

Tullett Prebon Research, a blog by Dr Tim Morgan

The Assange fiasco – why heads should roll

by Tim Morgan on August 17, 2012

Britain is a trading nation – albeit not a very effective one at the moment, given the current record deficit – and has economic and political interests around the world. That the government should hazard Britain's international reputation by threatening to bully Ecuador is disturbing. That ministers and officials should be crassly stupid enough even to contemplate such an action is even more so. Heads should roll.

International trade is vital to the United Kingdom which, critically, is not self-sufficient in oil, gas, or even food. Britain's trade in goods is chronically in deficit, so the foreign currency vital for the purchase of essentials has to be earned through the export of services, which, ultimately, is a reputational business.

Amongst such exports, financial services play a critical role, which is a bit of a problem at the moment, given the accusations of dishonesty being levied against British banks by the American authorities. In short, the UK needs all the friends it can get.

Thanks to effective organisation, hefty investment (well in excess of £9 billion) and, above all, the sterling efforts of an army of volunteers, the London Olympics provided a marvellously effective boost to Britain's standing in the world. What the UK did not need to do – particularly at a time when British banking is under the cosh – was to squander this hard-earned reputational capital within days of the closing ceremony.

Enter the Foreign and Commonwealth Office (FCO). Were it not for Wikileaks, Julian Assange would be completely unknown. Because of it, he is a hero to millions of libertarians around the globe. He has not been charged with anything, but is wanted for interview by the Swedish authorities. Ecuador is prepared to give Mr Assange political asylum. By far the best course of action would have been to have speeded him on his way to Quito. Instead, the FCO threatens to break down the doors of the Ecuadorian embassy in London.

Any student of history knows – or should – that conspiracy theories seldom hold water. But claims by Mr Assange's supporters, to the effect that extradition to Sweden is a gambit designed to hand him over to the Americans, has gained enormous public plausibility through the actions of the authorities in Britain and Sweden. A simple guarantee, from the Swedish authorities, that Mr Assange will not be extradited to any other country would have resolved the affair by answering his (and Ecuador's) concerns.

However inept the Swedes may have been – and whatever their real motives for not giving this simple guarantee – the British threat to violate the Ecuadorian embassy puts all other acts of idiocy into the shade. Embassies are protected by diplomatic immunity, as much by long-standing convention as by international law. In this context, British 1987 legislation (aimed in any case at terrorists) is completely irrelevant.

The consequences of this piece of FCO idiocy are extremely far-reaching. British diplomats abroad have been put at risk. How can Britain now react if, say, the embassy in Buenos Aires is violated on the orders of Cristina Fernandez de Kirchner? The reputational effects,

and the potential damage to Britain's trading, economic and political interests around the world, are incalculable.

Was the FCO motivated by arrogance? Was this the same kind of ineptitude that gave us the Benghazi helicopter farce? Or perhaps someone had been emulating Churchill's wartime habit of over-indulging in brandy before reporting to the Admiralty and sending out seemingly-deranged signals to the Fleet (as he did during the hunt for *Bismarck*)?

The short answer seems to be that ministers, and/or officials, are simply not up to the job. The public deserves better than this.

Any minister or official who played any part in this fiasco should leave right now. Do not pass go, do not collect either £200 or a gong.

Just go.