Populism, scandal management and state-facilitated “covid-corruption” in the United Kingdom

Populizm, zarządzanie skandalem i facylitowana przez państwo „korupcja covidowa” w Wielkiej Brytanii

Abstract: The pandemic presented a uniquely unrestricted bonanza in many countries for opportunistic profitmaking at the public expense. In the United Kingdom, this took the form of collusion between senior political figures and business associates in purchasing medical supplies which, allied to the suspension of procurement governance, led to irregular, even fraudulent, contracting practices. Analyses of corruption often stress the combination of system abuses by officials and ill-functioning governance as factors in undermining public trust. Whilst these held true in the case of procurement corruption in the UK, this article focuses on the relationships between populism and de-democratising trends aimed at disarming critical opposition to elite misappropriation and profiteering in the context of a crisis. Operating under the cover of emergency pandemic planning, the UK government presides over historical levels of state-facilitated misappropriation while largely deflecting political accountability or sanction from those responsible.

Keywords: corruption networks, medical supplies, activism, civil society, public contracting, populism

Abstrakt: W wielu krajach pandemia Covid-19 okazała się być okresem wyjątkowo pomyślnym dla osób, które działając w swobodny sposób, osiągały znaczne zyski realizując zamówienia publiczne. W Wielkiej Brytanii proceder ten przyjął formę zmowy między wyższymi rangą politykami a ich wspólnikami biznesowymi przy zakupie sprzętu medycznego. Zawieszenie przepisów o zamówieniach publicznych doprowadziło jednocześnie do niezależnych, a nawet szkodliwych praktyk przy zawieraniu umów. W analizach zjawiska korupcji często podkreślą się połączenie występowania nadużyć systemowych dokonywanych przez urzędników i złego zarządzania jako czynników pod-
Introduction

During the Covid-19 pandemic (until 2020), the extractive activities of corruption networks from business, political donors, public officials and members of the UK government came sharply into view in the context of buying and selling medical supplies. This materialised in the form of blatant abuses of public contracting systems to ensure that government supporters were favoured for contracts to supply personal protective equipment (PPE) and to provide test and trace systems (TT) totalling tens of billions of pounds, of which approximately 40 per cent is thought to be misappropriated (Colgrave 2020; Sikka 2020; Transparency International 2021). In the absence of timely regulatory or political scrutiny, hampered by the failure of regulators to curtail corrupt activities, civil society actors – from NGOs, lawyers, trade unionists and scientists – instead formed the most effective front for exposing and demanding accountability in the award of public contracts. However, such moral entrepreneurship barely threatened the impunity of the governing Conservative party, their supporters and sponsors. Rather, at first sight, public tolerance for corruption seems to confirm that autocratic populism has successfully legitimated plutocracy at present. Electoral support for the government remains steady despite growing publicity about misappropriation amounting to billions of pounds worth of public funds during the pandemic period. Meanwhile, the government’s failure (or refusal) to respond to early warning systems regarding the health impacts of the pandemic contributed to the UK suffering one of the highest mortality rates globally in the first year of the pandemic (Calvert, Arbuthnot 2021). This apparent untouchability offered the cabinet licence to justify further undemocratic actions under the terms of emergency legislation, which allowed for executive suspension of legislative provision for governing public procurement. Covid-19 exposed the criminogenic vulnerability of medical supply chains, which in turn poses a significant risk to public health. Compounding these systemic weaknesses are corrupted political decisions and compromised regulatory systems which inhibit corrective public scrutiny.

The puzzle raised in this paper is: how can we explain the inverse relationship between growing popular knowledge of blatant abuses of public procurement
and the receding prospect of sanctions for those involved? The literature on corruption has long noted the determinants of this discrepancy, which relies on the mutually reinforcing relationship between high levels of public cynicism and low levels of confidence in the ability of authorities to act (Davis 2021). Corruption is said to be “tolerated” inasmuch as citizens distrust the capacity of governance systems to counter abuses, leading to atrophying of transparency around the state’s management of public resources. From a zemiological perspective, the market state encapsulates transformations of government into a conduit for the transfer of public wealth to political and economic allies, rendering extraction as an end-in-itself of governing power (Whyte 2013; Whyte 2015). Scholars of “everyday crimes of the middle-classes” (Karstedt, Farrall 2020) point to the normalisation of corrupt practices, where politics are reduced to bargaining between politicians and sections of the citizenry in the distribution of social wealth. Under such clientalist social compacts, citizens’ rights and entitlements become contingent on the leverage of favoured groups, while political representatives are elevated to gatekeepers of public assets.

This paper highlights on an under-researched aspect of the procurement controversy by focusing on the significant role of critical civil society actors in bringing facts to light and, in the process, exerting moral pressure to expose blatant abuses of public contracting systems. Parliamentary and regulatory bodies took several months to investigate contracting irregularities for PPE and testing and tracing (T&T) supplies during the pandemic, and there has been little censure and no sanction for those involved to date. By contrast, the “alternative” media, crowdfunded judicial activists and NGOs have brought the scale of corruption and crony networks to public attention. These examples of civic courage are contextualised by revanchist campaigns prosecuted by the UK government and its supporters, in pushing back against civil society “detractors” through interconnected, populist “decivilising” (Pratt, Lutyens 2021) and “de-democratising” strategies (Levitsky, Ziblatt 2018).

This article, therefore, focuses on civil society activism in the public sphere as a crucial locus in the formation of ideological contestation in periods of crisis. Following Gramsci (1988), Habermas (1992) and others, the paper positions civil society as another terrain – alongside governmental and economic spheres – where critical struggles for control over the discursive terms of legitimacy play out via public discourse. In particular, struggles in the moral economy materialise in populist strategies for subverting critique about corruption, as a precondition to securing public consensus for elite misappropriation and profiteering. Although an urgent critical project, this paper does not extensively review the literature on populism here. However, drawing on scholarly debates and observing how the Covid corruption affair is unfolding, the analysis reveals the “corrosive” (Levitsky, Ziblatt 2018) and “parasitical” features associated with populism’s effects on contemporary governance (Urbinati 2014). Defences of populism as a healthy corrective to the technocratic domination of politics are not borne out either
(Canovan 1999), as populist dichotomies (such as expertise / common sense, cosmopolitan / patriotic, or elites / “the people”, for example) intentionally amplify socio-cultural polarisations rather than renew democratic consensus. Moreover, populism’s cathartic appeal conceals ambiguities and complexities around what the public actually thinks about corruption, especially in the context of social, political and cultural crises. The discussion is organised in four parts. In the first section, I link the enabling conditions for networked cronyism with a combination of governmental abuses of outsourcing systems and the suspension of regulatory capabilities in the UK, under the aegis of assuming emergency powers to tackle the pandemic. The second part summarises the contentions over PPE contracting. Part three highlights the role which civil society actors played in publicising – in the Habermasian sense of “bringing to the public” – contracting malpractices and revealing the socially and politically networked character of those involved. The fourth discussion examines the government’s tactics for suppressing opposition in civil society domains, focusing especially on powerful discursive devices, re-dolent with the signifiers and premises characteristic of nationalist – populism, as a strategy for galvanising partisan popular support.

The formation of corruption networks in the UK

Corruption is conceptually and empirically contentious, as practices associated with the phenomenon are “entrenched in context-specific meanings” such as socio-cultural thresholds regarding gift relationships, and determined by ideological and political parameters as to what constitutes “corrupt” practices (de Vries, Solaz 2017: 393). The United Nations has laid down broad parameters, encompassing misappropriation and/or misuse of public resources for private benefit, of which acts committed through the use of some combination of fraud, deception or collusion form a subfield (UN 2004; cf. also OECD 2016). This expansive category encompasses a range of activities that operate beyond legal understanding, conflating different modes of misappropriation – from theft to bribery to malfeasance, for example – or embracing diverse actors from cartels to state officials. To analyse collaborative corruption in public contracting more precisely, Hudon and Garzón’s (2016) model of “networked corruption coalitions” is employed to identify “elected and public officials, political party employees and private sector representatives” as “corruption entrepreneurs” in purposefully dishonest endeavours. Such coalitions comprise “a few key individuals acting in a concerted manner” who work “independently of the formal procurement process, and who coordinate their actions through networks[ed] mechanisms” (Hudson, Garzón 2016: 292). Furthermore, they coalesce around “an entrepreneurial logic”, where actors realise that:
‘milking’ the procurement process will require concerted action and complex arrangements going beyond isolated corruption and collusion. Corruption entrepreneurs identify opportunities, gather the necessary resources (technical knowledge, influence, etc.) and assign obligations and benefits to the members of the network. (Hudon, Garzón 2016: 291–292)

In the case of PPE contracting, profiteering was undertaken by “corrupt procurement coalitions” whose formations spanned the core and peripheral spheres of contracting activity, and embraced primary as well as secondary beneficiaries across semi-attached circuits of influence. Governed by “logics of reciprocity” (Hudon, Garzón 2016: 292), their core activities are focused on optimising profits and illegally gaining competitive leverage. However, sub-categories broaden the parameters to include functionaries who collude with or assist the key players (thereby sharing culpability). These include individuals who subvert or exploit the normal operation of public contracting through fixing unfair advantages, releasing confidential information, delaying or neglecting critical procedures, or schooling associates about the system (Cartier-Bresson 1997). A third feature relates to the direct role of legislators in manipulating administrative systems, laws and procedures governing public procurement – to “undermine legitimacy […] and weaken collective trust” in regulatory systems (O’Brien 2017: 20). This applies to public office holders using political leverage to frustrate or prevent detection, obstruct scrutiny or help associates to evade sanctions or deterrents.

Prior to the pandemic, medical and health markets and supply chains were already vulnerable to criminal practices in various forms, from manufacturing or distributing counterfeit pharmaceuticals, to repackaging and trafficking out-of-date medicines or illicitly repurposed medical equipment (OECD 2016; Kohler, Dimanesco 2020; Kohler, Wright 2020). Corrupt practices associated with pharmaceutical procurement worldwide include the siphoning off of funds or supplies, leakage from supply chains, alongside hoarding, sharing privileged information, price fixing, and the delivery of unfit goods. Pharma-corruption is not just a problem for the global South. In the global North, the crossover of money, lobbying and politics creates favourable circumstance for preferentially shaping health policy, greased by “soft” inducements for politicians such as donations to their party or lucrative consultancies with private sector health providers. Policing pharma-corruption effectively depends not only on the existence of robust preventive mechanisms, but the willingness to sanction those who exploit or hinder the fair application of procedures and legal principles, intentionally or otherwise. Incompetence and negligence in any area of medical procurement threaten the health and well-being of workforces and populations (OECD 2016; Bruckner 2019), underlining pharma-corruption’s causal role in public health hazards.

The Covid contracting scandal is structurally founded in the entrenchment of “global market forces [in] British society” from the 1980s, which led to institutional restructuring to “make the state serve business interests, to remodel its internal
operations on business lines and to reduce the government’s exposure to political pressures from the electorate” (Leys 2003: 7, 3). This rests on a dual dynamic: firstly, depriving public services of funds and deregulation intentionally weakened the state’s scrutineering capacity. Secondly, ambitious privatisation agendas, permissive tax regimes and broad opportunities to accumulate public assets enabled private corporations and the politically-connected to create informal sources of power and patronage which are embedded at the heart of government. Such policies facilitate the formation of circuits of political influence and mutual advantage, comprising a “network of powerful individuals, institutions and professions linked together through the spider’s web [of] the Establishment” (Paxman 1991: xiii-xiv). The destructive effects of neoliberalism allowed both plutocracy and inscrutability to flourish, while the pandemic opened up further opportunities to reproduce and accelerate the conditions in which corruption thrives and the public interest is further undermined (Kettl 2017).

Indeed, the extreme concentration of power, nepotism, wealth and assets in recent decades find particular national characteristics as domestic politics move to consolidate the social reproduction of new plutocracies (DiMaggio, Garip 2012). In the UK, contemporary elite formations came to the fore in the 1990s and coalesced into a “new Establishment” – comprising the super-rich, non-domiciled residents enjoying protected tax status, celebrities, digital technocrats, financiers, billionaires, media executives and owners, consultants and lobbyists, financial donors and lenders to political parties (Peston 2008). Members of this group are distinguished by their detachment from the social contract, their geographical mobility, shallow political allegiances and ability to monetise networked connections. Whereas scholars theorised that newcomer elites would merge with the indigenous ruling class, or the “old Establishment”, composed of the aristocracy, business, the military and sections of the political class (Sampson 1962; Paxman 1991), the current elite comprises an assemblage of liminal groupings traversing different fields, which do not necessarily rely on first-hand familiarity between actors in these different loci (although in some important respects these groups overlap). Rather, crony networks coalesce with varying degrees of tightness or looseness relative to crossover circuits of patronage, power and influence. Currently in the UK, the core network comprises the “Chumocracy”, that is, the close and opaque grouping directly surrounding the Prime Minister, including loyalists from his previous role as Mayor of London. Members of the cabinet are selected for their personal loyalty and alignment with the political aims of the ruling Conservative party. At a slight distance, but instrumental to the rise to power are wealthy donors, including funders of the successful campaign to leave the EU in the 2016 “Brexit” referendum. This circle is cemented by those media proprietors who championed Boris Johnson as the leadership candidate of the Conservative party (in 2019). Subordinate to this layer are the ranks of special advisors (employed from outside to challenge the influence of civil servants) who arrive and depart through a revolving door between politically favourable research institutes, business and
lobbying networks. At the outer circles are individuals with social and political connections to the Conservative party, giving them access to opportunistic embezzlement or government appointments.

It took the crisis of the pandemic to present a uniquely unrestricted bonanza for speculative commercial profitmaking at the state’s expense. Conditions for corruption were expedited by emergency legislation that suspended the normal processes of legislative deliberation, scrutiny and transparency of executive decisions. The Coronavirus Act was passed with minimal oversight in just four sitting days of Parliament (March 21–25th). The Act permits the broad use of emergency powers to enable public bodies to respond to the Covid-19 pandemic. This legislation conferred extraordinary executive powers on the Prime Minister and members of the Cabinet for two years (the duration of the Act, but with reviews every six months and the power to extend this period, § 89, 98). Its provisions permit government ministers “to make directions, arrangements, guidance or determinations, which are not subject to parliamentary procedure”; and to take action with minimal parliamentary scrutiny (Marshall 2021). UK ministers are empowered to “make regulations to turn some measures in the Act on and off as needed. Ministers may make different regulations for different purposes or areas” (Marshall 2021: s88). Although technically, these powers do not amount to a free pass for the executive, they endow government ministers with unhealthy levels of prejudicial power.

Deactivating state regulation

In the early months of pandemic, it was discovered that the nation’s PPE stockpiles had been run down, with much of the existing stock discovered to be out of date or deteriorated to a point of being unusable. The National Health Service had been reliant on a “just in time” delivery system for years, but global competition for equipment as the pandemic spread worldwide, coupled with restrictions on manufacturing supply chains in China and continental Europe, meant that suppliers “were unable to deliver, despite [long standing] contracts being in place” (Calvert, Arbuthnot 2021: 86). From March 2020, the UK government rushed to secure PPE, vaccines, diagnostic equipment and ventilators from domestic and international markets. Even the most robust health systems such as the UK, Germany and Canada were found wanting for supplies (Kohler, Wright 2020: 1). Urgency, demand and shortages placed stresses on global supply chains, leading

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1 The Citizen estimates a total spend of £52.5 / €61.6 billion on service contracts, of which £22.4 / €26.3 went to just 50 companies. A total of 1593 companies received contracts between March 2020 and April 2021, of which one half were not put out to tender (@allthecitizens 2021).
to “the market-distorting effect of price-gouging and the dangerous purchasing of flawed and/or falsified goods […] in many countries” (Kohler, Wright 2020: 1). The UK has well-developed systems for regulating public expenditure (including outsourcing and procurement), but parliamentary regulators and auditors have previously been unable to prevent governments from openly contravening regulations when pursuing their favoured privatisation agendas (Corcoran 2020). The operative procurement rules originated under European Union law and were incorporated into UK law in 2015 (when the UK was still a member of the EU). The Public Contracts Regulations (PPE) (UK 2015: s4) stipulates the minimum time limits, principles and procedures that must be followed, including the requirement that commissioning authorities take steps to “prevent, identify and remedy conflicts of interest in relation to commissioning”. Commissioners\(^2\) are bound to uphold the competitiveness of tendering processes by ensuring that “one or more” bidders are involved in the procurement process (s41). Likewise, time limits must be set which are in proportion to “the complexity of the contract and the time required for drawing up tenders” (s47). Commissioning authorities must ensure value for money by “ask[ing] questions about the price proposed in any ‘abnormally low’ tenders” (s69). Additionally, secondary legislative provisions in public law oblige public authorities to act “fairly and lawfully” within bounds of procedural fairness. This duty is potentially very broad, but in effect governs conduct to ensure that clear guidelines are issued as to the criteria against which a bid is judged, that decisions are free from bias or partiality, and are not made on inappropriate grounds nor for improper purposes.

In March 2020, the UK government suspended the laws regulating procurement to allow contracting authorities to secure PPE, vaccines, ventilators and other equipment and diagnostics (testing kits and tracing systems) at the greatest expedience (Cabinet Office 2020).\(^3\) Likewise, the government also said it would offer investment support to domestic companies to develop equipment. “De-activating” the rules is provided for under section 32(2)(c) of the PCR, which prescribes specific contexts in which normal commissioning procedures may be circumvented. Suspension is permitted “in the specific cases and circumstances laid down in [the] regulation, allowing ‘contracting authorities [to] award public

\(^2\) Procurement and commissioning involve different roles and responsibilities: procurement refers to the process of purchasing goods and services and issuing contracts (in this case, by public bodies such as the Department of Health, local authorities, and social care public services, amongst others involved in directly purchasing equipment for their staff or service users). Commissioning refers to strategic oversight and procurement planning, ensuring that outsourcing, tendering and contracting procedures are conducted within lawful parameters, and taking responsibility for documenting and accounting for procedures.

\(^3\) The European Union also suspended normal procurement checks and balances to speed up procurement on global markets, and arguably more permissively than the UK (Sanchez-Graells 2020: 82). It will be instructive to learn from future research how many other comparable nations responded in similar ways and had similar outcomes as the UK.
contracts by a negotiated procedure without prior publication’ (s32, §1) under conditions where ‘competitive procedures with negotiation cannot be complied with’” (s32, §2c).

Invoking section 32 permits public purchasers to directly approach contractors and suppliers, to negotiate without prior publication of the tendering specifications, to scan supply markets for new sources, agree prices and terms, and make recommendations with regards to awards of contract. Applying section 32 powers truncated the usual procedures involved in tendering under a legally precise set of conditions. These are (i) that derogation from the usual rules must be time limited, (ii) strictly necessary, (iii) in response to urgent and unexpected emergencies, but that (iv) decisions must still be made within established criteria. Further, the legal consensus is that suspension of regulations should be exceptional and applied to “unforeseeable and extreme” circumstances, timescales and scope of suspension should be proportionate, and that normal procedural application should resume at the earliest opportunity (Sanchez-Graells 2020: 82). Public bodies are still obliged to maintain “written justification for the use of direct awards”, and to ensure that records of “decision-making leading to the choice of specific contractors” are maintained, even when the rules are suspended (Sanchez-Graells 2020: 83). Such records “will be very relevant for the assessment (and potential challenge) of procurement decisions once the emergency ends, in particular where there are doubts as to the contracting authority’s respect for the boundaries of the extreme emergency procurement exemption” (Sanchez-Graells 2020: 83).

The Pandemic Gold Rush

The ongoing and metastasising incidences of incompetency, sleaze, and financial scandals connected with mismanagement of the pandemic has meant that unfolding developments tended to outpace parliamentary or regulatory institutional scrutiny. This article draws on official evidence gathered by influential, statutory bodies such as the National Audit Office (2020a, 2020b), the Public Accounts Committee of the House of Commons (2021a) and the parliamentary record. However, given the inevitable governance time lag, due to the deliberative proceedings and passage of months from initial events to the eventual publication of their reports, significant data is derived from “ephemeral” and “grey” sources which are generated, exchanged, publicised and archived by civil society sources in a manner that is more responsive to “real-time” disclosure and live developments. Nongovernmental organisations and sections of the media have led the way in using research, freedom of information protocols and judicial review to systematically trace and corroborate the transactions, recipients, and intermediaries who profit
from pandemic-related service and supply contracts, and to elicit disclosure from official bodies.4

Significant sums of public money are involved. Estimates of expenditure vary significantly depending on what is included in the calculation, with the highest claims of £57 / €66.9 billion including all pandemic related supplies, services, construction projects and machinery from March-November 2020 (Sikka, 2020), of which about 40% or £20–22 / €23.3–25.85 billion was lost in wastage or misappropriation, although costs are “difficult to assess or verify” (Colgrave 2020). Colgrave (2020) estimates that half of the £15 / €17.8 billion spent on PPE merits further investigation with further concerns about wastage of £10 / €11.8 billion on test and tracing systems. Transparency International (2021: 4, 14) traced £18 / €21.3 billion of “covid-response contracts” issued by public authorities from April to November 2020 of which £3.7 / €4.4 billion “merit further investigation.”

Combined official, media and civil society data highlight four broad areas of concern: firstly, the speed of contracting. Contracts were typically turned around in 24–48 hours from initial submission of tender to issuance of contract. This rate of conversion implies a radical acceleration of contracting procedures and indicates a significant degree of inconsistent decision-making and lack of due diligence. During a judicial review in May 2021, counsel for the government revealed before the High Court that “the urgency of the situation early in the pandemic” required that deals were made within “minutes”, with officials working “night and day to secure these contracts” (PA Media 2021). The government’s defence throughout has been that the need for speed and conditions of “emergency” meant that commissioners’ decisions are consistent with the terms of exemption provided for by section 32(2)(c) of the PCR. This defence has been twice overruled by the courts: firstly, by ruling that the failure to publish the data on the first round of contracts (represented by our sample) within 12 weeks breached procedural regulations. Secondly and more seriously, government ministers were censured by the courts for “unlawful” issuance of subsequent contracts without adequately seeking out credible, alternative providers.

A second concern relates to the competence and fitness to contract of those submitting bids. It transpired that in lieu of publishing tenders, 58 per cent of contracts were issued directly to companies which were not on the approved supplier framework (NAO 2020b). The lack of due diligence in failing to check the financial

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4 The following organisations led the way in obtaining data and disclosing contracting malpractice and linking political and official personnel with recipients: The NGOs, GoodDoctors, We Own It and Open Democracy which collate and investigate public contract awards. Investigative journalism published in The Guardian (an established national newspaper); the Byline Times (a subscriber funded newspaper) working with an NGO, The Citizens, are tracking Covid-19 contract awards as part of their “Mapping the Pandemic” project. The Good Law Project (a law firm which takes crowdfunded cases of public interest to judicial review) has been instrumental in securing legal rulings on transparency and judicial confirmation of illegal contracting by government.
viability and fitness to trade allowed all comers, including contractors with no commercial background or experience. Many successful applicants / contractors did not have a reliable credit or trading history, nor a reputation in medical supply or related fields. Others had scant or non-existent trading histories (suggesting they were newly registered for the purpose of tendering for contracts), or had audit warning notifications. Under normal operational circumstances, these criteria would be red flags while obtaining approved trader status from the government. Large contracts worth millions of pounds were awarded to dormant companies with minimal assets (GLP 2020) and companies registered in “tax havens” (Delahunty 2020). During this time, consortia of established companies with proven track records in PPE manufacture or sourcing (and testing and tracing expertise) contacted the authorities offering their expert services, but most were rejected or ignored by Public Health England (the national health authority) and the Government (Calvert, Arbuthnot 2021: 99). Between April 2020 and January 2021 alone, £3 / €3.5 billion worth of public contracts were awarded to Conservative donors and associates (Byline Times 2021). Politicians and associates, including the Minister for Health, hold shares in companies that secured contracts (Oborne 2021).

A third concern lay with preferential treatment for bidders with political connections to the governing party. Government procurement officers came under extreme pressure to issue contracts, with ministers directly ordering civil servants to proceed with contracts or overruling risk assessments in favour of preferred contractors. The National Audit Office found that tenders from providers with political connections to the government were being selectively accelerated through a high priority channel. The advantage of this fast stream was that they “were automatically treated as credible” (Calvert, Arbuthnot 2021: 288). Of 493 tenders, 144 referrals originated in the private offices of government ministers, including “referrals from MPs who had gone to ministers with a possible manufacturer in their constituency, and where private individuals had written to the minister or the private office with offers of help” (Calvert, Arbuthnot 2021: 288). Another 64 were referred by parliamentarians. 21 were referred by “government officials”. Referred “priority” contracts had a ten per cent success rate compared with a one per cent rate for “ordinary” bidders. In half of these cases, documentation was unavailable to the regulators (NAO 2020b: 27).

Fourthly, the lack of quality control contributed to high levels of waste, the purchase of poor quality PPE, and costs for storing unusable equipment (NAO 2020a: 22). There was substantial over-ordering of goods. Likewise, there was significant overcharging, with buyers committing to prices at the height of demand, which they were liable to pay long after the market price had reduced to a fraction of the cost. A conservative estimate is that over half of the money spent on PPE was wasted on unused or deficient material, with a cost of £8.4 / €9.7 billion (Bright 2021). Further, agents from the Health and Safety Executive were pressurised to apply lower safety tests, in order to permit lower grade PPE to be given to health workers (Kemp 2020).
Returning to networked corruption coalition models, three formations of cronyism are evident. The first group of protagonists are insiders, directly traceable to the epicentre of government, comprising cabinet ministers and special advisors, their family members and personal associates. This includes senior members of government with shares in companies granted contracts, or those who made “personal interventions” on behalf of companies in which they have financial interests (Slawson 2021). The Prime Minister, the Secretary of State of Health, the Home Secretary (equivalent to minister of the interior) (Slawson 2021), and a Cabinet minister (Conn 2021), were directly cited by parliamentary committees for violating the code of conduct for government ministers. The latter was ruled by the High Court to have unlawfully awarded a contract to former colleagues (Parkinson 2021). It must be noted that the government body, the National Audit Office (2020b), initially found no evidence of direct ministerial interference in its first report of inquiry. Evidence of senior ministerial interventions was unearthed by NGOs. In a judicial review case, the High Court ordered the release of evidence and testimonies which cast further light on conflicted interests among senior politicians, civil servants and special appointees. The court also ordered the government to release further information including “texts and WhatsApp messages from some selected civil servants” and “instructions, directions and decisions by Minister in respect of the establishment, selection and criteria of the VIP [the fast track] lane” (GLP 2021).

A second coalitional formation relates to clientalists, drawn from parliamentarians and “special advisors” to government who were appointed to facilitate an accelerated and light touch passage through the contracting process, additionally pressurising officials and lobbying through senior government figures on their clients’ behalf (Conn 2021). “Special appointees” were made to the ministries of Health, of Trade and Business, the Treasury and the Cabinet Office. The full extent to which political interference distorted contracting procedures, or whether individual civil servants were complicit or coerced, has yet to be fully quantified.

A third group may be labelled connected opportunists, that is, applicants willing to gamble on their chances in an environment where huge amounts of contract funding were available while the normal checks and balances for monitoring public expenditure were not operating. Acquainted with insider information, individuals were encouraged to register special purpose companies or realign their existing businesses to participate in a feeding frenzy which eventually overloaded the procurement system. Alongside established and reputable contractors, our sample indicates an increase in speculative applications from politically connected individuals. Future research on public contracting outcomes may reveal a more complete profile of speculative and unestablished contractors vis-à-vis the number of legitimate suppliers, and whether the UK’s excess or unregulated contracting under Covid conditions is in line with practices in other jurisdictions, or an outlier. None of these groups or activities are mutually exclusive, and in many cases, different combinations of these conditions applied.
Civil society pushback

Far from discouraging the government, the outpouring of censure and evidence of cronyism has encouraged it to go on the offensive. The coronavirus pandemic may have exposed incompetence and cheating, but it has also empowered the Conservative party to assert a power- and money-grab in order to guarantee benefits for their associates with a level of shameless assurance that has confounded observers. Of course, the hollowing out of the State and attacks on the public domain predate the emergence of Boris Johnson as leader of the Conservative party in 2019, an electoral victory which he secured on a popular sovereignist agenda to “get Brexit done” months before the pandemic. However, the ingenuity of Johnsonian populism is based on offering a compelling narrative based on cognitive relativism, i.e. that the means of securing vital supplies, albeit flawed and dubious, justify the greater end of controlling the effects of pandemic.

Instilling fraud tolerance is central to relationship management with the public, resting on narratives that mistakes are inevitable in the context of a national emergency. The rhetoric presented to the public is that governments are forced to choose between imperfect and costly options. Misappropriation through human error is the lesser of two evils, the argument goes, justified on the basis that it is preferable to throw all available resources at the medical supply problem now, rather than agonise over their provenance and potentially prolong the pandemic. Here, state sponsored embezzlement mutated into a unifying national mission to defeat the pandemic. This inversion of the truth is masterly. Connecting the two objectives in this way (getting supplies at all costs: stopping the pandemic) masks the contrary reality that shortages of PPE and protective supplies arose because of fatal delays by government to act on early warnings (Calvert, Arbuthnot 2021), exacerbating future outbreaks and increasing stress on health and public services. If we restore the actual, causal sequence of events, it is evident that the situation was not one in which the government made condonable errors in the face of overwhelming and unknowable risks. Rather, the failure to act on evidence and warning signs led to panic buying, unrestrained nepotism, and negligence when issuing government contracts, in a way that is consistent with the governing party’s established patterns of exercising power and ideological commitments.

The Covid 19 emergency has become instrumental to the government’s image management strategy, deflecting attention from incompetency and potential criminality in PPE contracting. Keeping elite criminality beyond scrutiny relies on the willingness of the government to mobilise the powers and legislative instruments at its disposal to silence public critics. The illiberal process of shutting down space for critical opposition occurs across different spheres: firstly, through attacks on public and allied services (Pollack 2004), especially as trade unionists and public sector workers (including scientists, civil servants, academics and health workers), form the base of dissent. The grinding down of professional
opposition has its precedents. Writing in 2004, Pollack documented the tactics deployed by the then New Labour government to smash opposition to its agenda for privatising the health service by means of a now-familiar political playbook. This entailed “fragment[ing] and dismant[ing]” regulatory structures through underinvestment [and] denigrating the achievements of public service (Pollack 2004: 197); promoting private sector consultants and for-profit providers (Pollack 2004: 197–201); “fuelling public discontent” and “aggravating stress” by egregious use of competitive league tables based on actuarial performance providers (Pollack 2004: 201); silencing staff by insisting on primary loyalty to corporate culture rather than their sector, professional codes or the public interest. These were reinforced through swift use of sanctions against those who spoke out (Pollack 2004: 203–205). The precedent exists, therefore, for “discrediting and intimidating critics” coupled with a readiness to “dismiss or contaminate scientific evidence”, to facilitate the distortion of expert opinion which conflicts with favoured policies or pet projects, especially where significant private sector investment and interest is involved (Pollack 2004: 206–209). If New Labour “succumbed to this temptation to an unedifying degree” (Pollack 2004: 209), later Conservative governments cemented many of these strategies into everyday governing practices as planks of a new normality.

A second form of leverage exercised by government involves commandeering public institutions through patronage and the appointment of loyalists to strategic public offices. The point of placement is not only about repaying favours, but fulfilling the systematic structuring of advantage towards a narrower set of beneficiaries. Consolidating elite influence comes with the price of decreasing the political power of citizenry. Concurrently, those at the heart of government behave as if they are under siege, precipitating further closure of access to the centre of power except to patrons, donors, retainers and selected advisors. However, the media-friendly soap opera surrounding the Prime Minister’s office usefully masks the serious populist enterprise of mounting attacks on the capability and legitimacy of parliament, the law or civil society to confront abuses of power. The aim is to accomplish a “failure of state” (Calvert, Arbuthnot 2021), by incapacitating those public institutions that restrict powerful private interests from cornering political influence or establishing oligopolies (in accessing public offices or resources). The blurring of boundaries that usually demarcate the corporate from the personal or state occurs through forms of osmosis where “better informed and more powerful players have an advantage that can all too easily be parlayed into procuring even better information and greater relative power” (Harvey 2007: 69).

The foreclose of public space for civic opposition – both materially and in terms of legality – entails a war of attrition against accountability. Equally, as discussed below, the construction of a populist counter-public is also core to autocratic projects. The current Conservative campaign against civil society follows a decade of attacks on NGOs as “left wing sock puppets” whose charitable campaigning is legislatively equated with corporate lobbying (Sheila McKechnie Foundation 2021).
This has twice led to legislative measures to restrict public funding from NGOs and charities for criticising government policy, and to remove charitable status from NGOs and trade unions if they spend resources on “regulated activities” such as advocacy (HC 2021b). Knowing that they cannot counter damning criticism from other directions, the government attacks groups who contradict common sense hegemonies. This requires a convincing narrative that can weave a coalition of elite and popular cultural alliances against technocrats and experts, the latter of whom are represented as condescending “metropolitan elites” with little regard for the views of regular folk. Meanwhile, despite claims that policy is “following the science”, scientific expertise is curated to ensure it aligns with government messages, critical data are subject to suppression, their publication blocked, or embarrassing sections removed from reports. In a critique of the government’s role in the “suppression of science”, the editor of the British Medical Journal raised alarm about the co-optation of a “medical-political complex” which:

relies too heavily on scientists and other government appointees with worrying competing interests, including shareholdings in companies that manufacture covid-19 diagnostic tests, treatments, and vaccines. (Abbasi 2020: 1)

Strategies of incorporation or attrition aimed at those opposing government policy are augmented by self-styled disruptors – often of a populist, reactionary and antediluvian nature – who form a movement based on generating cynicism in order to force opponents into rear guard defences of civil, legal and democratic norms. The patterned consistency in their tactics extends to the wider normalisation of anti-intellectual, post-truth, hate and exclusionary speech and actions in the political realm. Culture war gestures are carried out by members of parliament and government Ministers, with a particular animus being reserved for universities (as crucibles of alien cosmopolitan values), “activist” lawyers, campaigning charities and youth and anti-racist movements. Deliberate polarisation advances de-democratising trends at the parliamentary level as well, prompting a group of legislators to observe that the Coronavirus Act 2020 permits insuperable levels of executive power:

Since March 2020, the public has lived under some of the UK’s most restrictive peacetime laws, and to support the economy, public money has been spent on a vast scale. Yet parliamentary accountability for, and control over, these decisions has diminished to a degree that would have been unthinkable prior to the pandemic. (Russell et al. 2021)

These trends reflect strong signs of “democratic backsliding”, evincing the subversion of rule- and principle-based paradigms as a precursor to hostile assaults on adversaries in the judiciary, parliament and public administration (Levitsky, Ziblatt 2018). Thompson and Ip (2020: 2) posit that an “authoritarian pandemic” is
in “full development”, characterised by “governmental and administrative overreach [and] excessive and disproportionate emergency measures” which mask slippages in democratic thresholds and solidify proto-fascist tendencies within society. Civic retrenchment invokes Habermas’ (1992: 4, 27) warnings about the “refeudalisation of the public sphere” as for-profit corporations and exclusive, private organisations increasingly assume power over the public domain, permitting the further coalescence of state and personal interests as spheres of influence. Concurrently, the political and civil opposition to this trend is “fragment[ing] into competing interest groups” (Habermas 1992: 27), threatening the demise of a “liberal public sphere” (which was all the more probable if it remained an artifice of bourgeois interests, Habermas postulated). Pratt and Lutyens (2021) further observe that authoritarian and populist power critically builds up in the realms of meaning-making. In order to deconstruct the rules of normative discourse, it is necessary to establish a counter-hegemony through propagating discourses of denial, interrupting scientific and consensual legitimacy and making provocative appeals to anxieties and real sufferings: “to sustain their authority, it has become necessary for them to further weaken the precepts and understandings of life in the civilized world” (Pratt, Lutyens 2021: 3). This project is not a discrete or coherent programme of ideas, but a concatenation of narratives deriving from, and aimed at, fomenting distrust, outrage and dissent. As this alternative project of myth making is not bound by the normal rules of logic, coherence or structure, the effect is simply to achieve disruption (with a view to funneling authority back to populist figures). Finally, rather than neatly displacing “civilised discourse” (reason and science, consensus, social contract, scepticism, evidence / proof), the tools of the populist imaginary are refutation, the promotion of alt-facts, attacks on individuals and the “liberal establishment” and naturalising cynicism and conspiracy, in efforts to superimpose an alternative version of events (Pratt, Lutyens 2021).

The parameters of tolerable corruption

Since its election to power in 2019, Johnson’s government seemed to have ridden the tide of apparent public indifference towards state-organised corruption. In November 2021, the “Paterson affair” unsettled its invulnerability. It remains to be seen whether that incident proves to be a tipping point either for reasserting

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5 The “Paterson affair” refers to the personal intervention by Boris Johnson to overturn a ruling of the Parliamentary Committee on Standards which sanctioned a member of parliament, Owen Paterson for receiving large consultancy fees in a case of “egregious” and “blatant” corruption. In response, the cabinet moved a legislative amendment to retrospectively pardon Paterson, and to appoint an alternative panel to review the powers and procedures of the Standards Committee – in effect, sacking and replacing the committee. Paterson quit in the ensuing controversy, and the proposed legislation was withdrawn.
parliamentary sovereignty or eliciting an unfavourable electoral reaction. Meanwhile, it is necessary to focus on what may explain an initially forgiving public disposition towards malfeasance in a nation that customarily celebrates its international reputation as a rule-adherent country? Conventionally, the putative lack of public understanding is attributed to the technical nature of white-collar crime, particularly in opaque domains such as public contracting and commissioning. Likewise, the mythos of incorruptible Britain derives from measuring public perceptions rather than actual occurrences of white collar crime (Whyte 2015: 3), which compounds inflated views of national honesty. “Perception gap” theories, however, offer a lazy account of public apathy, especially when awareness of corruption becomes more widespread. Attention should be focused on subtler links between public tolerance and corruption’s function in fostering cynicism and alienation from politics. Financial scandals seldom directly influence voter affiliations, but equally “public distaste” for corruption contributes to a generalised sense of rottenness which erodes support for political parties (de Vries, Solas 2017: 391–392). That is, a mutually sustaining dynamic comes into play where the apparent failure to punish malfeasance both confirms and accentuates a belief in the inability of public institutions to counteract it.

Other factors relate to the remoteness of the key actors involved from citizens’ immediate lives, the distance of central government from their localities, a general decline in political trust (Kettl 2017), and exhaustion generated by over a decade of successive economic and social shocks – from the banking crisis, through a decade of austerity, to the pandemic. In this vein, O’ Brien (2017: 22–23) argues that generalised distrust and polarisation are “fracturing” normative institutional anchors. Populism’s bad-faith genius successfully directs current anti-establishment feeling towards those bodies and ideas associated with “normative foundations of governance” to mount “a sustained authority attack from within as well as a legitimacy assault from a disaffected general public” (O’ Brien 2017: 24). In terms of widening criminogenic effects, state facilitated corruption sets damaging precedents by consolidating “shady practices” in the form of bargaining among politicians and “respectable citizens” (Karstedt, Farrall 2020). Here, it is in the interests of those involved in corruption to continue to disburse public resources to shore up political approval. By extension, clientalism establishes a compact with citizens where the political class acquire gatekeeping powers which they are loathe to relinquish. The political economy of favours and reciprocal obligations facilitates trickle-down corruption and normalises contingency and conditionality in citizens’ expectations from the state over time.

The forces of contrived patriotism and de-democratisation advance an intensified form of “market nationalism” which equates and defends “‘market’ and ‘nation’ in equal measure” (Whyte 2013: 54) by mobilising “general support for a project of national unity in which the interests of state-corporate elites are aligned with the general public interest” (Whyte 2013: 58). The political Right has seized (and manufactured) the zeitgeist of a cultural revolution which tears up rules-ba-
sed regimes in a radical break from what they have long depicted as overbearing regimes of rule imposition and bureaucracy (institutionally symbolised by the “human rights industry”, the European Union, the liberal judiciary, the technocratic classes, and the “politicised” civil service). Counter-corruption activists can also fall foul of populist cynicism, where they also ground their message in liberal democratic appeals to the rule of law, rights and norms. One of the selling points of populism is its capacity to tap into popular discontent with the limits of “managed” i.e. “sensible”, competent and technocratic politics, through promises to sweep aside complexity and to deliver promises to “clean the swamp” to voters. Electoral impatience with deliberative politics means they are discarded in favour of direct and unequivocal action from government. Moreover, the populist style of direct authority achieves the appearance of substantive action. Populist displays of decisiveness offer a thrilling and dangerous liberation from regimes of rules.

The Covid corruption scandal in the UK followed a slipstream of compounding domestic and international crises – prompting populist responses from which materialise revanchist fantasies of reclaimed sovereignty (Mandelbaum 2020). In order to prevail, populist-nationalist interests must undermine and silence groups and social institutions deemed to be hostile to their project. The radical Right has secured influence in government partly on the promise to deliver on a compact to visit a huge reckoning against others who obstruct autocracy. In the Gramscian meaning of naturalised hegemony, securing consensus need not equate with popular agreement, but with establishing conditions of passive and grudging non-resistance, underpinned by public cynicism, diminished trust, lowered political participation and increased alienation. “Toleration” of corruption, in this sense, is conditional on securing consensus for narratives that mismanaged contracting was unavoidable, short term, exceptional, and where the outcomes justified the means. The counter argument is that the public’s acquittal is ambivalent because those in power are expected to revert to public probity after the emergency. Here, the return to democratic norms references the assumption that abuses of power can be held to account even as the executive subverts the rule of law while openly intensifying the extraction of public assets and wealth. Yet, the prospects of a corrective turn for accountable public administration are weaker. The narrative of fair competition that for decades legitimated neoliberal privatisation and commissioning regimes has given way to blatant oligopolistic extraction. The civil service and the machinery of government are mutually shaped by circumstances of political calculation and determination. Poorly-guarded revolving doors between the civil service and party politics have left the field of procurement wide open to direct political interference. Those touched by corruption have less and less reason to come clean, let alone establish a point when the current lack of transparency might end.

Operating under the cover of emergency pandemic planning, the UK government has successfully presided over historical levels of state embezzlement and has deflected legal and democratic accountability for the foreseeable future.
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