

A quest for social justice: fighting corruption around the world

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I would like to express my sincere appreciation to La Trobe University, the audience here today for the opportunity to share some ideas with you, as well as to Transparency International Australia. In addition, I would like to thank several special people here at the university, including Evan Willis, Yoshio Sugimoto, Peter Beilharz, Heather Mudie and Jeanne Daly. Thank you also to Australia, a country who in a time of desperate need provided me with a safe haven and a home. Without the immense generosity of this country I would probably not be alive today. Thank you.

In May 1987, only 22 years ago, South Africa was plunging towards Armageddon. Like thousands of South Africans I was in detention in an Apartheid jail. Whilst I was, and in many ways continue to be, a major beneficiary of centuries of racist ideology, my life was, nevertheless, like millions around the world, dominated by race and racism. To see – in my lifetime – the end of Apartheid and a world where the colour of one's skin no longer socially divides and dehumanises became a powerful thirst and yearning for what seemed the impossible.

To have been privileged to experience, as a young person, the end of Apartheid, a black African as president of South Africa, a black American as President of America, and an Australian PM saying “sorry”, has given me an immense belief in the human spirit's quest for social justice and our ability to succeed ... if we are willing to vigorously seek it. ...

1. The global fight against corruption in historical contexts

o Human rights and corruption

Historically speaking, corruption has greased the wheels of exploitation and injustice since time immemorial. The great human tragedies of recent history – genocides and institutionalised racism – have likewise been welded to abusive political systems that twist the public trust for private gain. The fight against corruption is indeed central to the struggle for human rights and social justice.

It is the fact that the poor and marginalised are most affected by corruption that should give us pause. In concrete terms it means that those with least influence are faced with demands for bribes in the most vulnerable situations, during contact with law enforcement, health care providers or the education system. This is a direct contravention of the (Universal Declaration of) Human Rights' principle of non-discrimination. It is our right and our social responsibility to call every official, every employer and every employee that fuels corruption, or turns a blind eye, to account.

Whoever, from wherever, who participates in the scourge of corruption is a criminal who through a single act deprives hundreds, even thousands, of people of their livelihoods, a fair go and often their lives. When people and institutions act with this kind of devastating impact in other areas we call them criminals against humanity. In corrupt transactions this is still referred to as white collar crime.

Our moral outrage and legal sanctions on all of the corrupt in the North and the South, on the demand and supply side, bribe givers and bribe takers, whose actions continue to trap millions in poverty, exacerbate the resource curse and threaten the

sustainability of natural resources, must match the crimes they commit against all of us.

- Post 1970 development efforts

The development efforts over the last 40 years have shown clearly that virtually no country has made sustained and substantial progress in fighting poverty if they had low levels of transparency, high levels of corruption and weak institutions. Similarly the active mobilisation and participation of citizens are essential to sustainable transparency and public accountability systems.

Yet, as recently as the 1990s there was no widespread political will to combat corruption. Moreover,

- International institutions actively turned a blind eye – bribes paid overseas were tax deductible in many countries.
- Some argued that the direct and indirect cost of corruption was low and also had positive elements in that it was perceived to assist in integrating political systems and stimulating economic growth by creating informal markets and pricing system.
- We had no international legal framework to fight transnational corruption.
- There was no Transparency International, and when we were founded in 1993 we were seen as naive idealists tilting windmills.

2. 2009 - Corruption a key issue on the global social agenda

In 2009 corruption is a key issue on the global social agenda and TI has chapters in 98 countries around the world and the anti-corruption fight has thousands of brave and bold activists, often risking their lives. Moreover,

- Today we know that corruption is a truly global phenomenon. Whilst it may vary in form across countries or companies it is truly global as the massive flow of illicit funds seamlessly between rich and rich, poor and poor, and rich and poor countries daily remind us.
- All around the world (e.g. Latin America, Eastern Europe, Middle East) governments now fall or become elected because of unprecedented citizen action against corruption - with people loudly and clearly saying “We have had enough”.
- In the last 15 years international legal frameworks to fight corruption have taken shape (e.g., the UNCAC and OECD Conventions).
- It is clear that corruption is inherently a most unsustainable business strategy – you need not ask me, ask some of the companies that are now dealing with the downfall of corrupt practices overseas, such as Siemens.
- Increased evidence base showing the monetary cost of corruption far exceeding US\$1 trillion per year which still exclude embezzlement of public funds or effects of tainted procurement. We now know that corruption is a truly global phenomenon. In 2009 TI is uniquely positioned and the fight against corruption is at a critical historical juncture

In 2009 TI is indeed uniquely positioned and the fight against corruption is at a critical historical juncture . More specifically,

- We are one of the most respected Global NGOs in the world.
- Substantial progress has been made in the fight against corruption in the last 15 years. However, our victories are not yet sufficiently decisive to ensure irreversible change, or the continued key importance of our issue on the world's social agenda. In contrast to other global social issues, such as climate change, we are not yet beyond the tipping point of no return. Our gains remain fragile and could be reversed.
- World-wide the political context currently demands highly effective anti-corruption change agents driving solutions that deliver a massive impact on reducing corruption, and that are politically feasible, technically state-of-art, and socially connected to the broader population.

In this context, the TI and the global anti-corruption movement are challenged to,

- Take our issue to scale and escalate the fight against corruption so as to leave no level of the government, private sector, NGO community or household untouched. In doing so, we need to dramatically impact on corruption across the world, as well as solidify corruption as a major global social issue of our time until substantially defeated and actively rejected by people across the globe.
- Build broad coalitions and networks with NGOs, the private sector and governments.
- Build an even stronger movement – in the North and the South - able to significantly influence national, regional and global change through a skilful combination of: soft diplomacy; effective programmes; strategic coalitions; and public campaigns – all based on classic TI strategic advocacy: critical, but constructive engagement with all stakeholders.
- Acquire and mobilise sufficient resources as well as develop and implement global resource politics that effectively amplify our ideas and actions around the globe and vigorously push our issue to beyond the tipping point of no return and force the momentum our way.

3. The struggle against corruption is today shaped by a changing global anti-corruption climate

- Global economic crises

And the tide is turning as our struggle is today shaped by a changing global anti-corruption climate with new challenges and opportunities, also in the light of the global economic crises - which is not a new crises. More than a billion of people were born into an economic crises and they will die in poverty if we continue with business as usual and not dramatically increase our efforts to secure basic human rights and social justice across global divisions.

Nevertheless, as the current wave of the global crisis unfolds the calls for Transparency, Integrity and Public Accountability, as well as the reform of the Global

Financial Architecture, (especially not with our values of Transparency, Integrity and Public Accountability as the most important drivers), are increasingly contested – even crowded out – by a strong focus on the bail-out of companies and stimulus packages.

This is cause for serious concern, aggravated by the current G20 process so far failing to fundamentally shift the focus and deal with on the devastating economic and humanitarian impact of the crisis on the poor and most marginalized around the world. The near silence of political and business leaders on this aspect of the global crises, is a shocking reminder of the acute vulnerability of the poor, as well as for the urgent need of a strong civil society voice at every table that matters.

As we set out to rebuild the world's financial system transparency, integrity and public accountability need to finally become the backbone of vital reforms. This crisis is the result of an enormous mismanagement of funds entrusted by the public to financial institutions.

In addition, the renewed failure of unilateralism to promote (even) national interests during the previous decade, has underlined the urgent need in this century for substantially strengthened international cooperation and instruments of global governance. In addition, we need to significantly increase Aid, with a focus on those in greatest need and with the necessary accountability mechanisms.

- New spaces for Global Governance

On a macro political level we are currently witnessing signs of increased efforts for global dialogue and concerted action from various actors in both political and economic affairs, indicating possible medium to longer term shifts to increased bi- and multi-lateral actions. In particular, the interplay of the new United States administration on the one hand, and the borderless global dynamics of the financial/economic crisis, as well as of the mounting climate change challenges on the other hand, offer and demand cooperation in purpose and policy of an unprecedented nature.

As such, new spaces for contemplating novel kinds of solutions, possible longer term shifts in policy development and execution, and a potential re-thinking of global cooperation and governance are emerging.

Furthermore, a reshaping of global political processes (e.g. with the strong infusion of TI's tri-pod governance philosophy – governments, the private sector and civil society working together) are now more urgent than before.

Civil society has not yet seized these opportunities of the moment - neither in the re-shaping of global political processes, nor in the co-shaping of the global social agenda. For this failure we can not blame governments or the business community, only ourselves.

In conclusion, the world is currently facing major economic challenges – even some of the most resilient economies in recent times, such as those in India and China, now confront a massive slowing of their dynamic economic engines. Many countries face a scenario of rising unemployment, widespread corporate failures, depleted personal savings and reduced government tax revenue incomes.

Progress in fighting global poverty is seriously challenged and it is indeed very likely that some of the tenuous gains of recent years might well be reversed. Given the prevailing conditions, fighting corruption will be more difficult and more important.

However, never before have we been in a better position to do it: today we understand the devastating consequences of corruption; we know the powerful and instantaneous results of transparent and accountable institutions and systems; moreover, we have the technology and means to reduce financial and international corruption dramatically and rapidly. The desired outcome is now in our sight, depending on our own will and efforts.

Vested interests often resort to extreme yet sophisticated means of repression in social settings around the world. Yet, on a personal level I have been privileged to experience the innate strength of convictions spawned by the greater social good. During the mid 1980s the moral, economic and political imperatives made the end of Apartheid a question of time.

However, many of us became despondent in the apparent slow progress – it would still take decades we often lamented. Yet I then learned an invaluable lesson: Once the odds make the outcome inevitable, history has a way of reaching its destination as quickly as possible. The case against corruption makes the outcome indeed inevitable – our challenge is to assist history to reach its destination as quickly as possible.

We are arguably the first generation to have the opportunity to participate in the complete realization of human rights and social justice to all in our own lifetime... Do we have the guts to vigorously seek and do it? We do!

Thank you very much!
Cobus de Swardt