

Corruption strengthens our democracy!

...and Elvis is still alive.





Corruption just a few thoughts

**'Corruption at its core leaves us with a dilemma:
While strong judicial, political, and administrative
structures are essential to the creation and
perpetuation of market economies, these
structures are woefully undermined if they are
themselves permeated by market mentality.'**

(Hutchcroft, 2000: 115)

**'The key to success in business lies in honesty:
if you manage to get rid of it, you've done it.'**

(Groucho Marx cited by Castresana, UNODC, 2004: 53)

Corruption: *Social Interaction*

Trust



Social Contract



Rule of law



"state capture"

shaping and effecting the formulation of the rule of the game through private payments/bribes to public officials/politicians

"failed states"

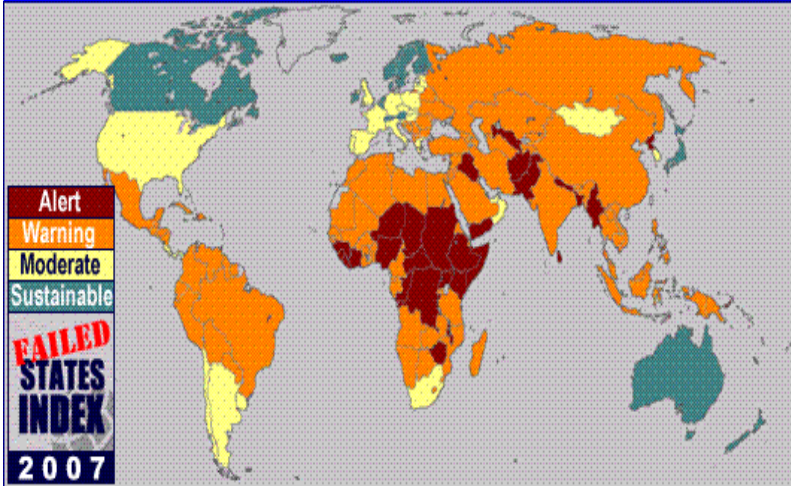
States that are consumed by internal violence and cease delivering political goods to their inhabitants. [Rotberg]

Paolo Mauro's regression analysis found that a 2,4 decline in the corruption index is associated with a four percentage point increase in the per capita growth rate. A 2,38 drop in the a/m index correlates to an increase in government spending on education by around half a percent of the GDP. A 0,78 increase in the growth rate of corruption is linked to a severe decline of 7,8 percentage points per year in the rate of income growth among the poor.

(Paolo Mauro in Lipset et al., 2000: 114)



Data 2006



Country	CPI		Failed States Index		Freedom House	
	Score	Ranking	Score	Ranking	Polit. R.	Civil R.
Austria	8,6	11	26,0	12	1	1
Belgium	7,3	20	25,5	11	1	1
Denmark	9,5	4	22,2	8	1	1
Finland	9,6	1	18,5	2	1	1
France	7,4	18	34,1	21	1	1
Germany	8,0	16	38,4	24	1	1
Greece	4,4	54	43,5	31	1	2
Ireland	7,4	18	19,5	4	1	1
Italy	4,9	45	37,1	22	1	1
Luxembourg	8,6	11	28,1	13	1	1
Netherlands	8,7	9	28,6	15	1	1
Portugal	6,6	26	32,4	16	1	1
Spain	6,8	23	39,2	25	1	1
Sweden	9,2	6	19,3	3	1	1
UK	8,6	11	34,1	21	1	1
Bulgaria	4,0	57	60,3	50	1	2
Czech Republic	4,8	46	42,1	29	1	1
Cyprus	5,6	37	70,2	65	1	1
Estonia	6,7	24	50,5	38	1	1
Hungary	5,2	41	51,2	39	1	1
Latvia	4,7	49	56,7	43	1	1
Lithuania	4,8	46	49,0	35	1	1
Malta	6,4	28	48,5	34	1	1
Poland	3,7	61	47,6	33	1	1
Romania	3,1	84	60,9	52	2	2
Slovakia	4,7	49	49,3	36	1	1
Slovenia	6,4	28	37,5	23	1	1
Albania	2,6	111	70,5	67	3	3
Bosnia-Herzegovina	2,9	93	84,5	124	4	3
Croatia	3,4	69	60,5	51	2	2
FYR Macedonia	2,7	105	74,1	83	3	3
Moldova	3,2	79	85,7	130	3	4
Montenegro	n/a	n/a	55,6	42	3	3
Serbia	3,0	90	81,1	112	3	2
Sudan	2,0	156	113,7	177	7	7
Guinea	1,9	160	101,3	169	6	5
Iraq	1,9	160	111,4	176	6	5
Myanmar	1,9	160	97,0	164	7	7
Haiti	1,8	163	100,9	167	4	5

Diagram 1, CPI vs. FSI: a high rate in the Corruption Perception Index goes along with a high risk of state failure.

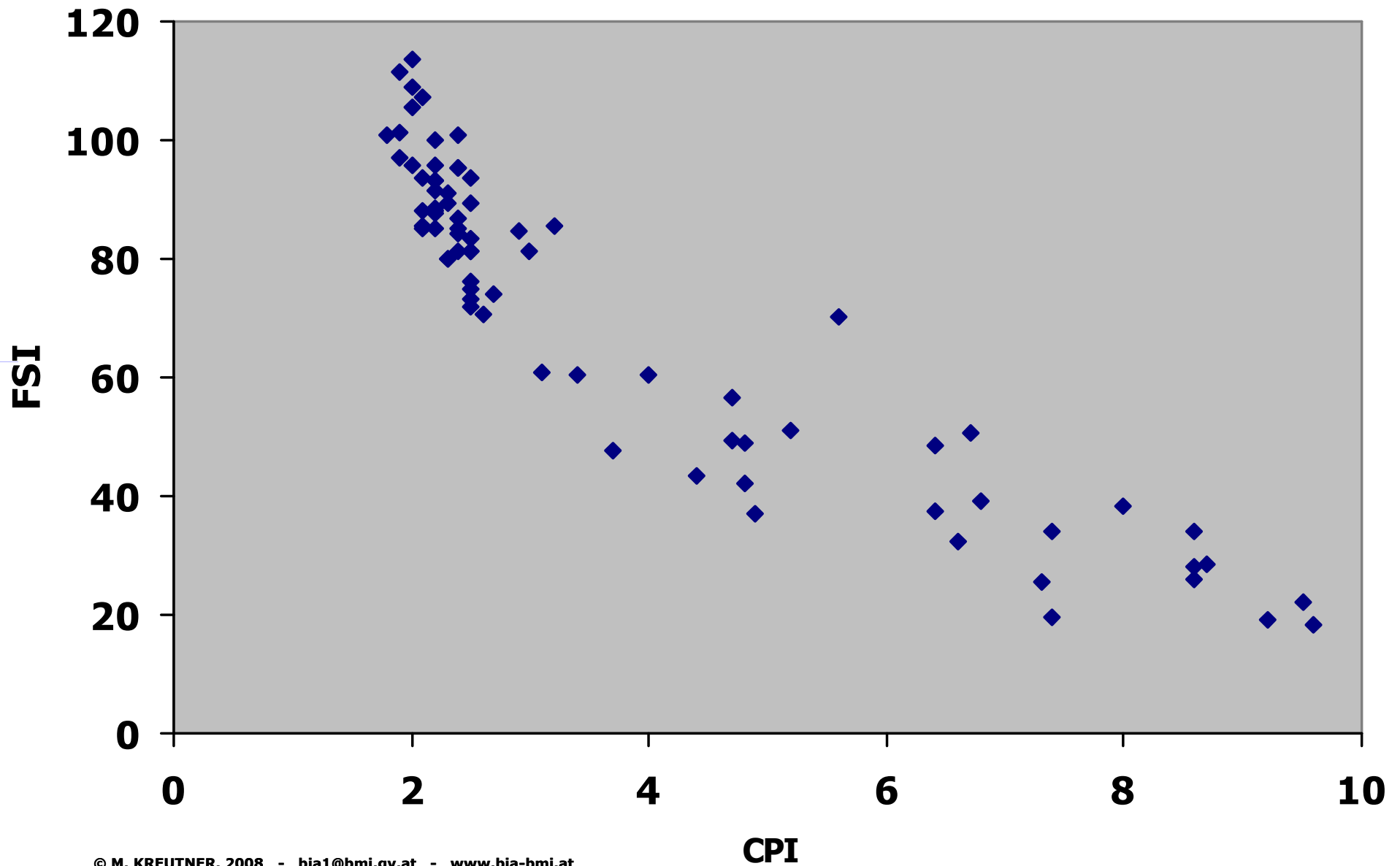


Diagram 2, CPI vs. FHI: a low corruption correlates with a high standard of political/civil rights.

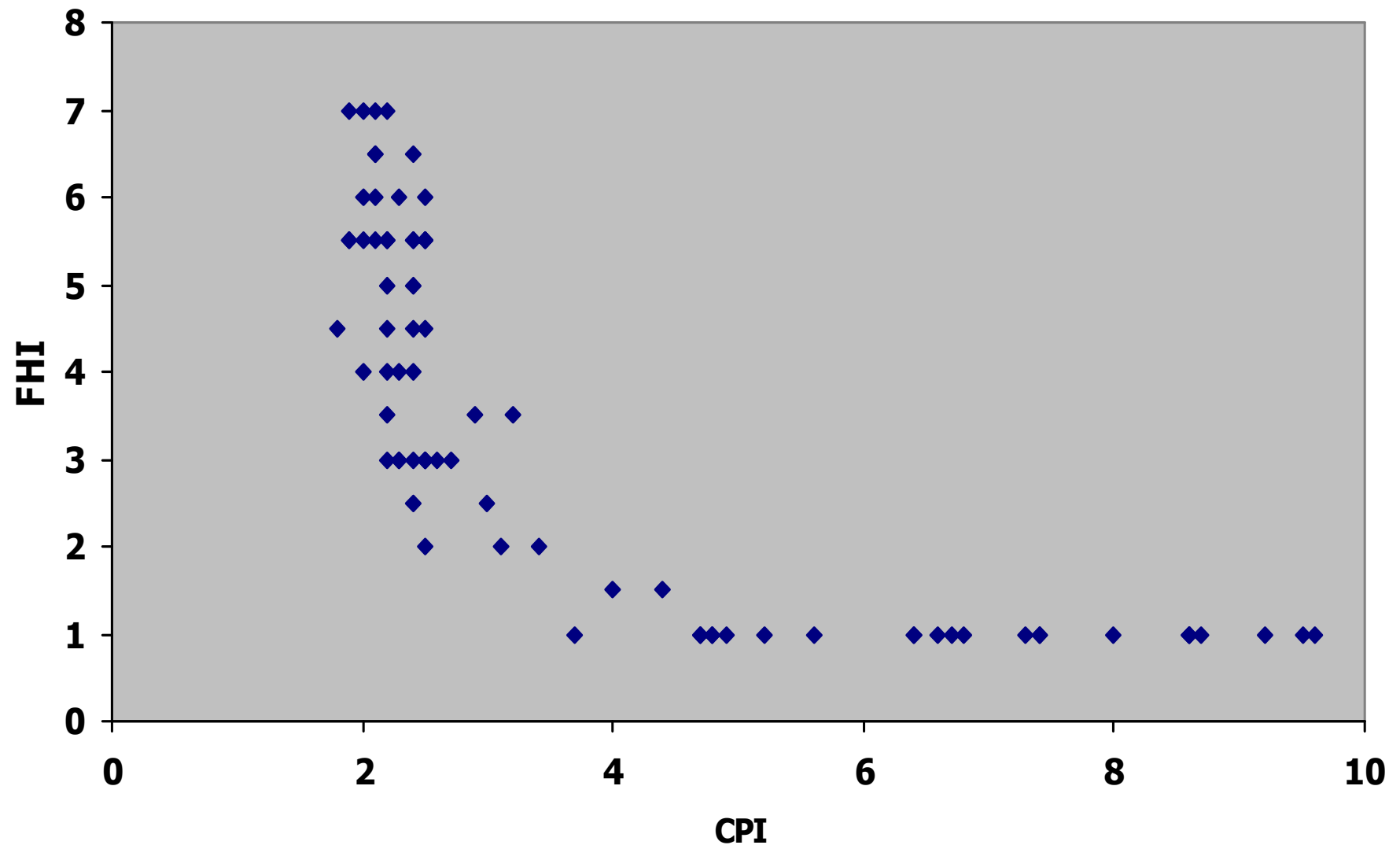
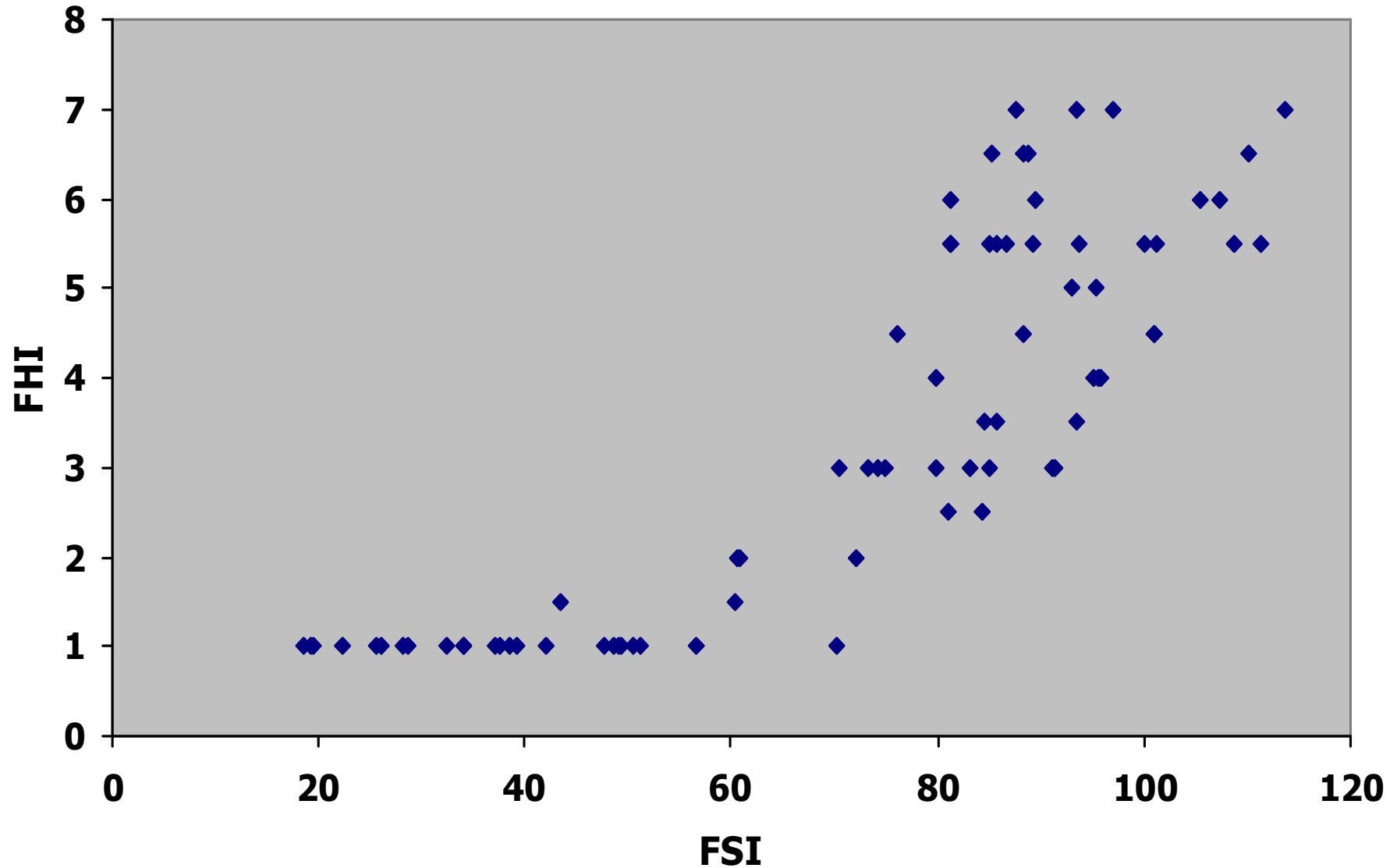


Diagram 3, FSI vs. FHI: high risk of state failure links with lack of political/civil rights.



4 pillar Approach:



Prevention Education Repression & Cooperation

No real success unless:

Awareness-raising !

(civil society ↔ transparency ↔ societal security, et cetera)



***Fighting Corruption
all over the Globe***

荷花厅
Lotus Hall

International Cooperation:

- **Chapter IV, Art 43-50 UNCAC**
- **Chapter II, Art 13 Civil Law Convention on Corruption, CoE**
- **Chapter IV, Art 25-31 Criminal Law Convention on Corruption, CoE**
- **Art 9-12 Convention on Combating Bribery of Foreign Public Officials in International Business Transaction, OECD**
 - **et altera**



Status quo:

- **different organisations**
 - **different standards**
 - **different role-models**
 - **different competencies**
 - **different focus**
- **different terms of reference**
 - **different jurisdiction**
- ***watering down in some areas ?!?***

Art 6 & Art 36 UNCAC:

*'.... be granted
the necessary independence,
in accordance with the fundamental
principles of the legal system
of the State Party,
to be able to carry out their
functions effectively and without
undue influence.'*

International (legal) instruments & mechanisms

- Best practices
- Mutual legal assistance
- Asset recovery (UNCAC)
- Monitoring mechanisms (GRECO, ...)
- Conferences & Networks
- JIT
- Staff exchange
- bi-lateral agreements
- et cetera

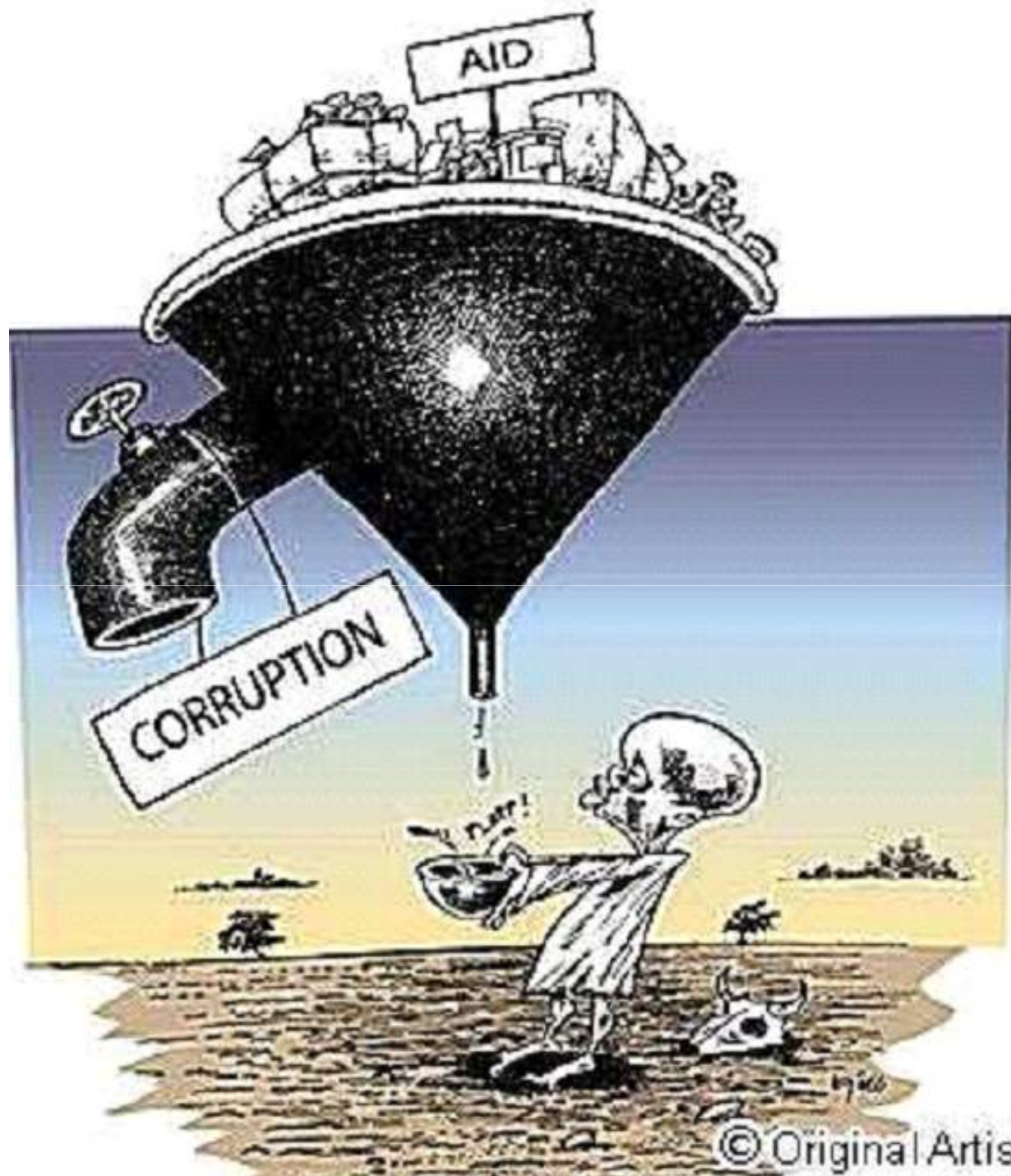


? Lip-service ?

WE'RE STILL MISSING A
KEY TRANSLATOR...

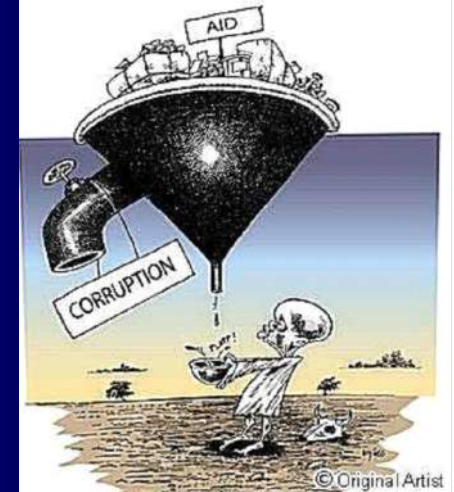


'In investigating corruption allegations you regularly have to stir in murky waters, you have to deal with the intelligent, the most resourceful and the real powerful. The burden of proof lies with the investigators, and the investigational and judicial chain is only as strong as its weakest link. Even if the chain stays solid, your day may end still missing the final but necessary piece of evidence in the obvious corruptive mosaic. Subsequently, you are nolens volens instrumentalized in supposedly proofing the "innocence" of the corrupt.'



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Impediments to asset recovery:



- **Political will ↔ political clique ...**
- Principle of sovereignty ↔ non-interference**
- Systems of immunities**
- Dual criminality**
- Pecunia non olet.***
- Different legal systems & loopholes in legislation**
- Systems of banksecrecy and data protection**
- Double standards**

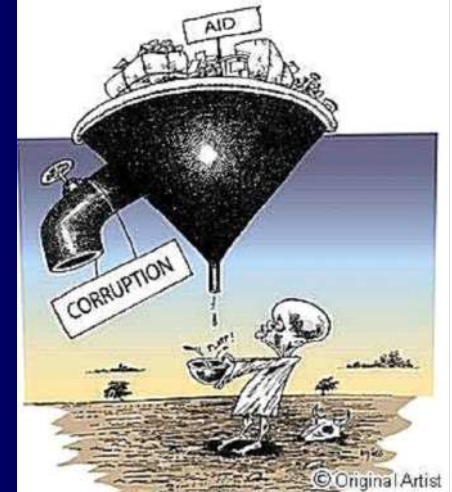


Europe

Source: www.cartoonstock.com

Impediments to asset recovery:

- Demand vs. supply expectations
- Lack of trust
- Lack of training
- Lack of resources
- Lack of time
- Lack of international coordination & co-operation





EUROPEAN
PARTNERS
AGAINST
CORRUPTION

2008 in EU:
ITA, RUM, LAT,
SLOV?, AUT?,

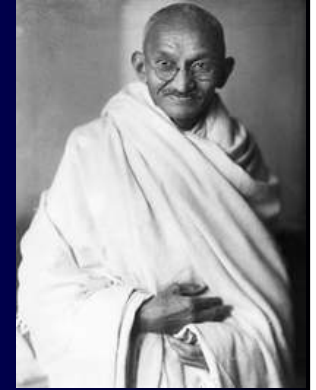
& beyond:
S-Africa, Kenia, ...



.BIA



REPUBLIC OF AUSTRIA
FEDERAL MINISTRY OF THE INTERIOR
FEDERAL BUREAU FOR INTERNAL AFFAIRS



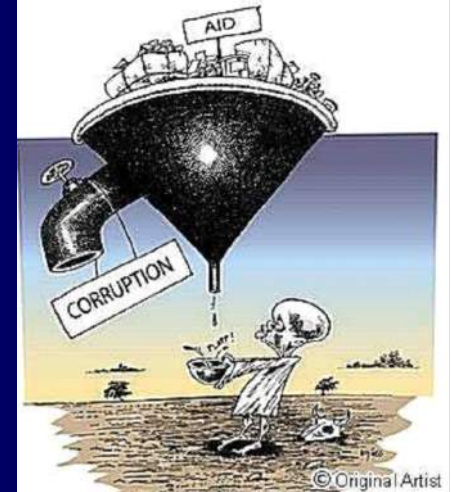
***There is enough on earth
for everybody's need,
but not enough
for anybody's greed.***

(Mahatma Gandhi)

.BIA



REPUBLIC OF AUSTRIA
FEDERAL MINISTRY OF THE INTERIOR
FEDERAL BUREAU FOR INTERNAL AFFAIRS



***Crime must not pay – everywhere,
i.e. in countries of origin but also in
countries of destination.***

(Expert Group on Stolen Asset Recovery, The World Bank / UNODC, 2009)



Thank you

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Corruption makes our country safer!

...and pigs fly.

