Corrupting Public Policy

Transnational Research Institute on Corruption (TRIC)
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• Making public policy - distorting policy inputs
  
  – Shares for MPs
  – Milk subsidy
  – Nursing homes

• Could it happen today?
• Pay to play

• Gaming the system

• Lobbying activities
Implementing public policy - distorting policy outcomes

- Inspections
- Tax corruption
- Parliamentarian/ migration
- Jailing kids for cash
• Corrupt Societies
• Corrupt Organisations
• Corrupt Individuals

Different controls
• Doing wrong things

• Failing to do something one should do

• Doing something permissible, but purposely doing it in an improper manner
Nature of corrupt behaviour

• Bribery
• Creating or exploiting conflict of interest
• Trading in influence
• Extortion
• Misappropriation
• Self-dealing
• Patronage
• Abuse of discretion
• Nepotism, cronyism and favouritism

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What is being corrupted?

- process
- culture
- event
Behaviour demonstrates

- criminality
- sloppy adherence to process
- dumb decision making
context

• Structural
  (embedded and/or tolerated)

• Situational
  (opportunistic)
Participants

• Willing  
  (collusion)

• Unwilling  
  (extortion)
Will the behaviour

- Benefit an individual or organisation
  - Need / Greed

- Exhibit patronage
  - Nepotism / Cronyism / Love / Friendship

- Promote ideology, change values, re-allocate resources
## Possible controls

### Making public policy
- Integrity pillars
- Social capital
- Rule of law
- Criminal penalties

### Implementing policy
- Better processes
- Leadership/ culture
- Whistle blowing
- Criminal penalties
- Crime prevention techniques

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Corruption control is more than

- Ethics training
- Criminalisation
- Performance management
Implementing Public Policy at the Border

• Large volume of transactions
• Transactions of great value to stakeholders
• Huge opportunities for corruption
Each week Customs clears:
- 1620 flights containing 268,000 people
- 260 ships from overseas
- 24,600 export entries, 268,700 air waybills and 48,500 sea cargo manifest lines for imported cargo

and inspects:
- 1,960 sea cargo containers
- 29,400 air cargo consignments
- approx. 776,500 letters & 405,550 overseas parcels
Last year, Customs

- Detected over 1100kg of cocaine and heroin
- had 500 cases to protect intellectual property
- Boarded 340 foreign fishing vessels
- Collected $9 billion in revenue
- Seized 258 tonnes of tobacco and 82 million cigarettes from sea cargo
- Processed 28.44 million passengers
Corruption challenges:
Border control

Rich countries

• petty” (small scale) corruption
• Administrative corruption
• Organized Crime Related
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International Anti-Corruption Architecture

- UN Convention against Corruption (UNCAC 2005)
- OECD Anti Bribery Convention (1997)
  - Asia Pacific Group on Money Laundering (1997)
Australian Architecture

Agencies

- UN Convention against Corruption (UNCAC 2003)
  - Australian Commission for Law Enforcement Integrity (ACLEI)
  - Australian Crime Commission (ACC)
  - Commonwealth Ombudsman
  - Australian Federal Police (AFP)
  - Austrac
Australian Architecture Legislation

- UN Convention against Corruption (UNCAC 2003)
  - Crimes Act 1914
  - Anti-Money Laundering and Counter Terrorism Financing Act 2006
  - Australian Corporations Act 2001
  - Financial Management and Accountability Act 1997
  - Commonwealth Authorities and Companies Act 1997
  - Proceeds of Crime Act 2002
  - Witness Protection Act 1994
Australian Multi-Agency Approach  (Attorney General’s Dep’t)

Standards & Oversight
- Attorney-General’s Department
- Australian Public Service Commission
- Auditor-General
- Office of the Australian Information Integrity Commissioner
- Department of Finance and Deregulation
- Parliamentary Standards

Detection & Investigation
- Australian Federal Police
- Australian Commission for Law Enforcement Integrity
- Australian Crime Commission
- Inspector-General of Intelligence & Security
- Office of the Commonwealth Ombudsman
- Australian Transaction Reports & Analysis Centre

Prosecution
- Office of the Commonwealth Director of Public Prosecutions

International Cooperation
- International Crime Cooperation Central Authority
- Attorney-General’s Department Portfolio Agencies
- Australian Federal Police
- AusAID
Combating Corruption

- Identify the event
- Understand the opportunity structure
- Identify and implement controls
Opportunities

• motivated offender,
• a target
• absence of a capable guardian.
Responses
Tangible Controls

• Criminalization, investigation, prosecution, sanctions
• Anti-corruption agencies
• Structural reform
• Education, integrity building mobilization of the public
• situational countermeasures