



# NATIONAL STRATEGY AGAINST HIGH-LEVEL CORRUPTION: *Coordinating International Efforts to Combat Kleptocracy*

*“Corrupt practices undermine government institutions, impede economic and social development, and cast shadows of lawlessness that erode the public trust.”*

—President George W. Bush

## **Kleptocracy Threatens U.S. Global Interests**

High-level, large-scale corruption by public officials, or kleptocracy, threatens America’s global interests. These interests include ensuring security and stability; the rule of law and core democratic values; discouraging tyrannical regimes; advancing prosperity; and creating a level playing field for lawful business activities.

## **International Anti-Kleptocracy Initiative**

President George W. Bush unveiled in August 2006 a National Strategy to Internationalize Efforts Against Kleptocracy, a component of his strategy to fight corruption around the world. The U.S. has been engaged for some time in the fight against kleptocracy. This strategy combines the policy and law enforcement tools of several federal agencies, including the Departments of State, Treasury, Justice, and Homeland Security. It builds upon G-8 leaders’ and other international commitments to mobilize and coordinate global efforts to end large-scale corruption in the public and private sectors by:

- Denying safe haven to kleptocrats and those who corrupt them;
- Bringing together major financial centers, vulnerable to exploitation by corrupt officials, to develop best

practices specifically to deny financial haven to corruption;

- Enhancing information sharing with foreign partners and financial institutions on corrupt officials;
- Uncovering and seizing stolen funds and returning them to their rightful owners; and
- Ensuring greater accountability of development assistance to nurture new hope and horizons for societies and their children around the world.

## **Kleptocracy Undermines Democracy and Hinders Prosperity**

Corruption is a threat to both developing and developed countries where it:

- Undermines sound public financial management and accountability;
- Weakens market integrity and deters foreign investment;
- Stifles economic growth and sustainable development;
- Distorts prices;
- Undercuts democracy and the rule of law;
- Impedes reforms; and
- Destroys aspirations for a better way of life and faith in freedom and democratic principles.

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### U.S. Leads Fight Against Corruption

The U.S. actively supports effective anticorruption measures through various international bodies and conventions. In addition to the President's commitment made with G-8 leaders to promote legal frameworks and a global financial system to reduce opportunities for kleptocracy, the United States has promoted strong anticorruption leadership and action in, but not limited to, the following:

- The United Nations' Convention Against Corruption
- The Organization for Economic Cooperation and Development's Anti-Bribery Convention and Working Group on Bribery
- The Council of Europe Group of States Against Corruption

- The Organization of American States' Mechanism for Implementing the Inter-American Convention Against Corruption
- The Asia-Pacific Economic Cooperation's Anticorruption and Transparency Initiative
- The Broader Middle East and North Africa's "Governance for Development in Arab States" Initiative

The U.S. Government has also worked with its G-8 partners to launch anticorruption pilot programs in Georgia, Nicaragua, Nigeria, and Peru, and has persuaded other nations to accept and apply the "Denial of Safe Haven" policy.



## KLEPTOCRATS

### Saddam Hussein, former President of Iraq

Hussein looted Iraq of billions of dollars by skimming workers' profits, taking kickbacks, smuggling, and stealing state funds. He used these ill-gotten gains to maintain despotic power, develop and purchase weapons, and enrich his family, cronies, and himself.

### Arnoldo Aleman, former President of Nicaragua

Aleman and other officials embezzled millions from the Government of Nicaragua by diverting government funds offshore for personal enrichment.

### Sani Abacha, former President of Nigeria

Abacha amassed about \$2 billion in illicit proceeds by taking bribes and kickbacks from foreign contractors, awarding contracts to bogus companies, and stealing money from the Nigerian Central Bank.

### Alberto Fujimori, former President of Peru

Fujimori fled to Japan and resigned his presidency amid accusations of fraud, corruption, and money laundering leveled against him and several of his close associates. U.S. law enforcement agencies discovered more than \$20 million in assets hidden in the United States which were returned to the Government of Peru.