



British-based defense contractor BAE Systems PLC bribed Saudi officials in return for lucrative arms deals in Saudi Arabia, according to a newly released secret U.S. diplomatic cable.

Britain's anti-fraud agency told a private OECD meeting in Paris in 2007 that it had evidence that BAE, Europe's largest defense contractor, paid more than 70 million pounds (\$113 million) to a Saudi prince with influence over a series of contracts for fighter jets with Saudi Arabia, said the cable from the U.S. embassy in Paris, released by WikiLeaks website on Friday.

The Serious Fraud Office's then-deputy director Helen Garlick told the meeting that other "substantial" payments were made to an unnamed senior Saudi official and to overseas agents employed by the Saudi government, according to the cable, dated March 2007.

The SFO also "discovered false representations by BAE to conceal the corrupt dealings, which would constitute conspiracy to defraud under U.K. law," the cable said.

BAE did not explicitly refute the cable's content on Sunday, but said in a statement that no charges of bribery or corruption were made against the company. It also said it has enhanced its compliance policies to ensure responsible conduct.

The overseas dealings of BAE have long been under scrutiny for corruption. The SFO began probing its contracts in the 1980s, including allegations of bribery for the contracts with Saudi Arabia, but in 2006 dropped that investigation because of Saudi objection.

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