Foreword

The second issue of *The Hume Papers on Public Policy* publishes an up-dated version of the proceedings of a conference on Money Laundering mounted by The David Hume Institute on 27 November 1992. In addition it contains the text of a lecture on the same subject given in Edinburgh on 14 May 1993 by Tom Sherman, President of the Financial Action Task Force. Mr Sherman's lecture was delivered at the invitation of the Department of Public International Law in the University of Edinburgh, and The David Hume Institute was delighted to be able to provide some modest financial support on that occasion. Both conference and lecture were well received by large and appreciative audiences, and it is a particular pleasure to be able now to bring both events forward in a more permanent form.

Money laundering is a phenomenon which raises many difficult questions of policy. On the one hand, there is the undoubted public interest in ensuring that wrongdoers are not allowed to enjoy the proceeds of their criminal activities and in so doing to subvert the integrity of the world's financial markets. On the other, there is the burden which current legislative activity places increasingly upon the shoulders of those whose business it is to handle money in all its forms, which carries with it the risk that they themselves may be liable to criminal sanctions. The recent passage into law of the Criminal Justice Act 1993, following a European Community Directive in 1991, extended the scope of money laundering offences still further. In this collection, a distinguished team of experts outline the background to this legislation and go into its likely effects. We may read the views of one prosecutor on the meaning and implementation of the new law, while a representative of the banking sector explains the response of the financial sector in practical terms. All the authors look ahead to the future, recognising that the fight against money laundering is unlikely to be completed quickly. Taken as a whole, therefore, this collection is not merely a guide to the new state of the law but is also a perspective on the extent and limits of regulation in this field in the future.

Not all the contributions to the conference appear in this volume. We heard from Detective Sergeant Richard Wiszniewski of Lothian and Borders Police on the police perspective, and from Mr Graham Pepper of the Halifax Building Society, on the response of the financial sector. Both these gentlemen made invaluable contributions to the success of the day. I would also like to express thanks to In Conference Limited, who handled the conference arrangements with admirable efficiency, and to Dr Bill Gilmore, whose idea the event was

and whose help in setting up the conference and Mr Sherman's lecture was indispensable.

It remains only to say, as usual, that the views expressed in this collection are those of the authors alone, and that publication does not commit The David Hume Institute to any of the various positions which they espouse.

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Postscript

Since Alastair Brown's paper on Scots law (below, 50-59) was finalised, the Money Laundering Regulations 1993 (SI 1993 No 1993) have been made, and will come into effect on 1 April 1994. They are as anticipated in the text (53-4).