

Full marks to Hermes and F & C

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Just before Christmas [I asked](#) where all the accountants were in declaiming the government's decision not to pursue corruption investigations at BAE. I still haven't noted their presence in the debate, but it's good to see two major fund managers saying [the government got this wrong](#). Full marks to Hermes who have said (according to the Sunday Times) in a letter sent to Tony Blair:

"Lack of credibility in the regulation of one company can spread to the rest of the stock market, creating higher-risk premiums and cost of capital."

F & C are also reported to have said:

"As a long-standing advocate of strong corporate governance and anti-corruption standards, we place great value on the actions that governments take to ensure the investment climate is marked by clear, predictable standards and independent enforcement of the rule of law."

"There is a danger that the government's recent action will be perceived as undermining the consistent application of the UK's national legislation governing corrupt practices, precisely at a time when wider take-up of the OECD (Organisation for Economic Co-operation and Development) convention is beginning to take root."

Good for them. There is still some honour in the City. And some appreciation left of the importance of doing business properly, and being seen to have done so.

Shame about the ICAEW, ACCA and the other professional bodies though. Nothing links them to any announcement on this issue.