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Pacific diplomacy

The man who tried to buy a country

Amit Gupta's home was raided, had his phones tapped and then he was gone. Now authorities can't get him back.

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In the early hours of June 19, 2013, a panic-wracked Australian businessman boarded an international flight and held his breath. Hours earlier, Amit Gupta's Gold Coast home had been raided by the federal police.

Investigators had spent weeks tapping Gupta's phone, probing sensational allegations he had backed a political coup on the small Pacific Island of Nauru by bribing multiple politicians who had plotted to topple the government.

The new government, Gupta hoped, would give him complete control over the island nation's lucrative mining rights, but an arrest now could mean years in jail.

If these moments of apprehension, with the Australian police snapping at his heels, were Gupta's low point, they were fleeting. As his plane soared into the morning sky, his future stretched out brightly ahead.



Amit Gupta who is accused of making payments to Nauru politicians.

In the decade since, this alleged corporate crime kingpin and fugitive from justice has built a global business worth an estimated \$800 million.

This masthead has tracked Gupta to Dubai where, late last year, he got more good news: Australian efforts to extradite him had collapsed, rebuffed by the Dubai authorities over a legal technicality.

Gupta's good fortune is not just the product of corporate acumen and cunning. As a key target of the longest-running bribery probe in Australian Federal Police history, Gupta's ability to shake off his police pursuers and build his empire abroad starkly illustrates the weakness of Australia's struggling anti-corporate crime regime.

For years, business bribery investigations by the AFP and corporate watchdog the Australian Securities and Investments Commission have been beset by delays, resourcing shortfalls and legislative challenges. These add to the already significant challenge facing authorities when probing cases involving foreign, sometimes corrupt, regimes which are entwined with Australia's foreign relations.

The shadow of asylum seeker offshore processing – recently reinvigorated on Nauru with the interception of two groups of boat arrivals in Western Australia – has hung over the AFP's pursuit of Gupta, as has the fear China will exploit any damage caused to international relations by a full-blown corruption scandal.

And while the Albanese, Morrison and Turnbull governments have all backed proposed laws making it easier to charge uber-wealthy allegedly corrupt businessmen like Gupta, the Combatting Foreign Bribery Bill was stuck for years in the parliament before finally passing last week.

In December, the OECD urged Australia to implement the new regime “without delay”, while also warning the new law, as drafted, didn't go far enough. Allegations like those levelled against Nauru's politicians suggest that Australian companies have sought unfair advantage by paying politicians at the cost of the ordinary people in the poverty-stricken country.

For the cops who have spent years on Gupta's trail, though, their quarry has gone. And he's taken his millions with him.

Just like Gandhi

In February last year, Amit Gupta was interviewed by a podcaster who asked about the secret to his success. Well-dressed, slim and urbane, with a slight Indian accent, Gupta slipped smoothly into a quote from Mahatma Gandhi about patience and persistence.

“First they ignore you, then they laugh at you, then they fight you, then you win,” he said. “It has been a very powerful lesson for me.”

If Gupta was hinting at his struggle with Australian authorities, he didn't say it outright. But he had good reason to be looking relaxed. That same month, he'd won a secret legal battle in Dubai to thwart a years-long effort by the federal police to hold him to account for suspected corruption.

Gupta had defeated the AFP's extradition attempt using a legal technicality. Australian police alleged he had engaged in a conspiracy to bribe Nauruan politicians over a decade earlier, but Gupta argued that given no such crime existed in the United Arab Emirates at the time of his alleged offending, he could not be extradited. The UAE authorities agreed and threw out the extradition request. That was in February 2023, but the development has not been reported until now.

The Nauru bribery scandal first erupted in 2010, when a report in *The Australian* alleged Australian police and intelligence agencies were scrutinising a plot by the then Gold Coast-based Gupta and his relatives to use bribery to effectively transform Nauru into a puppet state, with its only industry – phosphate mining – entirely controlled by Gupta's business interests.

It took the AFP two years, in October 2012, to tap Gupta's phone. Eight months later, they raided his Gold Coast home. In 2015, [this masthead](#) and the ABC reported on allegations that charges might be imminent. By then Gupta was two years on the lam.

In 2017, the Australian government renewed his Australian passport.

Four years after that, the AFP brought a single charge – not against Gupta, but against his former company, Getax – for allegedly bribing Nauruan officials. The firm’s lawyers are seeking to have the trial of the company abandoned, arguing “unjustified and inexplicable delays in investigating and prosecuting the case by commonwealth agencies” has caused critical evidence to be “lost”.

Gupta declined a request to comment, but sources close to the investigation who asked to remain anonymous to discuss confidential information, say he denies any wrongdoing.

Refugees and bird droppings

AFP investigators and senior officials involved in the inquiry in its early years privately acknowledged how sensitive the criminal investigation into Gupta was because the alleged recipients of largesse were Nauruan politicians on whom Australia relied to help implement its pivotal asylum seeker offshore processing regime.

Gupta and his family had by then already made vast sums of money by selling phosphate, which is most commonly used to make fertiliser. This substance, formed by the accumulation of generations of droppings by sea birds, had generated incredible wealth for the tiny island over the decades in a boom that decimated the country’s environment. The windfalls were frequently wasted on bad investments and corruption.

By 2010, phosphate supplies had dwindled but it was still a lucrative commodity for those who could secure it at a bargain price. Documents obtained by this masthead show while Gupta was making significant payments to a number of Nauruan

politicians, Getax paid as little as \$43 per metric tonne for shipments of the material, allowing it to make huge profits on the global market.

Gupta's emails expose a systemic alleged bribery operation targeting Nauru's most powerful politicians with the aim of winning preference for his and his family's business, and particularly exclusive rights to phosphate and long, ongoing contracts. In doing so, his dealings threatened the political stability of the island nation of 13,000 people and stood to poison its democracy.

Emails from 2009 and 2010 reveal Gupta's attention and financial largesse was being courted by both sides of Nauru's convoluted political system: Nauru's then president Marcus Stephen – who is currently speaker in the country's parliament – and the man who, back then, was trying to topple him, veteran politician and kingmaker David Adeang, now Nauru's president. Adeang was this week with Australian politicians at [the ASEAN summit in Melbourne](#) and has previously strongly denied receiving bribes from Gupta.



Nauru President David Adeang (right) met Treasurer Jim Chalmers in Melbourne. NAURU GOVERNMENT

In December 2009, Stephen emailed Gupta to warn him about Adeang’s plotting. “If David Adeang comes back in [power], I suggest you pack your bags,” Stephen wrote. But the email had a second purpose – to ask for allegedly illicit payments using a code-word. “One and last request: if candy can be organised,” Stephen wrote, flagging a trip to Europe for a climate summit.

Banking records of firms linked to Gupta shed further light on the meaning of “candy”. Stephen’s Australian bank accounts received \$110,000 in payments from Gupta between 2006 and 2010.

Perhaps Stephen did not know it, but his enemy Adeang was playing a similar game. He wanted cash to fund a covert political operation to remove Stephen and install a government more sympathetic to Gupta’s demands.

“Please mobilise all resources to turn the table and whatever is required from our end please let us know,” Gupta wrote to Adeang,

who in turn advised him what Nauruan politicians would want.

“It is inevitable that they will have foremost in their considerations their personal outcome after the change [in government] – that is, ‘what’s in it for me’? I am counting on you to assure them of your support to them to convince them of the merits of change,” Adeang told Gupta via email.

Companies linked to Gupta wired at least \$850,000 into Adeang’s Australian bank accounts between 2008 and 2013. In 2010, Gupta made further payments of between \$30,000 to \$150,000 to other Nauruan politicians at Adeang’s urging.

Among the recipients was Baron Waqa, an Adeang ally who would become Nauru’s president in 2013. Six days after Waqa became president, Gupta fled Australia to Dubai.

Neither Adeang nor Stephen responded to multiple requests for comment and Waqa could not be contacted. When similar allegations were raised in 2015, Adeang responded that they had come from his political opponents and were “baseless” and “consistently disproven”.

Men of straw

Records of Gupta company transactions obtained by this masthead suggest Gupta’s questionable corporate behaviour from his Gold Coast base extended well beyond Nauru and the phosphate industry. Banking records suggest Gupta’s companies also paid suspected bribes to senior Algerian officials for mining concessions in Africa, used a poverty-stricken Indian man as a “straw man” director of one his companies, and issued fake invoices for phosphate bought from countries such as Togo.

Leaked corporate and banking documents reveal how Gupta's companies generated a system of fictitious invoices and expenses to move money out of Australia, and how he avoided millions in Australian taxes. Some of the money, according to documents, was then moved back into Australia disguised as loans and used to purchase property in Brisbane and the Gold Coast. In 2016, Gupta's wife, who is not accused of wrongdoing, became a significant investor in listed Australian fertiliser company Avenira.

Documents show the federal police's Getax investigation spent years tracking this global movement of funds. In 2020, the AFP [moved to seize multiple properties](#) and bank accounts connected to Gupta in Australia, Singapore and New York worth an estimated \$200 million.

Lack of political will

For anti-corruption campaigner Clancy Moore, CEO of Transparency International Australia, Amit Gupta's story shows the cost of Australia's weak anti-foreign bribery laws. New laws, which aims to make it easier for police to charge companies and individuals for bribing foreign officials, finally passed in late February after years of delays.

The law increases the kinds of conduct that is considered to be foreign bribery and making senior executives liable for bribery if they fail to have adequate internal controls.

"In almost 25 years, only seven individuals and three corporations in Australia have been convicted of foreign bribery," says Moore. "This is just the tip of the iceberg, so these laws are long overdue."

Moore is urging the Labor government to commit to further reforms, including laws that allow companies to lessen the penalties they face if they voluntarily report their own corruption.

Last November, one of those whom Gupta paid off, Baron Waqa, was voted by Pacific Island leaders to become the next secretary general of the Pacific Islands Forum. This is the region's key multilateral body and it plays a key role dealing with security and economic challenges, from climate change to the rise of China.

Waqa was backed by the newly elected Nauruan president, Adeang, who rebuffed concerns about his appointment given previous allegations of wrongdoing.

As for Adeang himself, he was again making news in the region in February, when he ditched Nauru's recognition of Taiwan in favour of a new relationship with China. Last week, he met with Treasurer Jim Chalmers on the sidelines of the ASEAN conference to discuss "banking" matters.

Nauru is still selling phosphate. Among its more recent customers is a company called Agrifields DMCC. It is the name of the global fertiliser firm Gupta launched after fleeing Australia.

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