We, more than 1,200 people from around 135 countries, from the public, private and non-profit sectors came together in Bangkok, Thailand, for the 14th International Anti-Corruption Conference (IACC) from 10 -13 November 2010, with a mission to restore trust through global action for transparency.

Inspired by the rich cultural heritage and outstanding hospitality of our host country and the economic dynamism of the region, we explored issues ranging from corruption in climate change, to the achievement of the Millennium Development Goals and improved corporate governance. Our main objective was to produce strategies to overcome the effects of corruption in all of these areas.

Our hosts told us of a common phrase, “mai pen rai”, indicating acceptance and tolerance. We agreed with them that there could be no “mai pen rai” when it comes to corruption. In the long run we will accept nothing less than zero tolerance for corruption.

We also extended our heartfelt thanks to the people and the Royal Government of Thailand, as well as the Thai National Anti-Corruption Commission and Transparency Thailand for creating a platform for the global anti-corruption movement to come together.

In addition to the Leadership Forum and with an eye to critical global challenges we structured our deliberation around the following themes:

- Restoring Trust for Peace and Security
- Fuelling Transparency and Accountability in Natural Resources and Energy Markets
- Climate Governance: Ensuring a Collective Commitment
- Strengthening Global Action for an Accountable Corporate World
- Reaching our Millennium Development Goals

Clockwise from top: Panellists on the ‘Strengthening Global Action for an Accountable Corporate World’ plenary session; Cobus de Swardt, Managing Director, Transparency International, and Elena Panfilova, Executive Director, TI-Russia; conference participants reading the Bangkok Declaration

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The innovation in this year’s IACC was evident in the inclusion of two new areas, the participatory People Empowerment sessions and a robust social media programme.

Affirming our many collective victories in the fight against corruption, participants were united in the conviction that transparency paves the road ahead for rebuilding trust in our institutions.

We recommended that the G20 uphold their pledge to “prevent and tackle corruption through [their] Anti-Corruption Action Plan”, and increase integrity and transparency in global financial markets. The Asia-Pacific Economic Cooperation’s conclusion on corruption as a threat to prosperity and development must also be followed up on.

We noted that the UN Convention against Corruption was groundbreaking as the first global instrument to address corruption. Regrettably, many countries have yet to ratify the convention or are lagging behind in implementation. Addressing shortcomings in the convention’s process can be assisted through gap analyses, robust self-reporting and transparency by states parties.

We affirmed that the work of anti-corruption agencies needs to remain a national priority, and that for anti-corruption agencies to be independent, they must be preserved either in a constitution or an appropriate statute.

We recommended that the trust deficit between developed and developing countries in international climate negotiations can be ameliorated by the development of new mechanisms for mutual accountability at the international level. Climate proofing and corruption proofing must go hand in hand, and those most affected by climate change must have real participation in decision-making. Civil society must also play a role in ensuring that national climate institutions are robust and effective.

We agreed that there is a need to integrate anti-corruption efforts to work towards the achievement of the Millennium Development Goals by 2015, with a focus on engaging citizens in the monitoring of financial assistance and on local accountability projects, the right to information on aid, and the need to promote access to information.

Concerning the private sector, we called on companies to disclose their management of anti-corruption risks using the UN Global Compact 10th Principle Reporting Guidance in order to allow investors to understand and analyse the corruption risks in their portfolios.

We concluded that there cannot be true security as long as the machinery of law enforcement remains compromised by corruption. Determined leadership is a critical factor, while civil society can create pressure through publicising cases of corruption in the police or judiciary.

Empowered people create change. We recognise that involving people needs time, fresh new ideas and a vibrant civic space. Our role should be to support the people who are willing to change the rules of the game.

This expanded element of our conference points the way for the future of the anti-corruption movement, one incorporating citizen mobilisation and empowerment, as well as the inclusion of youth.

It was with these recommendations in mind that we moved towards closing the Bangkok conference with an eye to our next meeting, at the 15th IACC in 2012.

You have written that corruption persists because it becomes acceptable, safe and people expect it to continue. How do you think we can challenge this complacency?

I think there are two reasons why corruption locks in; one is through the political process and one is through individuals’ expectations. In politics there’s a link between corruption and the political power of crooks; the honest politicians control the money, the dishonest do. That advantages the dishonest relative to the honest in the political contest. And so gradually the political class becomes selected from amongst the crooks and the honest people are crowded out. In order to stay in power the crooks depend on their patronage systems, and in order to finance their patronage systems they have to loot the public purse.

At the petty corruption level there’s a different thing going on which is as young people come into the workforce, they inherit the reputation that the people already in the organisation have accumulated. Those inherited expectations change the incentives that young people face. If someone who has inherited a reputation for honesty starts to behave corruptly they sacrifice that reputation, and that reputation is valuable to them. Young people in corrupt societies inherit that quite undeserved expectation they’ll be corrupt. It’s like inheriting either an asset, or a debt.

So what do you do about those two things? To break the grand corruption of political patronage systems you have to cut the money flow, make public money unlootable. When the corrupt old guard can no longer finance patronage systems it becomes feasible for younger generations to challenge their power. And how do you cut the money flows? Partly by being much stricter with the companies in developed countries that are paying these bribes; a much stronger policing of their behaviour is called for. And ditto with the public money we provide through aid. We should have an independent certification system of budget systems to certify whether they’re fit for budget support.

With petty corruption it’s much harder; you have to try to break an expectation that has become self-fulfilling. This requires real changes in incentives that are coordinated and are pretty big. An example would be where the tax raising function was taken out of the civil service and put into independent revenue authorities, revenue authority staff were paid more money, screened for integrity and told, ‘if we catch you being corrupt, we’ll sack you.’

What role do you think social media can play in fighting corruption?

There’s enormous scope for harnessing the power of ordinary people in large numbers. We experimented in Mozambique during the elections. People in a constituency could text in concerns or complaints about incidents and their text messages would then bounce back to their whole community. For the first time in human history we have a technology where ordinary people can communicate with each other en masse, fast. And we found that that was a source of information which really did change peoples’ behaviour, because for one thing it was information that they trusted. Ordinary citizens are ethically aligned with the battle against corruption but of course they feel disempowered. In our experiments people had to pay for SMS text messages but they still sent them. So if you give people the power to participate, a lot of people will seize it.

You have said that your latest book, The Plundered Planet, is an attempt to engender global ethical behaviour. How optimistic are you?

What I try to do is think about what people like us can do to help in what is fundamentally an internal struggle within Africa. And there are things we can do to help. Africa is facing the biggest opportunity ever, which is harnessing the natural resource boom for prosperity. There’s so much money involved that, if they use it properly, this could lift them decisively out of poverty.

What’s needed in each society is to build a critical mass of people who understand the chain of decisions and what is at stake. Then taking each individual decision (the calculus of costs of corruption versus benefits of corruption) changes radically. If you’re just taking each individual decision in isolation then often it’s quite tempting to be corrupt. But if you see your whole country’s future as being at stake and your small role in this, that can help shift the balance of decision. This critical mass doesn’t have to be everybody, in some societies it could just be 20,000 people, but it’s not just about getting a good minister. And it’s got to be got right, again and again, for a generation.
After four days of discussions and deliberations on every conceivable aspect of corruption, the closing plenary of the 14th IACC provided an opportunity for final reflections on the theme of the conference, ‘Restoring Trust: Global Action for Transparency’ and an opportunity to look to the future of the anti-corruption fight.

Reflections on the current state of play in the fight against corruption brought many positive achievements to the fore. Among these were the development of a more unified anti-corruption community spanning public, private and social sectors, a substantial increase in expertise in the area and a significant decline in the social tolerance of corruption worldwide. However as Elena Panfilova, Executive Director of The Center for Anti-Corruption Research and Initiative-TI Russia, aptly commented, ‘while commitments are growing, corruption is growing in parallel’. She attributed this seemingly contradictory trend to the anti-corruption fight becoming ‘too political’, allowing governments to use international commitments as pretense for real action against corruption. This pretense also fuels further mistrust among citizens. The need to make the transition from declaration to action, ‘from words to deeds’ in order to stem public apathy in the fight against corruption was echoed by Dmitri Vlassis, Chief of the Corruption and Economic Branch, UNODC.

Among the other challenges facing the anti-corruption community and all social activists is what Ingrid Srinath, Secretary General of CIVICUS, an international alliance of civil society organisation, called the ‘systemic closing of the space for civil society’. In 2009 alone CIVICUS tracked 100 different legal changes in 75 countries that had the effect of narrowing civil society space.

For the anti-corruption community to make progress, there needs to be more attention to what Panfilova called ‘non-traditional forms of corruption’. Here she referred to corrupt extortion and state capture, significant global problems yet to be adequately addressed by the anti-corruption community.

One way to strengthen the impact of the fight against corruption is to empower the youth. Here the general consensus was that removing barriers to participation and using the younger generation’s clear advantage in new technologies had potential for success.

The general message from civil society, international organisations and government representatives was that there is a need for a significant increase in resources in the fight against corruption. Cobus de Swardt, Managing Director of Transparency International, commented that, ‘if we are serious about addressing corruption, we need to commit serious resources to the struggle against it’. This requires convincing stakeholders of the ‘good governance dividend’ that such an investment has been shown to achieve.

In the wake of the worst financial downturn in recent memory, the issue of corporate governance is more pressing than ever. Experts agree that corruption greatly exacerbated the financial crisis; a conviction that was addressed by G20 leaders in their nine point Anti-Corruption Action Plan at the Seoul summit. But what can be done to increase governability and accountability in the corporate world?

The IACC’s final plenary session brought together leading figures from diverse fields, all of whom emphasised the need for international and broad-based cooperation to tackle corruption, comprising governments, businesses, law enforcement agencies, media and civil society.

Richard A. Boucher, Deputy Secretary General of the OECD, stressed the importance of focusing on specific actions that corporations can take. Instruments like the OECD Anti-Bribery Convention (which deals with the supply side of corruption) and measures such as peer review processes can be very valuable in this regard.

Minister Idris Jala from the Malaysian Prime Minister’s Office detailed his experience of heading the Malaysian Anti-Corruption Commission. He stressed the need for both voluntary and enforced compliance, from clear guidelines on gift giving to binding laws and sanctions. He also cautioned against unrealistic time expectations, calling for greater patience in the fight against corruption.

Former deputy chief of the US Department of Justice fraud section, Mark Mendelsohn, views enforcement and compliance as two sides of the same coin. Investigating and prosecuting corruption cases is often a complicated and lengthy process, he said. For cases to succeed, the tone needs to be set at the top in both the private and public sector, and leadership and commitment should be backed up by incentives to raise compliance standards. Mendelsohn added that international cooperation between officials is of crucial importance in transnational bribery cases.

Homre Moyer, Chair of the Anti-Corruption Group at the International Bar Association, charted the various motives that businesses have to resist corruption. These include a commitment to ethical business practices, compliance with laws, and the reduction of risks and costs. Moyer said we must strive for a tipping point where compliance will be the corporate norm and not the exception. He noted that compliance regimes and best practices should also be continually adapted to keep up with the evolving nature of corruption.

As Moyer observed, we have come a long way from the days of tax deduction for bribe payments, but many challenges still remain. Corruption is a problem that needs to be dealt with cross-culturally and cross-sectorally, and it is essential to close existing loopholes in enforcement.
“Corruption is a crime: a crime against the law ... a crime against nature and a crime against the future”
Ashok Khosla, President, International Union for Conservation of Nature

“in this crazy world, who inspires you in the fight against corruption?”
#14iacc
bungtje
Bunga Manggiasih

“There should be a turning away from the politics of plunder”
Iftekhar Zaman, Executive Director, TI Bangladesh; Director, TI Board

“We need to make the next decade the decade of accountability”
Arvind Ganesan, Director, Business and Human Rights Programme, Human Rights Watch

“If we are serious about addressing corruption, we need to commit serious resources to the struggle against it”
Cobus de Swardt, Managing Director, Transparency International
“Corruption is a tax on the poor”
Haruhiko Kuroda, President, Asian Development Bank

“Corruption is the noun of action from the Latin word ‘corrumpere’, which means perish, ruined, destroy. Judge Joachim Eckert.”
Pooja Shahani

“Regulation can’t accomplish as much as transparency can accomplish. It is much more difficult to get around transparency than regulation”
Raymond Baker, Director, Global Financial Integrity

“The accomplice to corruption is the indifference in ourselves”
Abhisit Vejjajiva, Prime Minister, Thailand

“If we cannot trust the laws and the state, we are not free men & women, Transparency Int’l chair Labelle”
Wajahat S. Khan

“Corruption is the oil that fuels the human trafficking machine”
Anne Brandt Christensen, Chair, HopeNow
On the 14th IACC blog: How to build trust?

That is the question that Barry O’Keefe, Chair of the International Anti-Corruption Council, addressed in his opening speech at the 14th International Anti-Corruption Conference held in Bangkok on 10 November, 2010.

‘Leaders, politicians promise a lot, but do very little,’ he said. Therefore, we, the people, have lost faith in our leaders and in a way, in humanity. Abhisit Vejjajiva, the Prime Minister of Thailand, added that youngsters inform him that they expect corruption in their society. Corruption is way of life.

Have we lost faith in each other? Do we really believe that corruption is a way of life?

It’s been a good three days at the conference and I’ve spent my time listening to people who’ve worked in the long fight against corruption. There are lawyers, academics, researchers, grassroots workers, and of course, individuals. Each and everyone is here because they care about corruption, they care about our future.

Now, how do we build trust, restore faith, refuse to be a bystander to corruption?

At yesterday’s People’s Empowerment – Mobilizing People session, grassroots organizers mesmerized participants with their energy and innovative suggestions on how to reach people and how to create a collective movement. Whether it be creating catchy slogans, foot-tapping ringtones, using Facebook, or passing an oversized ‘zero’ rupee note, each had a mission to transfer ownership to the common man.

The self was empowered. The self regained trust.

While an individual’s faith and belief can move mountains, his/her positive surroundings can quicken the move and can make it less painful. That’s when ensuring accurate and accessible information enters the picture. At the panel, From the Underground to the Sunlight: Ensuring Transparency of the Extractive Wealth, I was encouraged by the panellists’ efforts to urge governments, corporates and civil society to work together.

PeterEigen, Chair of the Extractive Industries Transparency Initiative, noted that more governments and corporations were willing to disclose their contracts with mining, oil and gas industries. This transparency gave civil society information with which they could ask important questions about their government’s actions when extracting natural resources or spending money. Corporations, too, are realizing that being transparent is good for business. Consumers and civil society regain trust in institutions.

So, we now have a grassroots movement and accurate information. What next? According to panellists at the session entitled Finding the Real Cost of Corruption: How to Use the Concept of ‘Social Damage’ for the Anti-Corruption Struggle, we need a judicial system that respects our rights to fight against the complex web of corrupt acts. How will we do this? By using the new concept of ‘social damage.’

‘Social damage’ doesn’t have a clear or agreed upon definition. However, as I discovered at the workshop, it could mean loss of trust, money, jobs or even compensation. In essence, social costs, which are immaterial and not quantifiable. The concept of ‘social damage’ focuses on the victims, or victims, of corruption. For the first time, we’re asking ourselves who are the victims of corruption. For the first time, we’re thinking about holding governments accountable for our loss of trust, that too with the backing of judicial systems. Society’s trust will restore.

There are many roadblocks and questions in all the proposed means to restore trust in our communities. Nevertheless, the simple fact that all three are filtering into our societies and disrupting the status quo at the same time and at different levels is encouraging. New ideas and new movements are constructive for a society that accepts corruption as a way of life.

Yes, we’ve come a long way.

About the author:

Pooja Shahani was born and raised in bustling Hong Kong. She has been educated in Hong Kong, India and America. This past year, she was a fellow in India working with a NGO to develop and implement a community radio initiative with young people in villages. During her college years, she discovered a passion for grassroots media as she explored various forms of media, from writing articles to news broadcasting, to radio stories. She currently works in Hong Kong as a freelancer.
Thank you
to everyone who participated in the 14th IACC and to the people of Thailand for being such wonderful hosts. Next stop Brazil.
Follow developments at www.iacconference.org as the 15th IACC agenda takes shape.
We look forward to seeing you all again in 2012!

IACC today team:
Stephanie Burnett, André Doren, Sophie Everett and Michael Sidwell
Photos: Kriangsak Palasu, Flickr/iacc14