

Committee: Economic and Financial (GA2)

Issue: The applicability and the effectiveness of anti-corruption laws

Student Officer: George Giannopoulos

Position: Co-Chair

PERSONAL INTRODUCTION

Dear Delegates,

My name is George Giannopoulos and I am currently attending 11th grade at the German School of Thessaloniki. This will be my 4th conference overall and my first-time chairing, as a Co-Chair of the Economic and Financial Committee at the 1st DSTMUN.

To begin with, I would like to congratulate you on your participation at the 1st DSTMUN, a conference which will give you the opportunity not only to expand your knowledge of international relations but also address worldwide issues through feasible solutions. Seeing that this is the Economic and Financial Committee, you will specifically have the chance to further examine international economic issues and how they affect sustainable development, human settlements, poverty eradication, globalization and interdependence.

The purpose of this study guide is to introduce you to the first topic of the agenda, namely the applicability and the effectiveness of anti-corruption laws. Even though, the study guide will offer you most of the necessary information on the topic, it is advised you expanded your research further, so that you are sufficiently prepared. To that end, you shouldn't only familiarize yourself with your country's policy on the topics at hand, but all major issues concerning it. All things considered, you will gain an in-depth understanding of a real diplomat's response to each proposition rising in our committee. Ultimately, if you are thoroughly prepared and actively participate on all 3 days of the conference I can guarantee that this will be a wonderful experience for all.

If any questions arise concerning either this topic or the rules of procedure, don't hesitate to send me an email at giannopoulosgeorge@gmail.com.

Yours truly,

George Giannopoulos

TOPIC INTRODUCTION

“Corruption hampers the ability of nations to prosper and grow”

-Ban Ki Moon, United Nations Secretary General, ECOSOC Panel, 2012

Since the beginning of political institutions, corruption has played a role in collapsing democracies, fostering governmental instability, and stunting the economic development of nations. Measures to prevent and thwart corruption have been met with significant internal resistance, driven by the fact that those who are generally responsible for ending corruption are the same ones involved in the malpractice.

Making up a large part of the transactional, economical, and political culture of many nations, halting the possibility for growth, the institution of corruption appears to be one, unlikely to disappear any time soon, despite the many efforts of organizations like the International Monetary Fund (IMF), the World Bank, or even the United Nations.

Tackling corruption within institutions is vital due to the effect institutions have on businesses, as when the institutions are effective and the environment is peaceful, businesses thrive. Failure to implement business practices that are considered responsible might possibly result in additional costs and risk at a financial, legal and reputational level for the business itself, while it might also exacerbate tensions and instability in society and even undermine the rule of law.

That is the reason why corruption is such a major issue, because corruption affects us all. On the one hand, it threatens sustainable economic development, ethical values and justice; it destabilizes our society and endangers the rule of law. All in all, it undermines the institutions and values of our democracy. On the other hand, the ones ending up suffering the most from corruption are people with lower incomes, as they are the ones finding public policies and resources the most beneficial. It would not be a hyperbole for one to say that corruption deprives citizens of both their constitutional and their human rights.

Contradicting to what most people think, corruption is not limited to politics-related corruption, in fact there are numerous causes that could lead to corruption. First of all, there is financial corruption, in which case the greed for money and luxuries and generally any materialistic desires results in corrupted and illicit actions. Then, there's the most well-known form of corruption, political corruption, affecting many nations all over the world and sometimes even having a transnational character and usually a result of weak civil participation, low levels of democracy and low political transparency. Generally, corruption is part of a vicious circle, as it is

caused by poverty, political instability and gender inequality -between others-, while simultaneously causing itself all of these phenomena.

For this, anti-corruption laws have been implemented by many governments, which are measures with the purpose of reducing the corruption rates among citizens and thus, preventing the nation and its economy from bribery in jurisdiction and other types of corruption.

DEFINITION OF KEY TERMS

Corruption

Wrongdoing on the part of an authority or powerful party through means that are illegitimate, immoral, or incompatible with ethical standards. Corruption often results from patronage and is associated with bribery.¹

Patronage

Power to confer favors, give support and protection, or to appoint to office or position. Providers of patronage (patrons) and receivers (clients) form a network through which access to various resources is obtained. It originates from unequal distribution of power and, since ancient times, is closely linked with corruption.²

Transparency

Transparency is about shedding light on rules, plans, processes and actions. It is knowing why, how, what, and how much. Transparency ensures that public officials, civil servants, managers, board members and businesspeople act visibly and understandably, and report on their activities. And it means that the general public can hold them to account. It is the surest way of guarding against corruption, and helps increase trust in the people and institutions on which our futures depend.³

Bureaucracy

A system of administration distinguished by its clear hierarchy of authority, rigid division of labor, written and inflexible rules, regulations, and procedures, and impersonal relationships. Once instituted, bureaucracies are difficult to dislodge or change. A member of a bureaucracy is called a bureaucrat.⁴

Decentralization

¹ Businessdictionary.com, Corruption, <http://www.businessdictionary.com/definition/corruption.html>

² Businessdictionary.com, Patronage, <http://www.businessdictionary.com/definition/patronage.html>

³ Transparency.org, Transparency, <https://www.transparency.org/what-is-corruption#what-is-transparency>

⁴ Businessdictionary.com, Bureaucracy, <http://www.businessdictionary.com/definition/bureaucracy.html>

Transfer of decision making power and assignment of accountability and responsibility for results. It is accompanied by delegation of commensurate authority to individuals or units at all levels of an organization even those far removed from headquarters or other centers of power.⁵

Macroeconomics

Macroeconomics is the branch of economics that studies the behavior and performance of an economy as a whole. It focuses on the aggregate changes in the economy such as unemployment, growth rate, gross domestic product and inflation.⁶

BACKGROUND INFORMATION

The concept of corruption

As mentioned above, corruption is an issue besetting our planet for hundreds of years, yet, to this day it is a phenomenon noted in every nation, as it can be spotted in various forms and places. Generally, one can divide corruption in 3 main categories: the petty, the grand and the systemic corruption.

Petty corruption

Petty corruption usually occurs at a smaller scale, while it concerns the implementation of public services when public officials meet the public. Services where petty corruption might take place include but are not limited to registration offices, police stations, state licensing boards and in general many other private and government sectors.

Grand corruption

Grand corruption takes place at what one can call “the highest levels” of government, resulting in a significant subversion of both political, legal and economic systems. It is a common phenomenon in countries with either authoritarian regimes or countries lacking adequate policing of corruption. Many countries have attempted to tackle that by having a government system that is divided into legislative and judiciary branches so as to provide independent services which will thus be less likely to be subjects of grand corruption

Systemic corruption

⁵ Businessdictionary.com, Decentralization,
<http://www.businessdictionary.com/definition/decentralization.html>

⁶ Economictimes.indiatimes.com, Macroeconomics,
<https://economictimes.indiatimes.com/definition/macroeconomics>

Systemic corruption is mostly a result of the weaknesses of either an organization or even a process, while it might be contrasted with individual officers and agents, acting corruptly within the system.

As a result, following several corruption scandals and the governments' realization of the impact all the aforementioned forms of corruption have on numerous aspects of their countries, certain measures were established with the aim of limiting corruption both within the nation and on a transnational level. Those measures, are what we call anti-corruption laws.

Acts of corruption

Bribery

In essence, bribery refers to the act of promising, giving, receiving, or agreeing to receive money or some other item of value with the corrupt aim of influencing a public official in the discharge of his official duties.⁷ There is one big issue with drafting laws against bribery and that is that there are differing opinions about whether crime should be limited to cases in which money or property is the inducement or further extended to cases in which any benefit or advantage is conferred or promised. Moreover, one must keep in mind the practical limitations, while interpreting the aforementioned taking into consideration the broadness of the language, as in the case that it is applied in full, it would end up criminalizing most legislative and executive compromises. In conclusion, besides violating many legal and moral codes, bribery poses serious problems for economic and sustainable development and international trade, as there are many corporations that end up violating anti-corruption laws in their own countries with the purpose of doing business in other parts of the world. One of the most widespread forms of bribery, nowadays, is the briber to the government. Briefly, this allows payments to officials in order to obtain the performance of ministerial acts which they are legally required to do, but may delay in the absence of such payment. In some countries, this practice is the norm, often resulting from Less Economically Developed Countries (LEDCs) not having the tax structure to pay civil servants an adequate salary. However, bribery can also be seen in other sectors, such as medicine, politics, business and sport.

Extortion and blackmail

One can define extortion as the unlawful exaction of money or property through intimidation, while extortion becomes blackmail in the case that the threat made concerns exposing embarrassing and damaging information to family, friends

⁷ britannica.com, bribery, <https://www.britannica.com/topic/bribery>

and generally the public.⁸ Extortion and thus, blackmail, are acts that violate fundamental human rights such as one's right to property and one's right of equity against the law so when either an individual, a group or the government are unable to or are intentionally not acting against this practice, they are too complicit.

Abuse of discretion

One can consider the abuse of discretion as an error of judgment by a trial court in making a ruling that is clearly unreasonable, erroneous, or arbitrary and not justified by the facts or the law applicable in the case compare clearly erroneous.⁹ Essentially, it concerns judges that are biased and end up making a disputable decision, meaning that it is unjust and subjective. As in addition to the legislative and the executive power, the juridical power is one of the 3 powers that make up every state, when it is corrupted, the state ends up being corrupted.

Networking

Networking can be defined as the creation of a group of acquaintances and associates and its sustainment through regular communication for mutual benefit.¹⁰ A main factor for corrupted hiring processing for working positions in both the public and the private sector, in addition to corrupted promotions and the adoption of a greater scope in roles, networking is considered to facilitate corruption through actions ranging from i.e. the use of a company credit card to buy a personal item to major fraud that could possibly involve millions of dollars.

Favoritism

Similarly, to networking, favoritism is about favoring a specific individual, group or institution because of personal relationships. Although it sometimes might end being beneficial, personal relationships are a poor criterion for i.e. hiring someone. It can be divided in two categories cronyism and nepotism, which refer to the awarding of benefits to friends or trusted colleagues and relatives respectively.

Causes of corruption

There are numerous and different factors that have led to corruption. Firstly, it need to be mentioned that this phenomenon has been existing for thousands of years and the reasons of it differ from era to era. However, according to some recent

⁸ Britannica.com, extortion, <https://www.britannica.com/topic/extortion>

⁹ Dictionary.findlaw.com, Abuse of Discretion, <https://dictionary.findlaw.com/definition/abuse-of-discretion.html>

¹⁰ Businessdictionary.com, Networking, <http://www.businessdictionary.com/definition/networking.html>

survey studies, the factors that have attributed the most as main causes of corruption are the following.

Lack of transparency and Accountability

The term transparency, in essence describes the citizens' access to public information. When the rules, procedures, and objectives of the government are not available to the public, there is not budgetary and administrative oversight to balance the power of government officials, transparency is lacking, and corruption can be bred. Without oversight and transparency of budget and rules, national resources may be plundered, and power may be abused in favor of the corrupt official only. Furthermore, when there are not public-sector mechanisms that channel social preferences and specific complaints of the population to the agencies involved in those complaints, people of power will not serve their purpose of representing the populace, but have free reign to do as they please in the public sector. Lack of transparency creates opportunities for public officials to abuse their office for private gain. This closely relates to accountability, and weak accountability mechanisms tend to facilitate corruption. Where there is a lack of transparency and accountability corruption will flourish. Once corrupt bureaucrats realize that they can take advantage of regulations, they will produce more regulations and run the risk of becoming less transparent.

Lawless or Over Regulated Governments and political monopolization

Corruption can moreover be caused when there is excessive control and a sort of monopoly of power. In these circumstances, there again is not a level playing field, and decisions will always be made at the advantage of the group or person who dominates political control. As a result, ordinary citizen rights are lost and public resources are often plundered for the personal gain of the public officials. Poverty or scarcity of goods may also push people to live outside the law. Finally, corruption occurs when government officials resist government policies and programs. Introducing policies that allow for greater oversight would help to assure that power was balanced and no one person would be making all of the political decisions. When politicians resist this change they prevent political and cultural progress for their country, prohibit civic interests from being met, and allow the pattern of corruption to flourish.

Governments' ineffectiveness

Instability in government may also catapult a nation and its leaders towards corruption. Among them, war, ethnic or religious conflict, economic hardship, and social inequalities may instigate corruption. Any circumstance that threatens a nation or its people either through identity or establishment may diminish the good

governance practices of a nation. Even in less difficult times, the institutions and policies of government may undermine how well the government carries out its work. When institutions and policies are weak, individuals tend to take advantage of them. Therefore, poor governments are a product of sick institutions, or institutions that function poorly because of inadequate resources or bad policies and procedures. When government services are not provided to citizens, either because they were deemed unnecessary, services providers demanded bribes or were lazy, or the services are provided in theory but are not readily available in practice without a bribe, people will aim to have their needs met illegally or unofficially. Likewise, when financial systems are outdated, they are more corruptible.

Conflicting incentive structures

Bad incentives, such as clerks not earning a living wage or not having job security might also encourage corrupt behavior such as supplementing income with bribes. Some people who do not have an incentive to perform their official duties, but actually pay for their jobs with the understanding that they will make money through bribes. A lack of incentive also results when positions of power are granted as a result of favoritism and nepotism. Incentives also come into the picture when salaries are so low that people cannot meet the basic living standards for food and housing. As a result, people will often take other jobs that cause absenteeism of public officials, and often increase the demand by government officials for bribes and other paybacks in order to supply the public services. In another example, teacher absenteeism, teachers who are underpaid sometimes feel forced to supplement their income with other work, causing absenteeism. This absenteeism may not result in bribes, but may instead result in a lost public service for the students, thus stalling progress among that student population.

Desire for an Advantage

Many officials are motivated to participate in corrupt behavior because of the inherently selfish desire to have an unfair advantage over their peers. Through bribery, extortion, embezzlement, nepotism and other means, corruption can help dishonest people get ahead while the public pays the price. A corrupted politician may seek to sway a person's opinions, actions, or decisions, reduce fees collected, speed up government grants, or change outcomes of legal processes. Through corruption, people seeking an unfair advantage may pay courts to vote in their favor or, as with police, customs units, and tax collectors, to disregard a penalty. Bribery may be paid to allow for otherwise unacceptable building and zoning permits, to sway school exam results or allow acceptance by an unqualified student into a school system. People in the private sector may pay off politicians so that they dismiss rules and regulations to protect employees in the workforce. Corruption motivated by an unfair advantage may also occur in immigration, passport and visa

offices in which unqualified individuals may be allowed an unfair advantage to obtain these important documents, at the expense of others.

Modernization conflicts

Modernization requires the establishment of procedures and legislative provisions for the increase of productivity and the development of competitiveness. It is therefore understandable that a new code of behavior is developed within these circumstances in order to reach these targets. For example, an action that would have been condemned or even seen as corruption until yesterday, today might be considered to be necessary due to “particular circumstances” and “new attitudes”. This is supported by the idea that modernization targets must be reached at all costs, violating our code of ethics or even compromising social cohesion. In response to all these, the state has a duty to assert the message that, in reality, corruption poisons healthy entrepreneurship and productive efforts by having a negative effect on the sense of fairness and creating uncertainty and a negative environment for investment. It becomes an obstacle to development. Corruption is a crime against society and above all against future generations. There cannot be any justification of corruption.

Social problems

As the social framework is straightforwardly connected to the monetary and the political one, the nearness of extreme social issues, (for example, inequalities and neediness) is characteristic of issues in alternate frameworks, regularly the aftereffect of corruption. That being stated, revolutions and terrorist bunches will probably be made during these circumstances, because of extraordinary open disappointment.

Major corruption scandals

Watergate scandal

The Watergate scandal was a great political outrage that was committed in the United States in 1970. The scandal began after the arrest of five governing officials trying to break in at Democratic National Committee base camp at Watergate. President Richard Nixon was found guilty after trying to cover and protect the robbers, after Watergate being explored by the United States Congress. The scandal led to the discovery of multiple abuses of power by members of the Nixon administration, an impeachment process against the president that led to articles of indictment, and consequently, Nixon's resignation. The scandal further resulted in the impeachment of 69 people, with trials or pleas resulting in 48 being

found guilty, many of whom were top Nixon officials. The Watergate Scandal is the perfect example of political corruption since President Nixon overused his power in order to obtain more power.

Operation Carwash

Operation Carwash is an economic and political scandal which was committed in 2014 and can be easily described as the biggest corruption scandal in Latin America. Operation Car Wash began in March 2014 as a small-scale probe into a gas service station in Brazil being used to launder money. Police found that black-market money dealers were acting for a senior executive in Petrobras, the state oil company, and that the company had been deliberately overpaying contractors in exchange for a cut of up to five per cent on deals, which would be channeled into a secret slush fund. So far more than 100 politicians and officials have been convicted and at the same time, a total of 238 members of both houses are being investigated by the Supreme Federal Court, the majority in relation to criminal corruption allegations.

Panama papers

The Panama Papers refer to an unprecedented leak of 11.5m files from the database of the world's fourth biggest offshore law firm, Mossack Fonseca. Some of these reports go back to dates as far as the 1970s. The information was obtained by a German newspaper and then sent to the BBC office. The documents show the numerous ways in which the rich can exploit secretive offshore tax regimes. Twelve national leaders are among 143 politicians, their families and close associates from around the world known to have been using offshore tax havens. While offshore business entities are legal, reporters found that some of the Mossack Fonseca shell corporations were used for illegal purposes, including fraud, tax evasion, and evading international sanctions.

Siemens Scandal

The Siemens Scandal was a political and bribery corruption scandal that was committed in November 2006 when regulatory investigations of the German engineering giant Siemens revealed that hundreds of employees had been siphoning off millions of Euros into phone consultants' contracts, false bills and shell firms to pay massive bribes to win contracts. The scandal created a very negative fame for the company not only as far as their shareholders go but also the German Public. Yet Siemens' full response to the scandal has been widely praised by many independent anti-corruption and ethics experts, including the Organization for Economic

Cooperation and Development (OECD), and US Federal authorities. Nevertheless, after the scandal, Siemens Company faced severe problems.

The need for anti-corruption laws

Link of corruption to economic growth

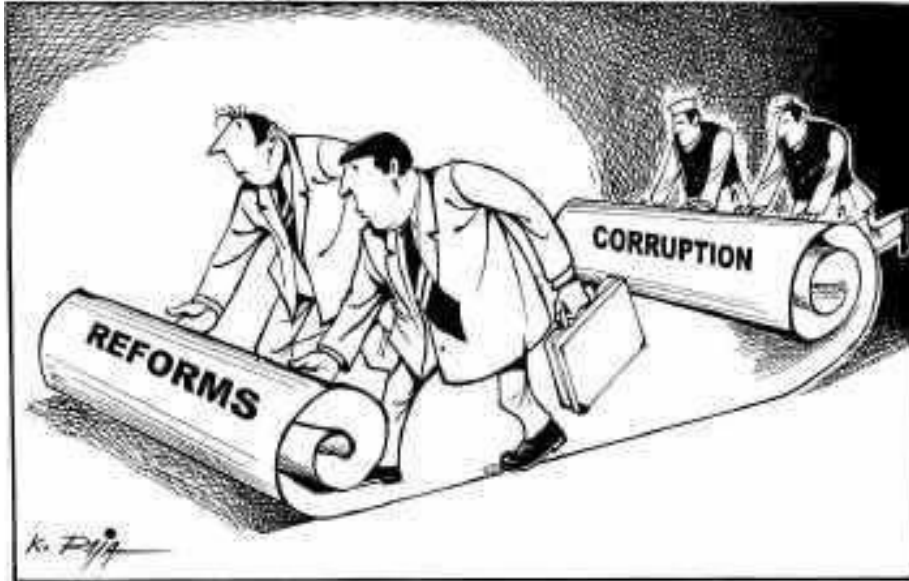
Corruption is considered to be a strong constraint on growth and both in an international and in a local level. Even in the past, corruption was thought to be a tantalizing phenomenon and people could easily observe the negative impact corruption had on their lives. It is evident, that bureaucratic corruption, essentially the frequency of unofficial payments to public officials in order to facilitate an action, impacts the sales and labor productivity growth of firms. Some of the most common consequences of corruption within a nation's economy, include but are not limited to the misuse or under-utilization of substantial parts of society, the low level of domestic and foreign investments, the appearance of an unofficial economy because of the distorted development of enterprises, the distortion of expenditures and public investments and a deteriorating physical infrastructure. The consolidation of laws by many companies and especially multinational corporations (MNCs) also limits as well as the investments in the private sector. Moreover, as the continuation of corruption has huge impacts on poverty, as it ensures the implementation of a policy that distorts income distribution and diverts resources. As one can observe corruption can have an extremely negative effect on economic growth of nation and can affect many aspects of it. Nevertheless, one must also keep in mind that political instability and corruption within a nation can also have a bad influence on the economic growth.

Impact of corruption on society, democracy and human rights

Corruption is a phenomenon known for ignoring all democratic values and encroaching all human rights. Repercussions such as poverty or briberies between citizens and governing officials are pretty common phenomena under corrupted environments. At a larger scale corruption could also go as far as to be described as a crime against humanity. A corrupt state creates a vicious circle in which the state quickly loses its authority and ability to govern for the common good. Corruption makes it possible for critics to be silenced, for justice to be subverted and for human rights abuses to go unpunished. First of all, corruption usually exhausts the citizens in a society since they cannot trust anyone and therefore the society cannot evolve. Moreover, corruption diverts public spending on social programs resulting in the neglect of education and health related institutions, as well as social services. Everyday people are the ones that suffer on a daily basis due to the high level of corruption among governing officials and political instability, as democracy weakens, and citizens become more and more vulnerable upon the will of their corrupt

leaders. All in all, one must take into consideration that corruption can be extremely destructive for a society in addition to affecting the lives of millions of people.

#2 Sketch showcasing that no matter the reforms, if they are followed by corruption they end up being non-existent



Keeping in mind all the above, one can easily comprehend how corruption saps economic growth, hinders development, destabilizes governments, undermines democracy and provides openings for dangerous groups like criminals, and terrorists. A great example of this are all the before-mentioned corruption scandals that have had disastrous repercussions on humanity. For all of these reasons, anti-corruption laws have been rendered essential both in an international and in a local level, because each and every nation is obliged to protect its citizens from corrupted actions

MAJOR COUNTRIES AND ORGANISATIONS INVOLVED

United States of America (USA)

The United States have throughout time been accused of many scandals. Concerning corruption in trade, it is obvious that the US has benefited tremendously by its ability to purchase large quantities of items from other countries, but at low cost. It is believed that the country is greatly benefited from “free trade” agreements as well. This is investigated with the TPP, as both US and EU are being pushed as major openings to trade, responsible for creation of many jobs and the increase of growth. The main goal is not actually the elimination of trade restriction, as this has almost been taken care of with the reduction and elimination of tariffs and quotas. In fact, attention is mostly drawn in securing the gain for major corporate interests,

in increasing protectionist barriers. That is why US has been related to increased patent and copyright protection.

United Kingdom (UK)

Corruption cannot be characterized as a tantalizing phenomenon in the United Kingdom (UK) at the moment, as great measures have been taken in order to confront corruption within the country. Despite some specific examples, the UK promotes high ethical standards in public services, while it has also made important developments, by providing a framework to guide the government to deal with corruption until 2022 a part of which is the UK Bribery Act (UKIBA), which establishes liability for corruption offences committed anywhere all over the world, including each and every form of corruption.

China

Corruption in China is a phenomenon that affects -especially- the business environment in a particularly negative way. The majority of companies in China are likely to practice corrupted acts such as but not limited to bribery, political interference or facilitation payments when dealing with judicial system. The Chinese government has managed to organize campaigns, but further actions must take place in order to deal with the issue. China offers a comprehensive legal framework in both the public and private sectors to criminalize several corrupt practices, however it doesn't seem to be that effective.

France

France is a country where corruption is not such a major problem in comparison to others. A strong legal framework is responsible for countering corruption and manages to do that in a very favorable manner. Corruption is perceived to be a problem in public procurement and whenever business and politics overlap. Cases involving illegal funding have been observed and confronted by the judiciary system of France. The Penal Code of France criminalizes bribery and sets tough penalties for the violators. Concerning the legislation, the Sapin II Law is an effort to strengthen anti-corruption measures, addressing transparency, anti-corruption and economic.

Germany

Corruption in Germany does not appear to be a significant problem, because of the fact that strong legal anti-corruption frameworks exist and prevent it. Businesses can develop normally, since bribery or other forms of corruption can hardly be observed. The German Criminal Code applies to individuals, not companies, and makes it illegal to offer, pay or accept a bribe.

Somalia

Somalia is one of the countries with the highest corruption rates worldwide. Insecurity and instability strike the nation and corrupt government officials tolerate illegal activities daily. All the forms of corruption can be observed there. Business is based on patronage networks, and tight monopolies dominate the market. Bribery is a common phenomenon in all sectors and political instability has caused great problems among the Somalian society. The judicial system faces great problems, since it cannot deal with these really high corruption rates. Huge steps demand to take place in order for Somalia to deal with corruption.

Denmark

Denmark is not a country that faces major corruption problems. It is ranked among the least corrupt ones. The Danish Criminal Code forbids every form of corruption. The Ministry of Foreign Affairs in Denmark does not tolerate corruption and reacts accordingly when abuse is suspected or discovered. This anti-corruption policy aims to ensure, and support behavior and work ethics characterized by the highest standards of personal and organizational integrity.

New Zealand

The risk of corruption in New Zealand is minimal. It is one of the least corrupt countries around the globe, where law enforcement effectively counters corruption. Transparent Institutions effectively curtail corruption. Each and every form of corruption is prohibited, and this implies really tough penalties.

Transparency International

The purpose of Transparency international is to ensure that witnesses and victims of corruption are heard. It works hand in hand with governments, businesses, and civilians to eradicate corruption in any of its forms. It has taken action in more than 100 countries and supports seven values: transparency, accountability, integrity, solidarity, courage, justice and democracy.¹¹ It is also the organisation that publishes updated indices of corruption and rankings for countries all around the globe.

United Nations Office on Drugs and Crime (UNODC)

¹¹ <https://www.transparency.org/>

The United Nations Office on Drugs and Crime is a United Nations office that was built up in 1997 as the Office for Drug Control and Crime Prevention by consolidating the United Nations International Drug Control Program (UNDCP) and the Crime Prevention and Criminal Justice Division in the United Nations Office at Vienna. It is an individual from the United Nations Development Group and was renamed the United Nations Office on Drugs and Crime in 2002. The UNODC has taken many actions in order to tackle corruption, including but not limited to the United Nations Convention Against Corruption and the Conference of the State Parties.

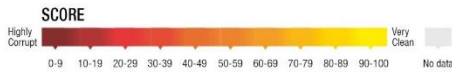
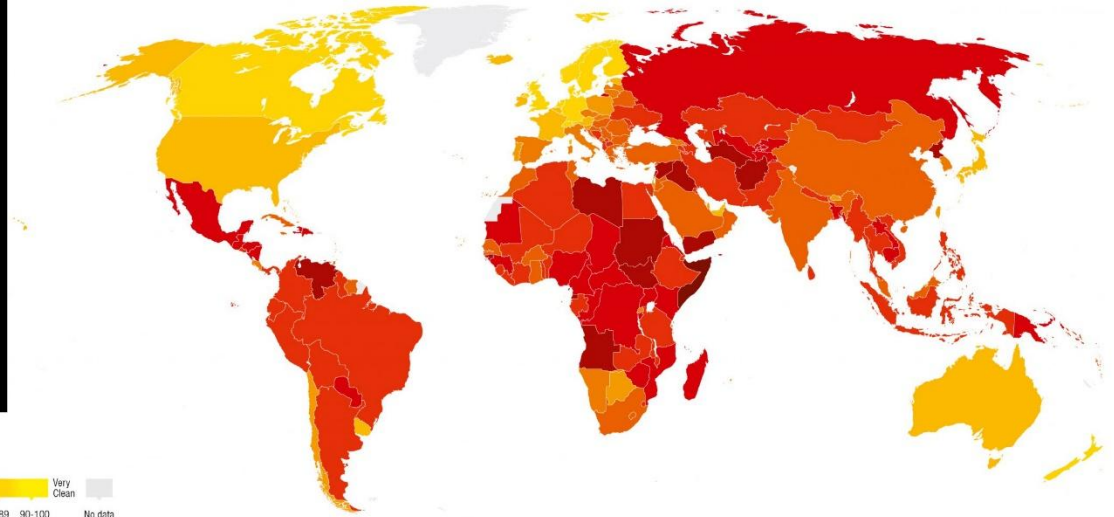
#4 The symbol UNODC has for its campaign entitled "Corruption: An impediment to the Sustainable Development Goals"





CORRUPTION PERCEPTIONS INDEX 2017

The perceived levels of public sector corruption in 180 countries/territories around the world.



RANK	COUNTRY/TERRITORY	SCORE	RANK	COUNTRY/TERRITORY	SCORE	RANK	COUNTRY/TERRITORY	SCORE	RANK	COUNTRY/TERRITORY	SCORE	RANK	COUNTRY/TERRITORY	SCORE	RANK	COUNTRY/TERRITORY	SCORE			
1	New Zealand	89	21	Estonia	71	40	Saint Vincent and the Grenadines	58	59	Romania	48	86	Thailand	37	122	Azerbaijan	31	135	Russia	29
2	Denmark	88	21	United Arab Emirates	71	40	Cyprus	57	62	Cuba	47	81	Ghana	40	96	Zambia	37	143	Bangladesh	28
3	Finland	85	23	France	70	42	Czech Republic	57	64	Malaysia	47	81	India	40	103	Bahrain	36	143	Guatemala	28
3	Norway	85	23	Uruguay	70	42	Dominica	57	64	Montenegro	46	81	Morocco	40	103	Côte D'Ivoire	36	143	Kenya	28
3	Switzerland	85	25	Barbados	68	42	Spain	57	64	Sao Tome and Principe	46	81	Turkey	40	103	Mongolia	36	143	Lebanon	28
6	Singapore	84	26	Bhutan	67	42	Georgia	56	66	Hungary	45	85	Argentina	39	103	Tanzania	36	143	Mauritania	28
6	Sweden	84	26	Chile	67	46	Malta	56	66	Senegal	45	85	Benin	39	107	Armenia	35	143	Comoros	27
8	Canada	82	26	Bahamas	65	46	Malta	56	66	Belarus	44	85	Kosovo	39	107	Ethiopia	35	148	Guinea	27
8	Luxembourg	82	29	Portugal	63	48	Cabo Verde	55	68	Jamaica	44	85	Kuwait	39	107	Macedonia	35	148	Nigeria	27
8	Netherlands	82	29	Qatar	63	48	Rwanda	55	68	Omran	44	85	Solomon Islands	39	107	Vietnam	35	151	Nicaragua	26
8	United Kingdom	82	29	Taiwan	63	48	Saint Lucia	55	71	Bulgaria	43	85	Swaziland	39	107	Philippines	34	151	Uganda	26
12	Germany	81	32	Brunei Darussalam	62	51	Korea (South)	54	71	South Africa	43	91	Albania	38	111	Algeria	33	153	Cameroon	25
12	Australia	77	32	Israel	62	52	Grenada	52	71	Vanuatu	43	91	Bosnia and Herzegovina	38	112	Bolivia	33	153	Mozambique	25
13	Hong Kong	77	34	Botswana	61	53	Namibia	51	74	Burkina Faso	42	91	Guyana	38	112	Madagascar	24	155	Madagascar	24
13	Iceland	77	34	Slovenia	61	54	Italy	50	74	Lesotho	42	91	Sri Lanka	38	112	Maldives	33	156	Central African Republic	23
16	Austria	75	36	Poland	60	54	Mauritius	50	74	Tunisia	42	91	Timor-Leste	38	112	Niger	33	156	Honduras	29
16	Belgium	75	36	Seychelles	60	54	Slovakia	50	77	China	41	96	Brazil	37	117	Ecuador	32	157	Kyrgyzstan	29
16	United States	75	38	Costa Rica	59	57	Croatia	49	77	Serbia	41	96	Colombia	37	117	Egypt	32	157	Haiti	22
19	Ireland	74	38	Saudi Arabia	59	57	Suriname	49	77	Suriname	41	96	Indonesia	37	117	Gabon	32	157	Laos	29
20	Japan	73	40	Lithuania	59	59	Greece	48	77	Trinidad and Tobago	41	96	Panama	37	117	Pakistan	32	157	Mexico	29
			40	Latvia	58	59	Jordan	48				96	Peru	37	117	Togo	32	157	Papua New Guinea	29
						59									135	Paraguay	29			

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#The Corruption perceptions index for the year 2017, Transparency International

TIMELINE OF EVENTS

Date	Description of event
1973	Watergate Scandal reveals U.S. companies used "slush funds" to bribe foreign officials
1977	U.S. enacts FCPA, the first national statute to criminalize bribery of foreign officials
1993	Transparency International is founded
1996	Organization of American States (OAS) adopts the Inter-American Convention against Corruption, the first international agreement to address corruption
1997	OECD Anti-Bribery Convention establishes illegality of

	bribing foreign officials for member countries
1998	Council of Europe adopts Criminal Law Convention on corruption, setting common standards for criminalization
2002	UN Convention against Corruption establishes an international legal requirement for corruption prevention
2005	UN Global Compact 10th Principle declares businesses should combat all forms of corruption
2009	UN Global Compact releases Reporting Guidance on 10th Principle against Corruption
2010	UK Bribery act criminalizes foreign bribery and establishes corporate liability for failure to prevent bribery
2011	World Bank Group issues Integrity Compliance Guidelines
2013	The United States of America release A Resource Guide to the US Foreign Corrupt Practices Act
2014	Brazil enacts Clean Company Act, first national statute prohibiting corporate bribery

RELEVANT RESOLUTIONS, TREATIES AND EVENTS

United Nations Convention Against Corruption

The convention is characterized by a far-reaching approach and by being mandatory as far as its provisions go, overall making it a unique tool in the development of a comprehensive response to the global problem of corruption. It is the only legally binding anti-corruption instrument, while it covers 5 main areas, namely preventive measures, criminalization and law enforcement, international cooperation, asset recovery, and technical assistance and information exchange. The convention is universally supported with the exception of 15 nations, out of which 2 have signed the convention but are yet to ratify it.¹²

ECOSOC Resolution 2006/24, 2006

¹² The 15 nations that haven't ratified the convention are Andorra, Barbados*, Chad, Equatorial Guinea, Eritrea, Monaco, DPRK, Saint Kitts and Nevis, Saint Vincent and the Grenadines, Samoa, San Marino, Somalia, Suriname, Syria* and Tonga, while with an asterisk are nations that have signed it but not ratified it

The topic of this resolution is international cooperation in the fight against corruption, making it highly relevant to the issue at hand. Through its 18 clauses, the resolution essentially urges all member states to sign and ratify the United Nations Convention against Corruption in addition to recommending measures so as to facilitate its operation.

International Anti-corruption Day

On the 31st of October in 2003, the General Assembly in addition to adopting the United Nations Convention against Corruption and requesting that the United Nations Office on Drugs and Crime is designated as the Secretariat of the Convention by the Secretary General, it set the 9th of December as the International Anti-Corruption Day, aiming to raise awareness on the topic of corruption and how the Convention aids in combating and preventing corruption.

UNGA A/RES/51/59 on the topic of “Action against corruption”

The General Assembly through this resolution, in essence intensifies the role of the Commission on Crime Prevention and Criminal Justice on the issue of corruption and anti-corruption efforts.

Conference of the States Parties to the United Nations Convention Against Corruption (COSP)

Conference established by article 63 of the United Nations Convention against Corruption, with the view of it being the fundamental policy-making organ of the Convention. The Conference takes place every two years and adopts resolutions, while proposing anti-corruption measures to UN organs.

PREVIOUS ATTEMPTS TO SOLVE THE ISSUE

Foreign Corrupt Practices Act (FCPA)

The Foreign Corrupt Practices Act of 1977 is a United States federal legislation and is thought to be the most widely enforced anti-corruption law. FCPA is the first legislation to introduce corporate liability, responsibility for third parties and extra-territoriality for corruption offenses. It is known primarily for two of its main provisions, one that addresses accounting transparency requirements and one that concerns bribery among government officials, which both clearly concern not only the United States but also the rest of the world.

United Kingdom Bribery Act (UKBA)

The UK Bribery Act of 2010 is an Act of the Parliament of the United Kingdom aiming to criminalize corruption within companies. Specifically, by the time an individual commits a corrupted act on behalf of the company, this action has an impact not only on the person that committed this act but also on the whole company. This liability is an effort to confront all the corrupt individuals within the British companies. Unlike the Foreign Corrupt Practices Act (FCPA), the Bribery Act does not distinguish between small and large bribery payments, meaning facilitation payments are prohibited.

UNCAC

The United Nations Convention Against Corruption (UNCAC) was approved by the General Assembly in October 2003. The Convention focuses on five areas: prevention, criminalization and law enforcement measures, international cooperation, asset recovery, and technical assistance and information exchange. UNCAC aims to eradicate trading in influence, abuse of power, and corruption in private sector.

European Anti-corruption convention

The European Anti-corruption convention is an effort of all the European countries in order to criminalize all the corrupt activities, especially among Europe. On the one hand, the EU Convention against corruption aims to fight against corruption concerning the EU or Member State's officials as well as rendering this action illegal. It aims to create a legal basis which would criminalize each and every activity which would affect expenditure and revenue.

Common Country Assessment (CCA)

The Common Country Assessment is the common instrument the United Nations use in order to analyze the national development situation and identify key development issues with a focus on commitments, goals and targets of the Millennium Declaration and international conferences, summits, conventions and human rights instruments of the UN system.

POSSIBLE SOLUTIONS

Having zero tolerance for corruption

The message of the determination for the fight against corruption must be conveyed to society in a clear and not a vague manner. There must not be double standards which confuse society. This is why the same emphasis must be placed regardless of whether corruption is in the public or private sector. There must not be

any exceptions, sub-clauses and categories. Corruption must be controlled horizontally regardless of where or by whom it is carried out and regardless of its scale. The criminalization and consequences must be the same in all cases of corruption. Similarly, the emphasis must be the same whether it is a natural or a legal person and whether it is in the public or the private sector.

Establishing a single planning and coordination body

There is need for the establishment of a transnational planning and coordination body concerning anti-corruption efforts. This new authority, will have to act as a single, powerful and independent body which will coordinate all anti-corruption efforts each nation requires It needs to be single in number, in order to include everyone with an active or passive role in this effort under the same umbrella and powerful, because its efforts will find many resistances and attitudes which will require the use of powerful and efficient tools. Finally, it ought to be independent, because on one hand it needs to be accountable in order to ensure its own integrity, and on the other hand in order to not be influenced in its efforts for changing attitudes, fighting organized interests and establishing transparency.

Utilization and reform of the pre-existing anti-corruption framework

The legislation in place, meaning the anti-corruption laws, need to be concise and easy to establish. Action must be taken in the same direction for the reform and rationalization of anti-corruption criminal provisions and the regulation, once and for all, of the criminalization of corruption on a global scale. Moreover, the anti-corruption legislation should always be based on specific issues and problems that a



#5 Protesters with Transparency International in Ukraine, calling for anti-corruption laws that will promote disclosure of officials' assets and resolve conflict of interests.

nation is facing and should thus be adjusted to every nation's needs]. Concerning international anti-corruption legislation, it is of great importance to prevent corruption among countries. Therefore, all related United Nations (UN) organizations

should be responsible of the establishment of legislation concerning problems all countries face, whilst also keeping in mind the common corruption issues which tantalize the majority of nations.



Raising awareness about the negative effects of corruption

In order to deal with corruption, radical changes must be done, especially focusing on the approach of people towards it. It is important to make people realize that by abusing the power they have and taking advantage of others, they harm society and also themselves. However, there will always be people that will not respect this and that is why anti-corruption laws appear to be so essential.

#5 Transparency international, hosting an event in Yemen to distribute story books to raise children's awareness of corruption and the ways to fight it.

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