

## Final Workshop report

### **Title of Plenary:**

Corruption, Peace and Security

### **Moderator**

Jose Ugaz, Benites, Forno & Ugaz Law Firm (Peru)

### **Rapporteur**

Rebecca Dobson, Transparency International Secretariat, Berlin

### **Panellists**

HAH Bartholomew Ecumenical Patriarch

Irene Khan, Secretary General, Amnesty International

Mark Pieth, Professor, Basel University, Chairman of the OECD Working Group on Bribery in International Business Transactions

Nikos Passas Professor, Northeastern University College of Criminal Justice

Rodolfo Stavenhagen, Former UN Special Rapporteur on the Human Rights and Fundamental Freedoms of Indigenous Peoples

Siim Kallas, Vice President European Commission

### **Summary**

As the first Plenary Session of the 13<sup>th</sup> IACC, Corruption, Peace and Security marked out the territory for the following four days and provided a solid foundation for the subsequent workshops in the same thematic stream.

With a broad base of panellists, ranging from an Ecumenical Patriarch to the Secretary General of Amnesty International a wide range of themes was discussed. The overarching argument, however, whether talking about the role of the church or corruption's contribution to heightening global insecurity, was the need for the anti-corruption movement to draw strength from its allies.

It was clear from the panellists that corruption is a cross-cutting issue that affects the whole spectrum of human society. The knock-on effects of corruption have serious human rights implications, where the most vulnerable people – be they those that suffer conflict due to the competition in the extractive industries or experience corruption-induced inequality as indigenous populations – suffer the most.

While the plenary also touched on aspects of international law and regulations and the importance of these in tackling corruption for the good of peace and human security, the main force of the arguments was the need to align and coordinate activities, so that the anti-corruption movement can go forward in a holistic fashion. In confirmation of this necessity, Irene Khan's commitment to forge effective partnerships between the anti-corruption and human rights movements was met with a round of applause.

## Summary of presentations

### **Jose Ugaz:**

As the moderator of the session, Jose Ugaz introduced some of the themes that would be covered in during the session. In particular, he was clear in emphasising the direct human consequences of corruption at the grass-roots and the obvious linkages between poor governance, poverty and human rights: 'Corruption kills and injures people and of course, seriously violates our human rights.'

### **HAH Bartholomew Ecumenical Patriarch:**

In a fitting beginning to the 13<sup>th</sup> IACC the first discussion was on morality and its relationship to the fight against corruption.

Corruption was recognised as a human failing, related to greed and as such, corruption is a phenomenon that inflicts all layers of society. As a solution, therefore, not only do laws need to be changed, but the morals on which society works. As an active part of society, the church has a role to play in this reorientation of morality.

The patriarch acknowledged the difference between corruption in developing and developed countries, in terms of the motivation towards corrupt practices. In particular the concept of self-sufficiency and individualism was seen as a philosophy of the modern world at odds with the teachings of the church which emphasise the good of the community. The reorientation of society to this end and emphasising the interdependence of people's needs would be a way to curb corruption. The role of the church assisting in the fight against corruption was emphasised as crucial and the acknowledgement of such an important church leader to this ideal was important in aligning the aims of the anti-corruption movement with wider societal needs.

### **Nikos Passas Professor, Northeastern University College of Criminal Justice:**

Passas acknowledged that corruption is not just a crime it is at the core of societal problems at the heart of the rule of law and society. There are three main ways that corruption affects peace and security:

- It fuels militancy and creates an environment where people feel compelled to take up arms. It can also have implications in reconstruction efforts when funds are diverted from where they are needed post-conflict.
- It facilitates terrorism (assisting terrorists to cross borders and board planes, for example, on payment of a bribe). There is also the problem of illegal enterprises funding militant causes.
- It is an enabling mechanism for allowing sanctioning and embargo violations as well as enabling the illegal trade in humans and drugs.

The example of human trafficking was taken up as an example. First of all corruption contributes to the vulnerability of the victims, creating inequalities and eroding the justice system. This inequality makes it more likely that people will fall victim to false promises of the traffickers. Corruption also leads certain officials to turn a blind eye to the trade, for example the police, the judiciary or those who issue documents for traffickers to cross borders, which allows it to flourish with immunity. Finally, corruption feeds the demand for the kind of services trafficking provides.

### **Mark Pieth, Professor, Basel University, Chairman of the OECD Working Group on Bribery in International Business Transactions**

This presentation took the position of looking at corruption as one of the forces that prolongs the agony of colonisation to the present day. As industrialised nations and those in



transition compete for resources they do not play fair and as such use bribes, campaign contributions, or unconditioned loans in order to secure the resources they need.

Such payments often go to leaders who are ruling over countries with an unequal distribution of resources and wealth, contributing to increased inequality. As a consequence corruption and the inequality it perpetuates are often the source of strikes and civil war.

Turning to the question of what can be done; Pieth highlighted the importance of international conventions. In particular the UNCAC and the OECD Convention. The challenge now, however, is to ensure that they are implemented. The particular role of the OECD was expanded upon.

The OECD has an important role as its constituents account for 60 per cent of exports and about 90 per cent of direct foreign investment. The danger here is that the 'club of the rich' pay bribes in order to win contracts and licenses abroad including the access to primary goods in the developing world. The OECD has established a rigorous monitoring system for the OECD Convention that deals with transnational bribery. This allows it to address even its economically and politically most powerful members in a very undiplomatic, very straight forward manner. It can criticise countries' efficiency in terms of law making, law enforcement, as well as weaknesses in awareness-raising.

In a recent case the OECD heavily criticised a country for its implementation of the OECD, which can have an impact on the level of trust placed in all companies from that country. In this way the OECD can assist in reducing bribery overseas. With less corruption there should be more funds available to promote democracy and development.

As such the OECD Convention is one part of a very complex puzzle, but it can encourage us that change is actually possible even when powerful players are involved.

**Irene Khan, Secretary General, Amnesty International**

This presentation emphasised the relationship between human rights and corruption. Indeed it emphasises that if TI and AI were to compare notes they would probably find a lot of correlation between those countries with poor human rights records and high levels of corruption.

Khan suggested a broader conception of security, encompassing the broad range of costs that individuals have to pay for corruption. As such, peace and security is about freedom from fear and fear is not just about violence.

The presentation then went on to discuss the ways in which corruption 'feeds fear and kills hope'. Corruption can create inequality, by destroying systems of justice and peoples' confidence in systems of justice and some political violence. Examples include Zimbabwe and Bangladesh where corruption can lead to massive violence due to the sense of injustice that it breeds. The tolerance of corruption in peace and security processes is therefore intolerable, so as the international community turns a blind eye to corrupt regimes they continue to perpetuate instability.

The collaboration between the human rights and anti-corruption movement was therefore advocated. Corruption was regarded as a major human rights violation as well as human rights being considered an important tool for fighting corruption. Freedom of expression, freedom of association and freedom of assembly are essential rights that allow people to stand up and fight corruption. In the same way, it is important for the anti-corruption movement to adhere to human rights standards: when corrupt officials are caught it is important that they are provided with a fair trial in line with human rights standards. The human rights framework is also integral to the anti-corruption movement; there is a whole



vault of human rights legislation and obligations that can be used to support the cause.

Human rights also brings a focus on individuals, which could help the anti-corruption movement in that empowered citizens who know their rights can be more effective at holding their governments to account.

**Rodolfo Stavenhagen, Former UN Special Rapporteur on the Human Rights and Fundamental Freedoms of Indigenous Peoples**

In his capacity as the UN Special Rapporteur for the rights and freedoms of indigenous people, Stavenhagen's presentation followed on well from the insights brought previously by Irene Khan. As some of the most ignored and forgotten sector of the human population, indigenous people are often disproportionately affected by corruption and their human rights are violated.

Indigenous populations consist of between 400 and 500 million people. As some of the poorest and most marginalised people they have struggled to have their rights recognised. The first right they had to struggle for was to be recognised as a group. The United Nations declaration on the rights of indigenous people was adopted by the General Assembly only last year, September of 2007 and recently some countries have made constitutional and legislative reforms finally recognising the rights of indigenous people.

The rights of indigenous people can be summarised as relating to:

- Land and resources
- Traditional knowledge and intellectual property
- The delivery of appropriate social services

As such there are a number of processes that indigenous people are involved in and can fall victim to, particularly as they tend to inhabit regions that countries wish to develop and as such suffer from the development in terms of pollution, loss of livelihoods and culture etc. This in turn can lead to violence, which is very often associated with illicit economic activity, drug trafficking, human trafficking and resistance movements forming within the indigenous populations. These are in turn criminalised by the justice systems and governments of the dominant society. Leading to a whole cycle of insecurity. Being part of such systems, indigenous people suffer from the effects of corruption and have done so since their first contact with European explorers in the 16 Century.

While this is the kind of top down corruption that one encounters, there is also a bottom up corruption that should be acknowledged. This is in the form of survival corruption that indigenous populations take on as a way to survive. This kind of corruption is embedded in the way in which indigenous populations interact with their wider community. As such indigenous people are corrupted on a daily basis by the officials that they come into contact with.

The solution to this is to recognise indigenous communities and promote what is called 'development with identity'. This would include the participation of indigenous groups in decision-making.

**Siim Kallas, Vice President European Commission**

This presentation emphasised the global nature of corruption requiring a global response. The role of the European Union in promoting security and stability was also highlighted. In 2007 the European Union gave considerable funds on aid: 47 billion for structural aid, 47 billion for agricultural aid and 10 billion for humanitarian aid. This is an enormous task to secure the distribution of funds without corruption. This is important as where funds are not fairly distributed this can lead to insecurity.

Therefore there are many rules on the allocation of funds from the European Union. There are



a number of institutions dealing with the enforcement of these rules including different auditing services.

Taking corruption cases to court is difficult, as it takes a lot of time and evidence is often lacking. Therefore, rules and enforcement are not enough and a proactive stand has been taken to avoid corruption. In 2005 the European Transparency Initiative was launched and in 2006 an important decision was made by the European Council to make information about the beneficiaries of European Funds public. In October 2008, a website was opened detailing the financing of all projects, directly financed of European budget. In addition, by the end of 2008 all member states should have a website providing information about the recipients of structural funds. In 2009 there will be a website that will provide all this information for the whole of Europe. There has also been a register set up for lobbyists and there has been some work done on ethics.

### **Main Outputs**

The plenary formed a firm foundation for the subsequent workshops to discuss the issues raised.

The plenary emphasised both the moral and human dimensions of corruption as well as acknowledging the numerous and varied stakeholders and populations, including indigenous people who suffer disproportionately from corruption.

There was a discussion of the importance of international conventions and the role they can play in holding governments to account. Particularly the role of the OECD Convention in its outspoken comments about countries that do not implement the convention effectively. It was emphasised, however, that the emphasis now should be on implementing legislation. It was emphasised however, that as well as legal measures it is also important for large organisations, whose work has an impact on security situations, to ensure that corruption was prevented in their operations (e.g. when allocating funds).

The most forceful point put forward by the panellists was the need to align the anti-corruption movement with other organisation and groups working on similar issues. Forging alliances and recognising the linkages were considered paramount. For example, clear connections in aims between the human rights and anti-corruption movements were acknowledged. Furthermore, the utilisation of human rights legislation and norms was recognised as important to integrate into the work of anti-corruption activists.

### **Recommendations, Follow-up Actions**

Recommendations for follow up included recognising the specific needs of different groups and the way in which they may be disproportionately affected by corruption. The need to involve communities in a participatory way was also emphasised.

The role of the church in terms of reorienting society's morals to fight corruption was also highlighted. The strengthening of the implementation of international conventions was raised as a need for the future and the need to focus on corruption prevention.

Finally and crucially, the forging of alliances with organisations such as the church and the human rights movement was seen as crucial to ongoing success. To use these organisations as allies in the fight against corruption and make use of the norms and legislation of the human rights movement as a foundation for further work was also seen as important.



13<sup>th</sup> International  
Anti-Corruption Conference  
**IACC**

Global Transparency:  
fighting corruption for a sustainable future.  
Athens, Greece | 30 October - 2 November 2008

## Highlights

**Jose Ugaz:** Corruption kills and injures people and of course, seriously violates our human rights.

**Passas:** ...corruption is not just an offence and significant problem in itself, but it is a core problem, it is at the heart of governance, security, rule of law and all public policy...

**Pieth:** ...the role of the OECD is ... change at one end of a very complex puzzle, but I think what we can offer is we can encourage that change is actually possible even with very powerful players and I think that will definitely help to do much larger projects...

**Khan:** I think there is a very direct correlation between corruption and human rights, if TI and AI were to compare notes we would end up with the same top list of countries that have the higher equivalence of human rights abuses and also tend to have the highest problems in security and corruption.

**Khan:** I would say that there is a very direct relationship between human rights and the fight against corruption and there needs to be much greater collaboration between the two movements. Corruption is a major human rights violation, that is very clear, but human rights are also very important too for fighting corruption.

**Khan:** ...human rights offer a legal framework in the context of corruption. You have mentioned the UN convention against corruption, the OECD convention and so on, but there is a whole volt of human obligations that human rights instruments create for both state and non state actions.

**Stavnhagen:** So we have a whole cycle of insecurity. When we speak about security and insecurity indigenous people live in permanent and constant insecurity. Insecurity physical, environmental and of course social cultural and human insecurity and that is why indigenous people are the perennial victims of corruption...

**Kallas:** [The EU provides] ... a substantial amount of money and we have an enormous task which is carefully watched and carefully surveyed also to ensure and secure that it will be a distribution of this money, and without corruption.

**Kallas:** ...if you try to create security and stability in certain regions and if you contribute, if you give some money for the development in this region and this will be unfairly distributed, this definitely will produce opposite results, opposite consequences.

## Signed

Rebecca Dobson