

# What's the Risk?

## PR & Communication Agencies and Kleptocracy

• • • A new report by Thomas Mayne, Research Fellow, University of Oxford  
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**The public relations (PR) business in the UK has grown significantly over the last few decades, becoming an industry that generates billions annually. But what are the dangers and dilemmas that face PR firms and communication agencies when their clients are from kleptocracies or authoritarian regimes?**

This report examines this question firstly by exploring the types of services that PR agents provide, encompassing several case studies, including the scandal around the now defunct firm Bell Pottinger. Secondly, it analyses the potential risks posed both to the PR industry and wider society when those services are deployed on behalf of kleptocrats and other players whose wealth has been built on corruption or unsure means.

PR can be used constructively, encompassing, in the words of the Chartered Institute for Public Relations (CIPR) the “planned and sustained effort to establish and maintain goodwill and mutual understanding between an organisation and its publics.” However, its very nature – stressing the positive over the negative – can have damaging effects if utilised on behalf of disreputable clients who may be looking to whitewash wrongdoing or criminal activity, or to act on behalf of an authoritarian regime.

Russia's full-scale invasion of Ukraine has highlighted the use of PR services by Russian oligarchs, but potential risks to society are not just limited to these individuals. The UK has become a second home to thousands of kleptocrats, political exiles, businesspeople and other players whose wealth has been built on corruption or unsure means.

Such individuals will often employ ‘concierge’ lawyers – a trusted advisor who helps a client make informed business and personal legal decisions. However, the PR agent can act in a similar fashion, playing a multiplicity of roles for the client, suggesting methods of influence and helping to establish networks by introducing the client to other professionals and influential individuals.

These networks can become powerful systems in their own right, and can not only aid the flow of illicit funds from kleptocracies, but help such systems become entrenched through reputation laundering. The path to being accepted within UK society – and with it the acquisition of property, residency and citizenship – can be smoothed if an individual's PR activities stress the value they can bring.

*“PR professionals have largely flown under the radar when it comes to the fight against dirty money and kleptocracy. However, this report shows how PR agents can play a key role in laundering the reputation of corrupt players from overseas and help them to establish networks within the UK.”*

*“The flow of dirty money into the UK can have a deleterious effect on not only our financial centre, but also our political, charitable and educational sectors. There it is vital that we understand the risks and can mitigate against them. Hopefully this report will act as a starting point for that conversation within the PR world.”*

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Thomas Mayne  
Research Fellow,  
Oxford University

*“Concerns about the role of PR agencies have cropped up time and again in our work at the nexus of transnational corruption and threats to media freedom, including Strategic Lawsuits against Public Participation (SLAPPs).”*

*“We are delighted to support the publication of this timely report, which makes a constructive contribution to the debate on what steps the industry can take to protect itself, as well as wider society, from the risks posed by kleptocrats seeking to whitewash their reputations.”*

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Susan Coughtrie  
Director, Foreign Policy Centre

Furthermore, individuals and companies can work with communication agencies and PR professionals to gain influence in our political system, with PR work overlapping with lobbying and public affairs firms. In this way, the PR industry fits into a wider landscape of professional services that cater to a variety of companies and individuals.

Thus, the PR industry presents a conundrum in the fight against money laundering and kleptocracy when it can be key in the establishment of relationships and networks that aid authoritarian influencing.

This is why an analysis of the risks that face PR agents from corrupt actors is vital in trying to combat their influence. The risk is especially acute because, unlike many other sectors, such as law and accountancy, public relations does not operate within a single regulatory framework, and is not regulated for money laundering.

Moreover, PR professionals do not require any special training or qualification to perform public relations work, meaning that anyone can set themselves up as a PR agent.

The sector currently largely relies on a system of self-regulation established by the two professional bodies, the CIPR and the Public Relations and Communications Association (PRCA), both of which have established codes of conduct, although there is no requirement to join either organisation, meaning that many PR agents are guided by nothing but their own ethics.

## Next Steps?

This paper concludes by evaluating various measures that the PR industry could adopt to address these risks, including:

- Government or professional body regulation;
- More comprehensive registration of lobbyists and lobbying activity, including adoption of Foreign Influence Registration Scheme (FIRS);
- Transparency of client list;
- Adoption of 'know your customer' (KYC) due diligence checks; and
- Reporting of suspicions of money laundering to a law enforcement agency.



To read the full report online, please scan the QR Code or go to [www.fpc.org.uk](http://www.fpc.org.uk)

Financial support for the report and launch event has been kindly provided by The Joffe Trust.

*"I very much welcome this report and I'm glad to have had the opportunity to contribute to it. Responsible communication is an essential component of well-functioning democracy and that is what CIPR members are pledged to uphold through their commitment to our code of conduct."*

*However, most people who work in PR do not hold themselves accountable to any code of conduct. This report highlights the damaging effects this has as reputation laundering pulls Britain's international trust ranking downwards. If we don't want to become a gangster paradise, we need to act."*

Alastair McCapra

CEO of the Chartered Institute of Public Relations (CIPR)

*"This report sheds light on the pivotal role of PR and communication agencies in combating kleptocracy and corruption."*

*We need to convene a multi-stakeholder response to drive out the proceeds of corruption by raising awareness of the devastating impact that kleptocracy has on the lives of millions living in poverty."*

*Tom Mayne's insight offers actionable pathways for our industry, emphasising rigorous due diligence on new clients and aligning with responsible communication practices —a vital stride towards a better world."*

Farzana Baduel  
CEO of Curzon PR

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