Brown is acting as a consultant for a Swiss oil company, Vitol, which was found guilty of paying kickbacks to Saddam Hussein through the U.N. program, according to a **report** in *The Guardian* Friday.

In November 2007, Vitol **pleaded guilty to grand larceny** for paying kickbacks to Iraq in exchange for the right to purchase Iraq crude at a discounted price through the U.N.-monitored program, which allowed Iraq to sell its crude to purchase humanitarian goods. Vitol was fined \$17.5 million, including \$13 million in restitution to Iraq.

Lord Malloch-Brown, a 57-year-old former *Economist* journalist who rose to become a minister of state for former British Prime Minister **Gordon Brown**, was appointed chief of staff in former U.N. Secretary General **Kofi Annan**'s cabinet in January 2005. The position put Malloch-Brown in the lead of U.N. efforts to defend itself from allegations of corruption in the Oil-for-Food program, and for shoring up U.N. relations with the United States. In April 2006, Malloch-Brown was promoted to deputy secretary general.

At the time, Malloch-Brown downplayed the impact of corruption at the United Nations, assuring the Security Council that "not a penny was lost from the organization." But he also urged greater U.N. cooperation with investigators probing possible wrongdoing in the program, and moved to punish U.N. officials accused of wrongdoing.

In March 2005, Malloch-Brown overrode a U.N. agreement to pay for the legal fees of **Benon Sevan**, the Cypriot national who ran the Oil-for-Food program, in exchange for his cooperation with an investigation led by **Paul Volcker**, the former U.S. Federal Reserve chairman and current economic advisor to President Barack Obama. Malloch-Brown had initially defended the decision to cover Sevan's legal costs, saying the hundreds of thousands of dollars in legal bills were beyond a U.N. civil servant's capacity to pay.

Malloch-Brown has periodically moved in and out of the public and private sectors, serving as a communications consultant for foreign governments before joining the World Bank and later securing appointment as the executive director of the U.N. Development Program. In 2007, he initially accepted a job as a vice president in **George Soros**'s investment company, but subsequently joined the British government as a minister with responsibility for Africa, Asia, and the United Nations. He stepped down in October 2009, citing personal and family reasons.

Malloch-Brown has since returned to the private sector, where he also serves as a consultant to Southwest Energy, an Ethiopian oil company. In the *Guardian* piece, Malloch-Brown defended his new line of work and dismissed claims that he had engaged in a conflict of interest. "My knowledge of Africa was not gained as a British minister. Rather I was recruited into government because I had worked extensively on African and international issues throughout my career. My activities today continue to reflect that," he told the paper, adding that he had neither been in contact with Vitol during his time at the U.N. nor had any dealings with the company when he was a minister in the British government.

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