

Plenary Short Report

Title of Plenary Session:

Corruption, Peace and Security

Panellists:

Gareth Evans, President Emeritus, International Crisis Group
Kunio Mikuriya, Secretary General of World Customs Organization
Geraldine Fraser Moleketi, Democratic Governance Practice Director, UNDP
Bill Hughes, Managing Director, Serious Organised Crime Agency (UK)
Ernesto Savona, Professor of Criminology, Università Cattolica, and Director of TRANSCRIME
Magdalena Sepulveda, Director of Research, International Council on Human Rights Policy
Salil Shetty, Secretary General, Amnesty International

Moderator:

Melinda Crane, Deutsche Welle

Rapporteur:

Craig Fagan, Senior Policy Coordinator, Transparency International

Summary (300 words)

The session sought to cast out the dynamic linkages among corruption, peace and security. Each panellist attempted to detail this relationship by looking at the sources and spread of conflict; human rights; poverty; organised crime networks; and cross-border trade. A special emphasis was placed on post-conflict countries and fragile states, which fall at the bottom of indices looking at corruption, development and human rights. While all countries are part of the problem and solutions for combating corruption to improve security and ensure peace, post-conflict countries and fragile states, such as the Democratic Republic of Congo and Somalia, also serve as potential triggers for future and more wide-reaching conflagrations. These countries are doubly challenged from beginning at a low base from which to rebuild and having to overcome entrenched problems, such as corruption, which predate and may have precipitated the conflict.

In this sense, addressing corruption is as much a question of addressing governance and the rule of law in a country. It also involves understanding how to find preventative remedies and appropriate sanctions that build a culture of transparency, accountability, participation and integrity. Tackling these different fronts means finding effective solutions that engage a broad set of stakeholders and which move beyond a narrow definition of governance as a matter reserved for institutions and elected officials.

The idea of strengthened partnerships reflects the need for a holistic and retooled approach of what solutions are viable and under what conditions – what might work in Afghanistan will not work in Mexico. Promoting the engagement of different actors is as relevant for combating poverty as it is for breaking up organised crime networks. The UN Convention against Corruption, as well as other regional-level agreements, provides the framework for this to happen, linking the demand and supply side of corruption and good governance.

Summary of presentations (300 words per panellist)

Gareth Evans

Mr. Evans discussed the link between corruption and conflict by looking at the four distinct ways that corruption impacts post-conflict countries and the peace of other nations:

1. Corruption is a **generator and facilitator** of civil conflict
 - Corrupt and unequal distribution of wealth can feed conflict, as seen in the countries of Nigeria, Sudan and Congo.
 - Corruption is also a facilitator of conflict. For example, corrupt transactions involving border smuggling feed conflict and renewed violence in post-conflict countries.
2. Corruption serves as an **inhibitor of post-conflict peace building**.
 - It is crucial to address underlying causes as “opportunities for dishonesty really multiply.”
3. There is a **strong relationship between corruption and terrorism**.
 - While statistically it might be hard to prove a correlation, it is known from practice that corruption is a facilitator of terrorism.
4. Corruption is a **facilitator of nuclear proliferation**.
 - Corruption is the critical ingredient for states as played out through weapons design, manufacturing and technology. “The illicit backdoor of corruption” allows for networks to take place. Illicit procurement transactions of a firm to provide materials or use of corruption to bypass or gain approval for a contract are just two examples.

Salil Shetty

Failed states can find the capacity to fight with neighbours or violate rights. The term “failed state” is quite elastic because they do take on a functions, many of which are destructive, based on a choice. This is completely a reflection of political will.

When one speaks of human rights violations, these are not a problem alone contained to failed states. For example, the Roma population in Europe illustrates how states have chosen not to respect human rights. Another example comes from India and the state of Orissa. While India is not considered a failed state, the indicators for poverty and respect for human rights in Orissa are at the level of those from Sub-Saharan Africa. And it is in Orissa where the local indigenous people suffer the worst abuses. This reality speaks to the general problem, as evident in the case of the Roma, of indigenous and ethnic groups suffering a more severe form of human rights violations as compared with other groups.

But there are remedies to this problem. Even in Orissa, a planned mine, which was to force the resettlement of local indigenous groups, has been put on hold and under closer review. Due to coalition work with Amnesty International, local organisations and progressive individuals in government, the resettlement and mine’s construction were stopped. This example proves the difference that people’s organisation can make.

Magdalena Sepulveda

There is a general exploitation of the poor. The question is how to strengthen rights and help the poorest? Don’t they need a minimum level of representation?

This question signals the importance of taking measures beyond policies that reach people living in poverty. To truly address structural discrimination (i.e. of ethnic minorities, indigenous groups, women, etc.), there must be positive measures that take into account asymmetries in power. Within poor communities there are those that are more powerful than others (even among the “poor”).

As such, there is a need to figure out how to reach the poor, who form the social group that has been the most affected by the global financial and economic crisis. An estimated 180 million people have fallen into poverty as a result of financial crisis.

More importantly, there is a need to understand that rising as well as entrenched poverty poses a real and serious security threat. There are now 1.4 billion living in poverty. This group provides the force for triggering a conflict and the human resources to continue and expand organised crime networks.

Bill Hughes

Corruption can allow organised crime to operate with impunity. What has been seen in post-conflict countries is that without the rule of law, organised crime steps in and provides their own form of rule of law.

Organised crime uses these countries to become safe havens to operate in, whether for money laundering or setting up off-shore operations.

What we can expect to see is only a proliferation of these problems as technologies and economies change. The estimation of a rapid growth of the Internet in Africa in the next years is a great innovation, but it will also offer greater opportunities for organised crime to expand and prosper.

The question that we must ask is how does law enforcement deal with countries where law enforcement institutions have been infiltrated, or there is no rule of law in which to operate.

The example of Jamaica shows that at the end of day, organised crime is not in business of implementing justice for people.

Kunio Mikuriya

The public perception that customs agencies are among the most susceptible to corruption raises the question of how to strengthen these institutions. Because of its visible role at border, customs is perceived as most vulnerable to corruption but in reality it reflects the society to where it belongs. Customs agencies play a critical role in facilitating trade and protecting society at borders. Yet the rise of counterfeiting of medicines and other essential goods, and the rise in the trade in illegal arms, suggest that steps need to be taken to strengthen the ability of customs agents to fulfil this role.

The World Customs Organization has recognised this as an important point. It has passed the Arusha Declaration which stipulates:

- The need for a moderate regulatory framework to prevent companies from flouting it and ensure that they respect it;
- The simplification of procedures to enhance efficiency and reduce interface between customs and business;
- Adequate human resources management.
- There is a need to provide decent work conditions and merit based promotion.

The implementation of all these three points needs to be done comprehensively and with strong leadership (and with support of business and civil society).

Ernesto Savona

There has been a general change in how organised crime is operating and the ways that it is facilitating conflict. Today, nobody speaks about Colombia but rather Mexico where 10.000 people have been killed.

On the other side, one has the silence where corruption comes together with fraud. Understanding organised crime means to understand the appropriate remedies. In terms of policy, there needs to be a better response to the risks that organised crime perceives as risk. This means that one can not use the same remedy for Mexico as you would for Italy since

ach network and country context is different.

The maritime piracy in Somalia provides a good example of how complicated defining a response can be. There is no risk when it comes to enforcement because there is none in Somalia. The international community does not know who is going to take action (example of ships' flagging). Yet it provides a clear example of the "corruption nexus" between organised crime and crime.

In this sense, one needs to understand how things adapt to risk and re-shape the remedies that are being proposed for breaking up corruption-fuelled organised crime networks.

Geraldine Fraser Moleketi

In looking for effective remedies to address the problems the other panellists have identified, there are very hard and true solutions yet (in part because of the uniqueness of each country context. We don't have all the effective remedies yet.

But there is one important tool in place – the UN Convention against Corruption (UNCAC). It is an instrument that allows for a huge opportunity globally. The UNCAC takes into account what are the broad global realities to ensure eradication of poverty, strengthening of democracy and other key goals. It is a convention that looks at institution strengthening, asset recovery, and other measures for preventions and sanctions.

UNDP knows that the review mechanism provides an opportunity for holding signatories to account for implementation of the convention. The public availability of the executive summary of a country's implementation of convention (through the proposed review mechanism) will help to highlight the most important issues and shortcomings of a country.

"UNDP has asked how to go beyond the minimum" when it comes to responses on anti-corruption and on the UNCAC. The organisation and the international community should make it what it should be.

Main Outputs (200 words, narrative form)

There was a general consensus that it was important to push on two fronts for change: at the level of governments and through the mobilization of citizens. One cannot do it alone without the other.

Such a change means understanding the linkages between corruption, peace and security (and its opposite, conflict) and addressing them through a holistic approach. For example, as Bill Hughes noted, it is essential for countries to reframe their national security strategies to go beyond terrorism and include corruption and organised crime. This broader view also helps to understand the demand and supply dynamics of facilitators of corruption, and in turn, conflict.

There also needs to be an understanding of why problems, whether related to human rights violations or organised crime networks, exist in their current form. There are tools that are at the disposal of the international community and countries that could be used more effectively, such as the use of technology to break up illicit flows and illegal trade.

At the same time, increased knowledge of the issues also means understanding the delicate balance that can exist between addressing one problem, such as security, and creating others, like the perpetrating of human rights abuses, in the process.

Recommendations, follow-up Actions (200 words narrative form)

The frameworks, such as the UNCAC, are in place for change. The challenge is to move beyond what is stated in instruments and what is done in practice.

In this sense, it was recommended that the success of much of what needs to be done has to be owned by citizens and taken up by politicians that have the political will.

In the case of money laundering, the mechanisms are there to cut back on the problem. Now it is a question of getting governments, particularly the G20, to take up and implement fully what they should do.

This gap between effective measures and implementation is also prevalent in the European Union and its pending redress to harmonise the tax system (one entry point for organised crime). It is also relevant about implementing a simple measure such as illegal enrichment and the use of lifestyle checks of politicians to trigger an investigation (and to flag corruption).

Ernesto Savona, one of the panellists, went so far as to ask the conference to proclaim that enrichment needs to be justified by officials involved and monitored. Otherwise, the danger is the implementation of any of these measures in an empty way.

This call on governments to take action was echoed by Gareth Evans who highlighted the need to get countries to tow the line and even employ “naming and shaming”.

Highlights (200 words please include interesting quotes)

There was a strong call for change and action, from the panellists as well as the participants in the plenary. As Geraldine Fraser Moleketi humbly surmised, “We don’t have all the effective remedies yet.” Rather, we can learn from experience.

Cases of good practice were pointed to for how this can happen, and has happened. For example, Ellen Johnson Sirleaf, President of Liberia, made fighting corruption a priority when she came into power in this post-conflict country. In the DRC, such a strong and visible position was not taken by the government. Where the two countries are in terms of recovery demonstrate what a difference political will can make to steer away from renewed violence.

Another example comes from Kenya and how existing instruments have been used for changes in governance and the rule of law. There has been a strong civil society mobilisation around the constitution in Kenya to enact more responsive anti-corruption and good governance measures.

Success can be strengthened through making accountability mechanisms more effective. These measures also help to ensure that anti-corruption instruments and promises do not stay as such, but rather are implemented, taken up and expand. As Magdalena Sepulveda noted, “We cannot develop policies that just tick the box”.

Yet there is a clear challenge of getting governments to make changes that may eventually undermine them. As Salil Shetty noted, there is no real mystery for why this shift has not occurred. In many cases, it is the same governments that have created the problems that are being asked to solve them and one is “not going to cut the branch on which you are sitting.”

This point echoes to the respect and fulfilment of human rights on the part of governments, which is “more a matter of choice than the capability of states”, as Shetty stated.