

STRATEGIES FOR MAKING CORRUPTION VISIBLE

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AMONG JUSTICE AND SECURITY OFFICIALS**

DEPARTMENT OF STATE

WASHINGTON, D.C.

FEBRUARY 26, 1999

Thank you Professor Godson and may I extend my thanks to Vice President Gore for his wisdom in planning this conference at such a timely moment and for bringing together such articulate and dedicated participants. It has been an honor for me and for Transparency International to take part in this event.

The excellent presentations we have heard this morning bring the importance of Strategies for Making Corruption More Visible to life. They illustrate what the Vice President had in mind when he said at last year's APEC meetings, "Forget the gold standard--today's economy operates on the information standard." He knew that democracy operates on the information standard as well.

This panel focuses our attention on the role of those outside the government, such as the media, educators, and civic groups, in using information to combat corruption. The inclusion of this discussion at a conference on the role of justice and security officials may seem puzzling to some, but it is an important acknowledgment that government officials cannot solve the problem of corruption alone; they must act in collaboration with non-governmental stakeholders.

It is also a recognition of the power of information in fighting corruption. Corruption must be made more visible in order to attack it; at the same time, government information must be made more transparent in order to prevent it.

These two principles, the need for collaboration and the importance of information are central to the work of Transparency International. They have guided the anti-corruption movement and contributed to its success to date; they will play a central role in maximizing the window of opportunity for meaningful reform that is now open.

I. The Need for Collaboration

Let me talk first about collaboration. Over the past two days, we have discussed the limited success of traditional reform efforts which rely on legal reform alone. We know that corruption persists despite a wealth of existing anti-corruption laws and regulations already on the books. While in some cases new laws may still be needed, such as for curbing the supply side of bribery or ending bank secrecy, as the honorable Philippines head of delegation indicated yesterday, the basic problem is that laws are not adequately prosecuted or enforced. As this conference clearly demonstrates, more needs to be done to develop trained, independent prosecutors who will bring cases and independent judges who will convict violators.

However, their success will depend, in turn, on the society in which they operate. While there must be political leadership from the top, there must be broad-based public pressure and public support for leaders who confront those with a vested interest in maintaining the status quo. There must be public support from business, labor, educators, religious leaders, and others if there is to be sustainable, systemic change. As Dr. Veena Das so eloquently said yesterday, democracy depends on the will of the citizens for its legitimacy.

II. The Role of the Press

Information is key to mobilizing this support, and the media has been in the forefront making important information available to all of us. It has played a key role in putting a human face on corruption, highlighting abuses and the suffering that results when resources are diverted from basic needs. Last week, for example, the New York Times reported on families in Georgia left without heat if they did not pay bribes to get a second electric line.

Reporting on corruption scandals has exposed malfeasance, raised public awareness, and enraged public opinion. However, while public outrage has led to the ouster of top officials in the short term, maintaining

the momentum for systemic reform has been more problematic. There are several reasons for this.

One reason is that journalists generally favor "breaking" news. There was a blizzard of press coverage in the wake of the Asian economic crisis describing the contribution of corruption and crony capitalism. This caused an immediate reaction among investors and donors and, in the short term, commitments from borrowers to improve governance. As time passes and the press focus turns elsewhere, however, there is concern that commitments to governance will not be honored.

Collecting evidence in corruption cases takes time and skill. The press may be caught in a catch-22, where to prevent publication of unfounded rumors, the government demands that allegations of corruption be substantiated before they are published. But, since the allegations concern practices which are, by definition, secret, proof is often difficult to obtain.

In-depth coverage may be inhibited by the threat of expensive libel suits and fear of physical intimidation or even murder. There must be enforceable protections for journalists, publishers, and sources. We might consider how this conference could support a global network to highlight these difficulties and provide protection.

On the other hand, the press itself must be responsible and free from corruption. The public must be able to rely on fair and impartial reporting that is not tainted by the political loyalties or financial interests of the media owners.

But this should not be a pretext for stifling publication of unflattering information. We have struggled in the US to set standards for how far journalists may go in printing allegations and have developed case law that permits greater press scrutiny for those who enter public life than for private citizens. This has not always pleased those in public life, but it has served our citizens well.

Nonetheless, journalists should be well-trained in investigative techniques and standards of professionalism to avoid such charges. The World Bank and NGOs already conduct such training programs and they should be expanded.

The potential of the press to be a catalyst for reform extends beyond local borders. With global communications, local stories are often covered by outlets that reach an international audience, increasing external pressure for change. Press coverage of corruption in Russia and Indonesia, for example, has had a profound impact not only within these countries but on the donor and investor communities as well. This has led to greater external pressure for systemic reform which, in turn, adds impetus to existing local demand for reform.

The press can also play an important role in moving politicians to do the right thing. In the US, for example, when implementation of the OECD Anti-Bribery Convention appeared in doubt, NGOs alerted the press, which quickly turned the spotlight on those who might otherwise have derailed the process. Not wanting to appear as opposed to anti-bribery reform, legislators overcame their differences and passed the implementing legislation.

III. The Role of NGOs

There is, of course, the place where the role of the press ends and the role of civic groups takes over. Press coverage may lead to outrage but negative news coverage of scandals can also feed skepticism and doubt that the system can be changed. Moreover, the press does not generally delve into what systemic failures caused the particular scandal and what remedial steps must or are being taken.

At this point, there is a role for civic groups like Transparency International and many others. I commend your attention to the list of NGO participants; they have contributed immeasurably to this effort.

They are our partners and your allies. They are collecting and disseminating information to deepen understanding and enable stakeholders to develop a road-map for action tailored to local conditions.

We have heard some good examples from my colleagues on the panel. TI chapters have also used information to raise awareness in creative ways, from national anti-corruption days in Morocco, to theatrical presentations in Uganda, to public hearings on contracts in Argentina.

TI is perhaps best known for the TI Corruption Perception Index. Ranking the perception of corruption in 85 countries, the Index has generated widespread press attention and raised public awareness about the prevalence of corruption worldwide. I am pleased to say that it has also stimulated action. Many in the private sector refer to the Index before determining whether to invest or trade with a particular nation. Donors have factored its findings into decisions and, while several governments have objected to the basis for, or, bias of, the CPI, some have determined that the best response is to act promptly against corruption.

With the entry into force of the OECD Anti-Bribery Convention, TI is now turning its focus to the exporter side of bribery. It is developing an index which will assess the relative contribution by supply side countries to corruption. TI also recognizes that applying a ranking to countries may be useful for comparative purposes but more is needed to generate internal reform. In the future, we will explore further working with the World Bank and others on country surveys, particularly of sensitive sectors of the economy and key institutions, differentiating between national, state, and municipal levels of government.

Some TI chapters have already found that survey results can have an immediate impact on behavior. In his opening remarks, the Vice President referred to the work of Poder Ciudadano, the TI Chapter in

Argentina, which published survey information on the relative costs of school lunches and of hospital supply purchases in different jurisdictions. As a result, prices dropped precipitously.

TI has developed another important information tool, the TI Sourcebook which provides a wealth of information on the elements of an Integrity System. It is available on TI's website and in several languages. It has been adapted to local customs and legal frameworks by TI chapters, and used by civic groups, public officials, and donors as the basis for the assessment and design of local anti-corruption programs critical to the sustainability of future work.

TI chapters are using surveys and the press to encourage their governments to comply with commitments made in multilateral agreements, such as the OECD and OAS anti-corruption conventions. Chapters are already following the monitoring process and publishing their findings in the press and on the web. They will do more in the course of a new partnership with the OAS that will monitor progress and publish information about the extent of implementation of the OAS Convention on the web.

The ICC and bar associations are also playing a central role in promoting implementation of these conventions by briefing the private sector on compliance with the new rules of the game.

In his opening remarks the Vice President underscored the importance of the monitoring process to the implementation of these conventions. He asked us all to consider how to supplement that process with an Internet-based reporting device and how to involve citizens and business people in the process. We welcome this invitation and look forward to working with the Administration and others to develop an effective and accessible instrument.

IV. The Role of Government

This discussion about the importance of information would not be complete without turning our attention to a critical player e.g., the role of the government in making information available.

Meaningful citizen oversight of government operations depends on having adequate information. In 1994, the leaders meeting at the Summit of the Americas in Miami recognized this fact. It is time to ensure that all governments are taking the following basic actions:

- Government agencies should publish budgets and other routine information promptly and predictably so that citizens can provide meaningful oversight.
- Governments should provide a right to request information not regularly available. Freedom of information and sunshine laws from different jurisdictions should be collected and published widely.
- Government should hold public hearings and receive written submissions.
- Governments should publish laws, regulations, and judicial decisions and make them accessible. This will provide greater predictability and reduce official discretion to demand bribes.
- Parliaments should consider establishing web sites and posting existing and draft laws on them. An e-mail link could enable citizens to comment directly on proposed laws and policies.
- As Justice Breyer emphasized yesterday, assets of leading public officials and their families should be published and monitored annually to determine if there are increases that cannot be explained.
- As we heard from the US Office of Special Counsel, if we are to secure information, there must be protection from retribution for those who

provide information about corruption, whether whistleblowers within government or the media.

- Finally, the government should provide a hospitable environment for NGOs advocating anti-corruption reform. In light of the historical role of non-governmental organizations in some countries as part of the political opposition and in light of the misuse of allegations of corruption to unseat ruling parties, advocacy organizations, particularly those involved in fighting corruption can find it difficult to operate. For their part, NGOs have a responsibility for accountability and good governance and to avoid charges of partisanship.

If we take these steps together, if, as the Vice President said, "we use the tools of our newest technology in the service of our oldest values," we will together maximize the window of opportunity that is now open.

Thank you.