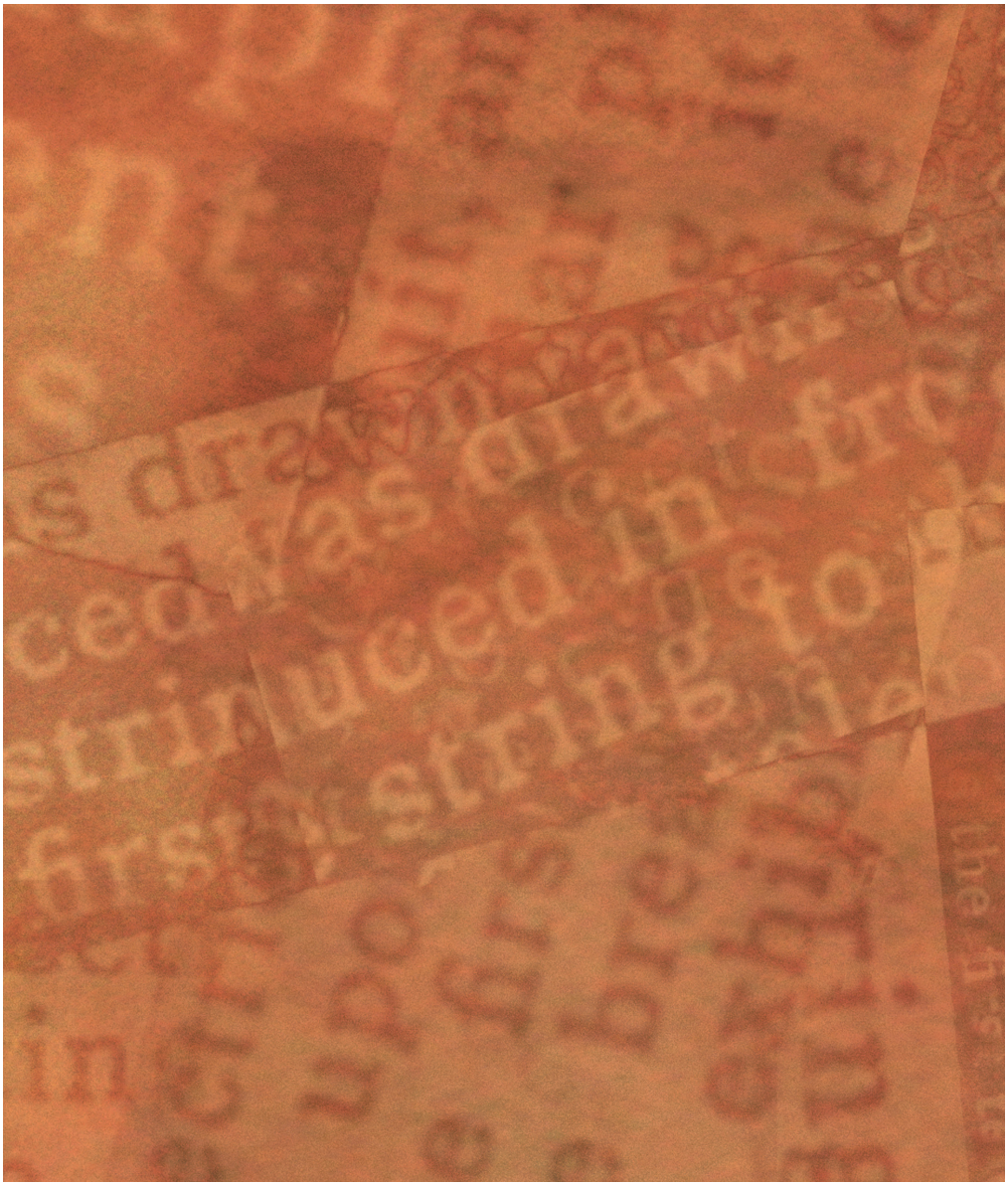
ANTI-CORRUPTION

the global fight

business ⊕ civil society ⊕ investigative journalism



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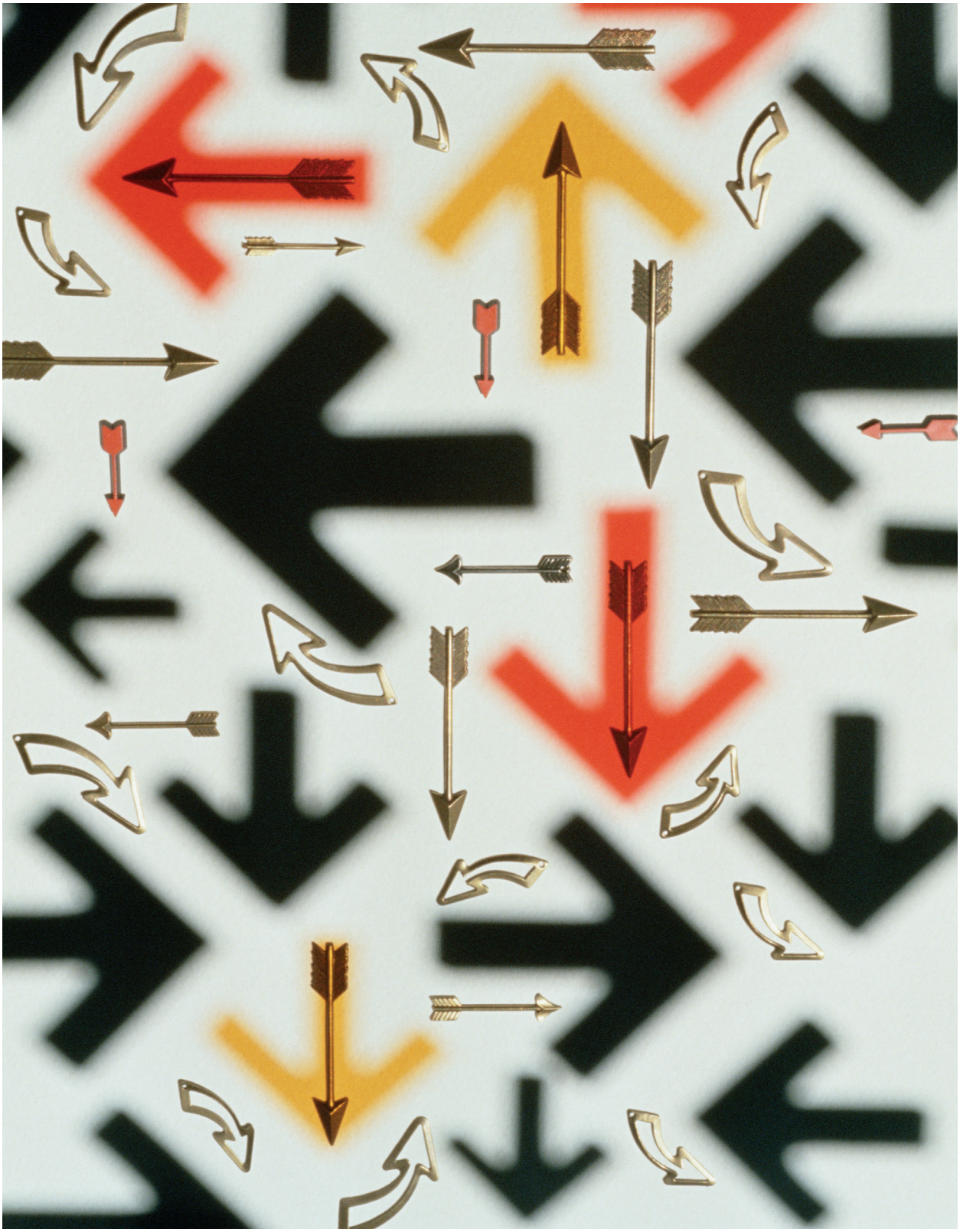
Corruption

"undermines democracy and the rule of law, leads to violations of human rights, distorts markets, erodes the quality of life and allows organized crime, terrorism and other threats…to flourish."

UNITED NATIONS
CONVENTION
AGAINST
CORRUPTION



CONTENTS

4

INTRODUCTION
Corruption exists everywhere

8

CHAPTER 1
The impact of corruption on business

14

CHAPTER 2
Terrorism and corruption

18

CHAPTER 3
Civil society's importance in fighting corruption

24

CHAPTER 4
Investigative journalism and corruption

31 IN FOCUS
THE FOREIGN CORRUPT PRACTICES ACT

32 SPOTLIGHT
IWATCH

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INTRODUCTION

Corruption exists everywhere

In many places, corruption is part of daily life. A police officer asks for a coin to help him buy lunch. An immigration officer speeds up a visa approval when you place money inside your passport. In return for a doctor seeing you at a public hospital, you give him a box of chocolates when you come for the appointment.

All of these things are small "corruptions" and may do little harm. Yet they sometimes can cause significant harm. Small tokens, gifts and favors required to get things done are often the symptoms of a deeper problem: manipulation of government, business and cultural institutions for the benefit of a few people. Larger-scale corruption happens when government officials use their influence to benefit themselves,

"With corruption, everyone pays."

—UNITED NATIONS OFFICE ON DRUGS AND CRIME

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their friends or their families instead of the public they are supposed to serve. Corrupt government officials may rig a bidding process, steal public funds or accept bribes in exchange for favors. Such abuses of power encourage corruption and can interfere with the functions of government.

Corrupt businesses may bribe public officials to obtain contracts or permits. Or businesses may keep two sets of financial records—one public and one hidden from investors, employees and the tax authorities. These are examples of private sector corruption that can affect public security and well-being.

This guide will examine the impact of corruption in four areas: business, terrorism, civil society and investigative journalism. It will also propose methods that citizens can use to counter corruption.

Investigative journalism is a key tool for exposing corruption.

WHAT IS TO BE DONE?

In the 1990s, the issue of corruption began to gain global attention. Through advocacy by civil society organizations, such as Transparency International, corruption became an important international issue. Regional international bodies created treaties to establish standards and guidelines to prevent and combat corruption: first for the Americas, then Europe, Asia and Africa. However, these agreements were often weakly enforced and only covered certain countries. Also, too many corrupt activities occurred beyond regional borders.

In 2005, after years of negotiation, the United Nations Convention against Corruption came into effect. The Convention has several substantive recommendations for actions countries can take to address corruption:

- Create government bodies, laws or policies to prevent corruption;
- Criminalize a variety of corrupt acts and crack down on them;
- Assist each other in criminal actions against corrupt companies or individuals;
- Return stolen assets in their jurisdictions obtained from another country through corruption;
- Initiate and develop specific anti-corruption training programs for employees;
- Provide technical assistance to and exchange information with other countries to help fight corruption internationally.

It's likely that your country has agreed to meet these standards. The United States is among more than 180 countries—parties to the Convention—that have agreed. You can get information about what your country has done and what still needs to be done to fulfill its international obligations from the website of the United Nations Office on Drugs and Crime (UNODC) at http://www.track.unodc.org/LegalLibrary/Pages/home.aspx. You can be part of the solution by working

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to implement the Convention's standards and sending your comments to the UNODC, which may contribute to your country's review.

Other multilateral initiatives are tackling corruption. The Open Government Partnership established an Independent Reporting Mechanism to track progress of anti-corruption programs. It currently has 75 member countries and engages governments and civil society groups to develop anti-corruption action plans.

The Organisation for Economic Co-operation and Development (OECD) likewise has adopted guidelines for its member countries to address corruption in government and business. It also promotes the role civil society organizations take in ensuring integrity in government. The OECD Working Group on Bribery monitors the implementation and enforcement of the OECD anti-bribery convention and publishes country reports on its findings.

The World Bank and the International Monetary Fund are both concerned about financial stability worldwide and identify corruption as the biggest obstacle to economic development. Both institutions, which each have 189 member countries, have vigorous anti-corruption programs targeting money laundering and the financing of terrorism, among other crimes.

INTERPOL, THE WORLD'S LARGEST INTERNATIONAL POLICE ORGANIZATION, WITH 192 MEMBERS, OFFERS TRAINING, TOOLS AND EXPERTISE FOR FIGHTING CRIME, CORRUPTION INCLUDED.

Interpol helps countries recover stolen assets, facilitates investigations that involve more than one country and trains investigators. The organization partners with the United Nations, the World Bank, the U.S. Department of State and other agencies.

Above, the Conference of the States Parties, the main policymaking body of the United Nations Convention against Corruption, meets every two years. As of 2017, the Convention has 183 parties and 140 signatories.

Anti-Corruption_The Global Fight_English.indd 7 5/22/18 2:58 PM

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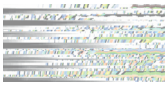

The impact of corruption on business

Corruption affects both large and small businesses, but sometimes in different ways. Small businesses might be victims of corrupt acts by a local police officer or building inspector. Large corporations may receive far greater demands if made by senior officials, such as a city mayor or a government minister.

Sometimes, unethical company owners will bribe government officials to disadvantage competitors. Through bribery, they can influence those who issue licenses, building permits and professional certificates—all of which may be required to open or operate a business—to make decisions in their favor. Corrupt owners can also scheme with other companies to deny their competition access to suppliers, space

"Corruption is a key element in economic underperformance and a major obstacle to poverty alleviation and development."

—UNITED NATIONS CONVENTION AGAINST CORRUPTION

Money laundering is one among many forms of corruption.

Anti-Corruption_The Global Fight_English.indd 9 5/22/18 2:58 PM

180+

parties to the U.N. Convention against Corruption

Paying bribes to obtain licenses is a breach of private sector ethics and is illegal in most countries throughout the world.

in markets or financing in order to eliminate them from the market.

Corruption has a direct impact on the sustainability of businesses. It also hurts the average citizen in several ways. Even the smallest company covers the cost of bribery by increasing what customers pay. Higher prices are the hidden "tax" of corruption. Business owners often must pay off more than one greedy, corrupt individual, so prices are increased—or workers' wages decreased—accordingly.

Enforcing laws is necessary to protect the private sector from corruption and to support anti-corruption measures.

When a company is pressured to add the spouses, siblings or cousins of corrupt officials to its payroll, corruption takes away legitimate jobs. Nepotism—where a powerful person unfairly gives jobs to relatives—can artificially increase the price of any product because these relatives often do not perform the work they are paid to do. When companies scheme to put their competitors out of business through corporate espionage and bribery, the result is, frequently, an increase in prices for those who buy the products.

BECAUSE THESE ILLICIT COSTS ARE REFLECTED IN MARKET PRICES, YOU ARE THE ONE WHO PAYS FOR CORRUPTION.

In a corrupt environment where the government and businesses cannot be trusted, investment in a country's economy can decline.

HOW GOVERNMENT + BUSINESS CAN FIGHT CORRUPTION

Governments have an obligation to protect their citizens from corruption abuses. Many countries have created strong laws and institutions to insulate the private sector from harm, but many have not. Enforcing laws is necessary to protect the private sector from corruption and to support anti-corruption measures taken by businesses.

The United Nations Convention against Corruption explains the architecture necessary to build these protections. It requires governments to create means of reporting corruption by citizens and civil servants, to follow strict transparency guidelines for public procurement, to ensure the public has effective access to information and to create public national budgets subject to review and audit.

Anti-Corruption_The Global Fight_English.indd 10 5/22/18 2:58 PM

Owners and executives should have in place measures to prevent individual company employees from engaging in corrupt practices. Some might be tempted to pay a bribe and hide it as a business expense if the resulting favor might secure the employee a bonus or promotion.

THE ACTIONS OF A SINGLE STAFF MEMBER CAN EXPOSE A COMPANY TO BOTH CRIMINAL AND CIVIL SANCTIONS.

Printed and distributed codes of conduct can help protect businesses if there is regular training and a culture of compliance upheld by real penalties for employees who violate the code.

Government licenses and subsidies are designed for the benefit of all citizens. Paying bribes to obtain these benefits, or to prevent other companies from receiving them, is a breach of private sector ethics and is illegal in most countries throughout the world.

Public officials should not benefit from using special knowledge they gain in their government positions to receive a private sector job. It is important to stop senior officials from taking jobs in the private sector for a reasonable period after leaving office.

Medium and large companies should perform internal audits to discover and halt corruption by management or staff. These audits make it difficult for businesses to have two sets of books whose sole purpose is to mislead and cheat investors, staff and the government.

Finally, it is illegitimate for companies to receive a tax benefit for paying bribes. Laws that previously allowed this in the developed world are now gone due to international agreements and national laws.

Together these measures can build a legal foundation that protects the private sector from the corrupt actors who would undermine it.

WHAT ELSE CAN BE DONE?

Though all of the elements above are important, there are additional opportunities for people in the private sector to be more proactive.

NATIONAL LAWS AND MULTILATERAL AGREEMENTS HELP

Usually, national laws have very little impact in other countries. However, the United States passed a law in 1977, the Foreign Corrupt Practices Act (FCPA), which helped curtail corruption internationally. The law prohibits any U.S. or foreign company listed on the American stock exchanges from bribing foreign officials to help obtain or retain business. The FCPA can apply to prohibited conduct by publicly traded companies or their employees, stockholders and agents anywhere in the world. Since the law was passed, numerous companies have faced criminal prosecution

Even the smallest company covers the cost of bribery by increasing what customers pay. Higher prices are the hidden "tax" of corruption.

Anti-Corruption_The Global Fight_English.indd 11 5/22/18 2:58 PM

and paid significant fines. Executives also have been prosecuted and sent to prison for breaking this law.

Similar anti-corruption legislation—such as the United Kingdom Bribery Act and the Canadian Corruption of Foreign Public Officials Act—has been passed around the world. Enforcement of anti-bribery laws has occurred in countries as diverse as Norway, South Korea, England, Israel and Australia, and the trend is increasing worldwide.

LAWS LIKE THESE NOT ONLY GIVE MULTINATIONAL CORPORATIONS AND THEIR EXECUTIVES INCENTIVE TO AVOID CORRUPTION AND BRIBERY, BUT THEY ALSO HELP SMALLER SUBSIDIARIES AND NATIONAL PARTNERS OF THOSE COMPANIES RESIST THE DEMANDS OF CORRUPT OFFICIALS IN THE NATIONS WHERE THEY DO BUSINESS.

Many corporations have created compliance and ethics systems covering their subsidiaries and their national partners, and they rigorously enforce those rules for employees and subcontractors.

As a result, many corporations have created compliance and ethics systems covering themselves, their subsidiaries and their national partners. They rigorously enforce these rules for employees and subcontractors in countries where they operate. Some companies require subcontractors to agree to surprise audits and investigations. If evidence of bribery is discovered, subcontractors may be subject to nonpayment or reporting crimes to national authorities for violations.

Similarly, partnerships between large corporations and smaller businesses can empower small companies to refuse demands for bribes.

In addition, several international bodies such as the OECD have adopted multilateral agreements to crack down on corruption. Coordination of national government agencies with global anti-corruption organizations has facilitated prosecutions of corrupt individuals and businesses.

BUSINESS ASSOCIATIONS FIGHT CORRUPTION

Several studies have shown the effectiveness of business associations in resisting corruption. Successful associations are found in Eastern Europe, Southeast Asia and Latin America.

Collective action organized by region or business sector works well when firms agree to common standards and a common code of business conduct. This unified action allows businesses to more effectively resist demands for bribes or illicit services. By coordinating

Anti-Corruption_The Global Fight_English.indd 12 5/22/18 2:58 PM

40+

years since the Foreign Corrupt Practices Act helped boost global anti-corruption efforts

Medium and large companies should perform internal audits to discover and halt corruption by management or staff.

anti-corruption efforts, business groups become platforms to discuss and resolve problems.

The head of the association—usually not a member of any of the firms in the organization—can testify before national legislatures or local councils and represent the group in judicial or other tribunals. The head can collect, organize and channel data to the businesses he or she represents, sympathetic officials and the media.

Trade chambers or other local business networks can be effective anti-corruption tools. Because they represent many diverse members of the private sector, they are better able to address government-wide or societal corruption. They are also better able to isolate a corrupt company and prevent it from doing harm.

THEY CAN BE STRONG ADVOCATES FOR PREVENTING BRIBERY, INFLUENCE-PEDDLING AND NEPOTISM FROM CRIPPLING THE ECONOMY.

Globally, some trade chambers have established formal partnerships with national anti-corruption bodies. One example was the formal agreement [2013–2016] between the then Jordanian Anti-Corruption Commission and the American Chamber of Commerce in Jordan. They held joint workshops and training sessions, as well as provided confidential advice to businesses. In those cases, they became the eyes and ears for officials who were dedicated to attacking corruption.

Above, a Narita International Airport executive is arrested at the airport near Tokyo in July 2017 on suspicion of accepting a bribe.

Anti-Corruption_The Global Fight_English.indd 13 5/22/18 2:58 PM

2

Terrorism and corruption

At first thought, terrorism and corruption—or terrorism and organized crime—appear unrelated. How are they connected?
For our purposes, terrorism is defined as "the use of violence or the threat of violence, especially against civilians, in the pursuit of political goals."

In some cases it would be difficult for terrorists to succeed in their violent acts without corruption. Bribery and fraud can provide opportunities for terrorists to obtain the resources necessary to achieve their violent extremist goals.

Corruption can create the conditions that lead some people to embrace terrorism because it destroys faith in government agencies. When people are repeatedly

"Corruption creates a fertile ground for organized criminal activities, even terrorism, as criminals are aided...by the complicity of corrupt public officials."
—INTERPOL

Anti-Corruption_The Global Fight_English.indd 15 5/22/18 2:58 PM

exploited by corrupt officials, they feel the system is rigged against them, and they are more likely to see terrorists as a force against the corrupt government. Corruption-related grievances can be a factor in radicalizing individuals to the point of violence.

FEEDING TERRORISM

For terrorist networks to flourish, they must have resources like money, food and transportation. In order to obtain them, some terrorist organizations must have something of value to exchange. Typically, they try to control or tax high-value items or trade routes. Legal or illicit goods, drugs and oil are products that have been trafficked or taxed by terrorists to obtain financing.

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TERRORISTS ALSO OBTAIN FUNDING THROUGH FINANCIAL TRANSACTIONS, "LAUNDERING" MONEY SO IT CANNOT BE TRACED BACK TO THEM.

Some countries have not fully implemented regulations and oversight of their financial institutions and charities, allowing terrorists to abuse and corrupt the financial sector.

WHAT CAN BE DONE?

Because financing is the greatest vulnerability of many terrorist networks, citizens should insist on effective efforts to block violent extremists from securing funds in their countries. The United Nations Convention against Corruption recommends that each country have a Financial Intelligence Unit (FIU). These units go by many names, but they all have the power to analyze suspicious transfers of money. In several countries, financial institutions are required to send the FIU Suspicious Transaction Reports and other information regarding transactions exceeding a specified amount (10,000 euros in the EU, for example). Armed with this knowledge, the FIU can request further information from financial institutions and work with other government agencies to investigate the suspicious activity.

The eradication of conflict diamonds—sometimes called "blood diamonds"—is a good example of how FIUs stopped monies flowing to terrorists. Throughout Africa in the 1990s, warlords and terrorists sold rough diamonds to fund their activities to overthrow legitimate governments. A rough diamond is one that has not been polished or cut into a gem.

In response, governments, civil society organizations and the international jewelry industry united around measures to combat the sale of these conflict diamonds. In 2003,

Anti-Corruption_The Global Fight_English.indd 16 5/22/18 2:58 PM

the Kimberley Process was created to stem the flow of conflict diamonds into legitimate trade. Today, there are 81 member states.

It is illegal to import or export rough diamonds without being a member of the process. A Kimberley Process Certificate (KPC) must be attached to every rough diamond shipment. The KPC vouches for the origin of the rough diamonds in the shipment, guaranteeing they are not conflict diamonds.

The United States underscored its commitment to this process by passing the Clean Diamond Trade Act in 2003, defining a conflict diamond as one whose sale finances a rebel movement or its allies' efforts to undermine legitimate governments. Although an illicit conflict diamond trade may persist, the coordinated international action limited this as a financial resource for terrorism.

International certification allows consumers to more easily verify that their jeweler only uses certified conflict-free gems. Some jewelers and gem supply companies have committed to selling only ethically sourced diamonds.

Stanching the flow of illicit money to extremists is one way citizens can be actively involved in preventing terrorism. At the most basic level, ensure that your contributions to organizations or charities are not being diverted to terrorist causes. Ask how the money is used. Demand transparency from banks in their business dealings. Work with civil society organizations to demand annual reports from your country's Financial Intelligence Unit. Support efforts to prevent corruption within your own country's government.

Above, men sift soil searching for diamonds at a mine in Sierra Leone in 2000. Rebels fighting brutal civil wars in Africa were funded by "blood diamonds."

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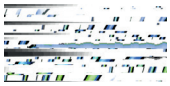

Civil society's importance in fighting corruption

Over the past two centuries, civil society organizations (CSOs) have driven much societal change. CSOs are groups of citizens who organize because they want to change a law, a policy or an institution.

CSOs have played an especially critical role in fighting corruption over the past two decades. They have helped identify issues, reported examples of corruption, pushed for new laws and institutions and identified corrupt government officials.

For many organizations like the United Nations, the World Bank or the Organisation for Economic Co-operation and Development, civil society is an invaluable partner. In the area of corruption, CSOs' input—including

"Successful anti-corruption efforts are often led by...politicians and senior government officials, the private sector, and by citizens, communities, and civil society organizations."
—THE WORLD BANK

Anti-Corruption_The Global Fight_English.indd 19 5/22/18 2:58 PM

viewpoints from well-informed citizens—helps inform government policy.

THE ROLE OF CIVIL SOCIETY ORGANIZATIONS

POLITICAL WILL

Nothing happens in government without political will. A commonly accepted definition of political will is "committed support among key decision-makers for finding policy solutions to a particular problem." Political will makes solutions to issues like corruption easier to solve.

CORRUPTION WAS NOT RECOGNIZED AS A MAJOR INTERNATIONAL ISSUE UNTIL CIVIL SOCIETY GROUPS SUCH AS TRANSPARENCY INTERNATIONAL RAISED IT ON THE INTERNATIONAL AGENDA.

Transparency International was created in 1993 with the sole purpose of combating corruption. It is perhaps the best-known anti-corruption advocacy organization, with dozens of chapters around the world. Global Witness is another effective CSO that has campaigned against corruption since 1995, using undercover investigations and financial research to expose corruption. The International Budget Partnership and the Global Organization of Parliamentarians Against Corruption are just two of many organizations that offer tools and international networks to support good governance and fight corruption. The success of such groups in bringing change is a testament to the power of civil society.

MOBILIZING CITIZENS

In some parts of the world, corruption is so pervasive that citizens see it as a normal part of life. For example, the police officer who demands payment from a sidewalk vendor who wants to continue to sell in that spot; the nurse who has her hand out before she will let parents see their newborn baby; the teacher who insists on tutor payments before giving your child a passing grade—these are the faces of corruption.

Civil society is at its best when it mobilizes citizens to respond to such illicit demands. CSOs can change people's attitudes from tolerance of corruption to condemnation of it. These organizations use a variety of tools. They educate people about the costs of corruption and how to recognize it. They advise on how to take effective action against corruption through petitions, boycotts of corrupt businesses and media campaigns. They make citizens part of the solution instead of passive victims.

In India, a very creative CSO called 5th Pillar produced a zero-value note for citizens to give to officials asking for a bribe. On the bill is a picture of Indian independence leader Mahatma Gandhi with the words "I promise to neither

Opposite, top, Tunisian demonstrators raise their voices against corruption in the country's capital, Tunis, in 2017. Bottom, protesters turned out in New Delhi to support anti-corruption activist Anna Hazare. His arrest in 2011 prompted demonstrations across India.

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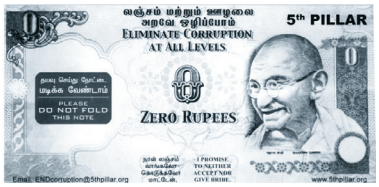

3,000,000+

zero-rupee notes have been distributed by an anti-bribery group in India since 2007

accept nor give bribe." The CSO has distributed more than 3 million zero-rupee notes throughout India since 2007.

WATCHING THE WATCHDOGS

Individuals, media outlets and civil society organizations can ensure that anti-corruption organizations are accountable. They can also organize to protect anti-corruption organizations, should government officials attack them. For example, Latvia's free press played a significant role in keeping people informed. In 2007, Latvia's government relented after tens of thousands of Latvians protested an effort to dissolve that nation's anti-corruption agency. The agency remains effective today.

CSOs usually work outside the government, but in some nations they have a more formal role. In Tunisia, CSOs meet regularly with the anti-corruption authority. The national anti-corruption strategy plan calls for funding independent anti-corruption CSOs.

Unfortunately, too many governments see CSOs as enemies. Officials try to quash them by concealing information, denying access to government meetings or accusing them of having foreign support. Governments have passed laws that limit peaceful assembly of groups.

Anti-Corruption_The Global Fight_English.indd 21 5/22/18 2:58 PM

Such actions indicate that government officials are not seriously opposed to corruption, either out of fear for their jobs or because they are corrupt themselves.

Countries whose governments provide a legitimate role for CSOs in promoting transparency are the countries with the greatest success in fighting corruption.

IDENTIFYING THE CORRUPT

Successful CSOs can also use their nongovernment status to detect and identify corrupt officials. One successful mechanism is the "lifestyle check." The CSO sends its members out into the community to see whether officials are living above their means. Of course, an official might be independently wealthy, but this is rare in most countries.

For example, the Ombudsman of the Philippines used civil society organizations to monitor lifestyles for signs of corrupt gains. In one case, a CSO investigator, tasked by the ombudsman, simply drove up to a government official's house. The official's annual salary was less than 10,000 U.S. dollars equivalent, yet he lived in a mansion with a swimming pool and two Mercedes-Benzes in the driveway. With the information provided by the CSO, the official ultimately received a three-year prison sentence.

An individual may only have a small voice, but together, groups of individuals can spark real change.

WHAT CAN BE DONE?

Many people feel they have little power. Who are we to challenge the government—even if we must deal with corruption every day? That is the genius of "collective action." An individual may only have a small voice, but together, groups of individuals can spark real change. CSOs are one vehicle for collective action, and they are shaping how governments deal with corruption.

Corruption was not considered to be an international priority until recent decades. In 2014, the UNDP introduced the Global Anti-corruption Initiative 2014–2017. Fighting corruption became a major target of the Sustainable Development Goals, which replaced the Millennium Development Goals that expired in 2015. The U.N. and many multilateral organizations now fund anti-corruption initiatives, often in partnership with CSOs. The Open Government Partnership is one of the organizations on the front lines of anti-corruption efforts.

Governments and civil society groups together develop national action plans with specific commitments that promote transparency and empower citizens.

So the question comes back to you: What are you doing? Are there anti-corruption organizations working in your country or region? How can you help them? If they don't exist or are ineffective, begin one yourself. Speak to friends and neighbors. Organize to fight corrupt acts that deny you and your children basic needs and opportunities for a better life.

Anti-Corruption_The Global Fight_English.indd 22 5/22/18 2:58 PM

Top, people's protests helped preserve government anti-corruption protections in Latvia. Bottom, fake euros litter the ground after protests against government corruption.

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produced in
the string to the o
the first telephone

4

Investigative journalism and corruption

A free and independent press—newspapers, magazines, television—serves many important functions in a healthy society. While journalists report the news, investigative journalists can look into and expose incidences of corruption. By doing so, and by publicizing information about corrupt individuals, they help prevent future corruption as well.

In most countries, journalists are the first line in detecting corruption. Contrary to popular belief, most corruption investigations begin with a news story, not with a government investigator. Prosecutors and anti-corruption agencies follow media reports daily. Then they corroborate information by doing their own investigations, developing facts that will allow

"The media play a vital role in scrutinizing government performance, ensuring transparency, and holding public officials accountable."

—FREEDOM HOUSE

Anti-Corruption_The Global Fight_English.indd 25 5/22/18 2:58 PM

±500

journalists have been forced into exile in the last 10 years

prosecution or removal of corrupt officials from office.

For this reason, it is important for the media and government anti-corruption officials to have a good working relationship. Strong mutual respect for each other's roles is a key element in successfully controlling corruption.

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With more governments putting data online, journalists have a powerful new tool to identify illicit schemes. But many countries allow free registration of companies no matter where they are located. The data only include the name of the company, and too often these are "shell companies" whose only purpose is to launder funds. Worse, these companies are not forced to identify those who benefit from them.

CORRUPT POLITICIANS AND BUSINESSES, DRUG LORDS, TERRORISTS AND ORGANIZED CRIME FIGURES USE THESE "IN NAME ONLY" COMPANIES TO RENDER MONEY UNTRACEABLE BACK TO ITS ACTUAL OWNERS.

Although investigative journalism might seem exciting and adventurous, it is one of the most dangerous professions in the world. According to the Committee to Protect Journalists, more than 1,200 reporters have been killed and more than 6,000 imprisoned in the last 25 years, and almost 500 have been forced into exile in the last 10 years. Most of these investigative reporters were looking into corruption. Many murders or "disappearances" go unsolved.

THESE STATISTICS ARE SO TROUBLING THAT THE UNITED NATIONS HAS URGED ACTION TO PROTECT REPORTERS.

INVESTIGATIVE REPORTING SUCCESS STORIES

Despite the danger, investigative journalists have uncovered major stories about corruption all over the world. They have been successful in democracies as well as autocracies. A few cases where investigative reporters have exposed corruption follow.

Anti-Corruption_The Global Fight_English.indd 26 5/22/18 2:58 PM

6,000+

reporters have been imprisoned in the last 25 years

"Corruption is one of the most dangerous beats for journalists, and one of the most important for holding those in power to account."

—COMMITTEE TO PROTECT JOURNALISTS

Above, more than 20,000 people protested against Moldovan government corruption in 2015 after $1.5 billion disappeared from the national bank.

DATELINE: MOLDOVA

Chisinau, Moldova

Due to an investigative journalist's report, citizens found that more than the equivalent of a billion U.S. dollars had been stolen from the National Bank of Moldova. Corrupt politicians and organized crime members had stolen from the bank to enrich themselves as well as to buy off judges and law enforcement officers. In 2015, thousands of people came out into the streets, chanting "Bring our billion back!" and demanding the resignation of all members of the government and parliament. As a result, numerous court cases were filed and officials arrested.

DATELINE: UGANDA

Kampala, Uganda

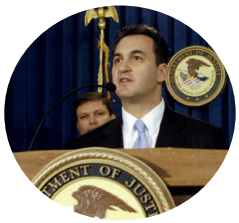
Investigative journalists uncovered a court system akin to a marketplace where justice was on sale, with the higher bidders standing a better chance of favorable court decisions. The journalists went undercover with the help of litigants and a team of local journalists, discovering that the crime was being perpetrated by a web of police and judicial officers, all out for profit in the guise of justice.

DATELINE: CHILE

Santiago, Chile

Between 2010 and 2014, "CONMEBOL [the South American Football Confederation] was defrauded of more than $140 million," its president, Alejandro Domínguez, told an investigative reporter after unveiling the findings of an external audit at the confederation's congress. It lost the money to graft under former managers indicted in a U.S. corruption investigation.

Anti-Corruption_The Global Fight_English.indd 27 5/22/18 2:58 PM



Michael J. Garcia, now a judge in the New York State Court of Appeals, was United States Attorney when he announced the indictment of senior Azerbaijan government officials for bribery under the Foreign Corrupt Practices Act in 2005.

DATELINE: UNITED STATES

New York City, USA

The *New York Daily News* exposed a group of corrupt police officers granting gun licenses without background checks in return for bribes, lavish vacations and other gifts from "expediters" who charged customers fees. The scam continued from 2010 to 2016 and pervaded the licensing division, even senior staff. At least 100 gun licenses have since been revoked and the License Division supervisory staff replaced. Several individuals involved in the scheme have been arrested and charged, and one already sentenced to nearly three years in jail.

WHAT CAN BE DONE?

Supporting and protecting investigative journalists and distinguishing between quality investigative journalism and mere rumormongering are among the most important things citizens can do to combat corruption.

AS AN INFORMATION CONSUMER, FIRST AND FOREMOST, DO NOT TAKE ONE SOURCE—RADIO OR TELEVISION, NEWSPAPER OR WEBSITE—AS YOUR ONLY FOUNDATION OF INFORMATION.

STORIES TAKE ON DIFFERENT DIMENSIONS AS VARIOUS JOURNALISTS REPORT ON THEM. BE AN EDUCATED CONSUMER OF NEWS.

Support the professional training of journalists in your country. There are a number of countries with no journalism degrees offered in their universities. Effective education and training is the key to professionalism.

Avoid those who simply spread rumors. Good investigative journalists are careful about whom they listen to and always seek corroboration. Rumormongers are not investigative journalists, no matter how interesting their "reports."

Investigative journalists need to be protected. Several online-accessible organizations work to protect reporters, such as the Committee to Protect Journalists [https://cpj.org/reports/2012/04/organized-crime-and-corruption.php] and the Office of the Council of Europe Commissioner for Human Rights [https://rm.coe.int/16806daac6]. In 2016, the Organized Crime and Corruption Reporting Project partnered with Transparency International and the Global Anti-Corruption Consortium to address global corruption through journalism, developing a global investigative platform for data, information, collaborative tools and services to connect journalists across the world—and give advocacy groups and government agencies

Anti-Corruption_The Global Fight_English.indd 28 5/22/18 2:58 PM

Top, corruption occurs in sports, also. CONMEBOL, the South American Football Confederation, was victimized by fraud perpetrated by its employees between 2010 and 2014. Bottom, press freedom is crucial in preventing corruption, one reason why people—like these in Bandung, Indonesia—rally to support it on World Press Freedom Day.

Anti-Corruption_The Global Fight_English.indd 29 5/22/18 2:58 PM

better access to data. USAID and the U.S. State Department are among funders of the project.

What laws in your country protect journalists? Does your government arrest or exile journalists? Have people been killed in your country for exposing corruption? Are there organizations you can join to protect journalists and to ensure their access to information?

CONCLUSION

Few, if any, would argue that corruption is beneficial for society. Yet for many years corruption was tolerated. People's attitudes change. More and more, citizens see the costs and want to do something about it.

CIVIL SOCIETY ORGANIZATIONS AND INVESTIGATIVE JOURNALISTS HAVE PLAYED IMPORTANT ROLES IN RAISING GLOBAL AWARENESS ABOUT CORRUPTION.

Honest government officials have done a great deal as well. The relatively new anti-corruption agencies are becoming more effective. And, globally, corrupt people are finding it harder to hide their illegal transactions.

This publication has shown how corruption comes about and how citizens, businesses and entire economies become its victims. It has shown how corruption can help terrorists achieve their goals. Terrorist cells feed on the discontent corruption creates and use resources gained through corruption to buy the weapons and other tools they use to sow terror.

Corruption appears in other places, too. Many countries see it in their health care systems and education programs, in law enforcement and in tax collection. Every part of government and business is vulnerable to corruption.

IT IS LIKELY THAT WE WILL NEVER COMPLETELY ELIMINATE CORRUPTION. BUT COUNTRIES CAN CREATE SAFEGUARDS AND LAWS AGAINST IT SO IT HAS THE LEAST AMOUNT OF IMPACT ON THE DAILY LIVES OF CITIZENS. THIS IS THE ULTIMATE GOAL.

The question is: What will you do to help achieve that goal? ⊕

Organizations such as the Committee to Protect Journalists and the Office of the Council of Europe Commissioner for Human Rights work to protect reporters.

Anti-Corruption_The Global Fight_English.indd 30 5/22/18 2:58 PM

THE FOREIGN CORRUPT PRACTICES ACT

International efforts are reducing the amount of corrupt business conducted. Forty years ago, the U.S. government passed the Foreign Corrupt Practices Act. Other countries passed similar laws. Enforcement has strengthened as countries unified to fight corruption.

In 2016, the U.S. Department of Justice resolved the largest foreign bribery case in history when it and several other countries reached a $3.5 billion settlement in a corruption case: Odebrecht S.A., a global construction conglomerate based in Brazil, and Braskem S.A., a Brazilian petrochemical company, pleaded guilty to bribery charges.

According to the Department of Justice, the companies agreed to pay at least $3.5 billion "to resolve charges with authorities in the United States, Brazil and Switzerland."

Then-Department of Justice Deputy Assistant Attorney General Sung-Hee Suh said Odebrecht ran what amounted to a hidden "Department of Bribery" as part of their business, funneling millions to corrupt government officials. She added, "Such brazen wrongdoing calls for a strong response from law enforcement, and through a strong effort with our colleagues in Brazil and Switzerland, we have seen just that."

Since 2001, Odebrecht had paid approximately $788 million in bribes to government officials and political parties in Brazil and in 11 other countries to win business contracts. Bribes were paid through a complex network of shell companies, offshore bank accounts and off-book transactions. Global financial systems, including those in the United States, were used to hide the crimes.

The payoffs brought Odebrecht and Braskem contracts for around 100 projects, many of them to build public infrastructure. The companies' senior management, including former conglomerate head Marcelo Odebrecht, authorized the payoffs. Odebrecht was sentenced to a 19-year jail term in Brazil for his role in the scheme.

"THIS CASE ILLUSTRATES THE IMPORTANCE OF OUR PARTNERSHIPS AND THE DEDICATED PERSONNEL WHO WORK TO BRING TO JUSTICE THOSE WHO ARE MOTIVATED BY GREED AND ACT IN THEIR OWN BEST INTEREST,"

said FBI Assistant Director Stephen Richardson when the settlement was announced. Countries unified in targeting corruption can achieve results that hold criminals to account and deter others from launching similar schemes.

Anti-Corruption_The Global Fight_English.indd 31 5/22/18 2:58 PM

SPOTLIGHT

IWATCH

IWATCH is a Tunisian transparency and anti-corruption civil society organization. It has been instrumental in uncovering corrupt acts and forcing the Tunisian government to provide more information about how it functions, including transparency of tenders and contracts.

IWATCH has offices in five major cities in Tunisia. It is a critical instrument to strengthen democracy in the country.

TO THE SURPRISE OF MANY, IWATCH IS PRIMARILY A YOUTH-RUN ORGANIZATION. MOST OF ITS MEMBERS ARE UNDER 30 YEARS OF AGE AND ARE UNAFRAID TO CHALLENGE TRADITIONAL POWER AND TRADITIONAL WAYS OF DOING THINGS.

The projects they have undertaken reflect this. They continuously monitor election financing, illegal business influence, government expenditures and the lifestyles of government officials. They have a separate webpage and activities for youth in elementary and secondary schools. They are active on social media.

IWATCH also has made an impact on other countries in the Middle East. In 2014, as the local partner of Transparency International, IWATCH inaugurated a regional anti-corruption School on Integrity. Located just outside of Tunis, the school brings young people from such countries as Iraq, Lebanon, Egypt, Syria, Yemen, Morocco and Tunisia to an intensive summer school program.

Taught by experts, courses focus on how to use social media, anti-corruption investigative tools and communication skills in working with the media. At the end of the program, each student is expected to suggest ideas that IWATCH can potentially fund.

CIVIL SOCIETY ORGANIZATIONS ARE NOT ONLY AN "EXPERIENCED" PERSON'S GAME. THEY ALLOW CITIZENS OF BOTH GENDERS AND ALL AGES AND BACKGROUNDS TO HAVE A DIRECT IMPACT ON THEIR GOVERNMENT AND ON THEIR LIVES.

Anti-Corruption_The Global Fight_English.indd 32 5/22/18 2:58 PM

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United States Department of State

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