



Plenary 1: Corruption, Peace & Security

15:00 - 16:30, 30 October, 2008

Mr UGAZ (Moderator):

Violence and instability are a constant in most of the so-called undeveloped countries where millions of citizens are condemned to live or die in inhuman conditions. Thirty years later, in a remarkable speech during the Spring meeting of the World Bank, held on the 1st of October 1996, the former President, Mr James Wolfensohn, addressing what he called the Council of Corruption, stated that corruption undermines development and diverts resources from the poor to the rich. It erodes the basis for aid programmes and humanitarian relief and we all know that it is a major barrier to sound and equitable development.

Corruption does not only generate economic results that benefit crooks. It also condemns a large portion of the world population to live in unacceptable conditions. Billions of dollars that could be invested in third world countries to alleviate hunger, provide work, education, health or housing, are diverted to a mere minority, and all because of corruption.

According to Transparency International, in 2004, approximately 390 billions were used to pay bribes. Imagine all that could have been achieved with that much money. Corruption kills and harms people and of course, seriously violates our human rights.

It is by no means a coincidence that most of the countries with bad performance rates in terms of the respect of human rights are at the same time identified as highly corrupt countries. This situation fuels violence and social conflict.

On the other hand, the impact of corrupt practices in public institutions contributes to and facilitates insecurity in several states and reduces the chances of finding structural solutions. Particularly important is the relation between corruption, judicial administration and impunity.

Of course, rich, stable and well-governed countries can be affected by corruption, as recurrent scandals demonstrate in the USA, Japan, France, Italy,



UK and many other countries, but there is no doubt that the threat to security in these countries is not as severe as it is in poor countries.

Furthermore, organised crime in the form of drug trafficking, arms trafficking and terrorism, as is the case in Mexico, the Sudan and Pakistan for example, constitutes a real challenge to the viability of the states from which these illegal groups operate.

In this plenary session, we intend to address some of these problems, from different points of view, with this extraordinary panel we have here with us this afternoon. I would now like to call upon His All Holiness, Archbishop and Ecumenical Patriarch Vartholomeos, to share with us his ideas on these issues.

His All Holiness, Bartholomew, Archbishop of Constantinople, New Rome and Ecumenical Patriarch

Your Excellency, Prime Minister Karamanlis of the Hellenic Republic,
Honorable Members of the Governments here represented,
Your Honor, Justice Barry O'Keefe,
Chair of the 13th IACC Council and Program Committee,
Members of Transparency International and Transparency International
Greece,
Distinguished Participants and Guests,
Dear Friends,

We bring you warm greetings from the Ecumenical Patriarchate of Constantinople, from our centuries-old spiritual center in modern-day Istanbul. We thank you for this invitation to be with you today, and to address this most respected assembly at the Thirteenth International Anti-Corruption Conference. Since its first meeting in Washington DC in 1983, the IACC has offered the contemporary world a unique forum for confronting the deep-seated condition of corruption on every level of human experience.

As Ecumenical Patriarch, we come to you from an ancient institution of faith that, at many times through our seventeen century continuous history, has struggled with all manners of corruption, from within and without. We have not only survived all these challenges, but our continuing ministry of service to



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

world bears witness a central theme of our purely spiritual mission. Eloquently stated with unashamed hope by the Apostle Paul, whose footsteps were heard in this very city two thousand years ago when he mounted Mars Hill and addressed the people of Athens, and whose two millennia of legacy and accomplishment the Christian world observes this year, these words from his letter to the Romans, bring constant hope and expectancy to the human family. He says:

The creation itself also shall be delivered from the bondage of corruption into the glorious liberty of the children of God.

Καί αὕτη ἡ κτίσις ἐλευθερωθήσεται ἀπὸ τῆς δουλείας τῆς φθορᾶς εἰς τὴν ἐλευθερίαν τῆς δόξης τῶν τέκνων τοῦ Θεοῦ. (Romans 8:21)

In this brief declaration that affirms a greater destiny for all creation, the Apostle Paul has offered to all of us, and particularly to this assembly gathered here in Athens, a decisive perspective that we are glad to offer to you today.

Corruption truly is a form of human bondage, a slavery that enslaves both those who engage in corrupt and corrupting practices, as well as those whose lives are subject to ruination. The desolation that it wreaks on the human spirit is in fact worse for the one who betrays his or her values and principles than for the ones whose lives are grievously affected by such betrayal. For those who are victims of corruption of any kind – whether it be physical, financial, religious or political –always have the choice to endure and to vindicate their integrity by the purity of their own motivations, even in the face of abject greed and tyranny. On the other hand, those who perpetrate corruption throughout the globe, whether it be in governmental turpitude, ecological depravity, financial and economic vice, or religious hatred, reveal themselves as the most damaged of souls, and are often incapable of returning to the sanity – the health – of their own personhood.

This conference has gathered to examine corruption in institutional, industrial and governmental systems, but these systems do not exist apart from the individual human persons that comprise them. As we seek to monitor and check corruption, through transparency, accountability, and enforcement initiatives, let



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

us never forget that there is a fundamental issue of personal responsibility that underlies every system of corruption.

Just as responsible individuals risk position, security, and social status to sound the alarm in cases of corruption – the admirable “whistle-blowers”—so it is also true that it is the very lack of such responsibility for the self and for others that gives rise to the machinations of bribery, wastefulness, and criminality. The former risks liberty and ease in the cause of higher principle; the latter mistakes escapism for freedom, and ephemeral comfort for the bondage of the soul. But surely the one who recognizes truth, honesty and justice is the one who has already been, as the Apostle Paul says, delivered from the bondage of corruption into the glorious liberty of the children of God.

But the Apostle speaks in his epistle of a future state, when creation itself shall be delivered from corruption. You who have gathered for this conference and who work tirelessly through the year in order to end corruption at every level of human conduct are the ones who are sharing in that promise, and working to bring about a “glorious liberty” for all of God’s children, without respect to their religious persuasion, racial identity or ethnic origin.

From our City (Istanbul), the Ecumenical Patriarchate is an active partner with you in the ongoing struggle against corruption, both in a spiritual and material sense. As Saint Paul says in another place:

For we wrestle not against flesh and blood, but against principalities, against powers, against the rulers of the darkness of this world, against spiritual wickedness in high places. (Ephesians 6:12)

The Church takes very seriously our mission to be a positive force for peace, forgiveness, and love in the world. We curse not the darkness, but from the Lighthouse that we know as Phanar, the Sacred Centre of our Orthodox Faith, we continue to radiate the light of God as we are given grace to do so. Our message is a message, a “logos,” of reconciliation, as the Apostle Paul says in yet another place:



God was in Christ, reconciling the world unto Himself, not imputing their transgressions unto them; and has committed unto us the word of reconciliation. (II Corinthians 5:19)

And our context of faith does not negate what another human being believes. And in passing no judgment on others, neither do we negate our own faith, the faith of millions and millions of human beings. In fact, our faith is made stronger because we act not only in a spiritual way, but we bring concrete results to our struggle against the corruption of the world.

This is why the Ecumenical Patriarchate continues its program of addressing one of the principle thematic streams of this year's conference, climate change and the corruption of the environment. We recognize in our ecumenical mission a responsibility for the oikos – the house – of the world and all who dwell therein, the oikoumene. As is well known, our Patriarchate is not a “national” Church, but rather the fundamental canonical expression of the ecumenical dimensions of the Gospel message, and of its analogous responsibility to the world and to the Church. Thus our Patriarchate is called “Ecumenical.”

In our mission to the oikoumene, the inhabited world, service, we continue to sponsor the Religion, Science and the Environment Movement, bringing together leaders from all great faith traditions, with renowned scientists and political leadership. Our cause is to seek ways in the practical realms of demonstrable science and realpolitik – not mere theory and ideology, in order to clear the air, the seas and the land in the service of the great human good.

Dear friends, we have but one planet to share, one ecosphere of mutual existence. In the Church, we speak of the Body of Christ – the Soma Christou – where every member is linked to another.

The eye cannot say unto the hand, I have no need of you: nor again the head to the feet, I have no need of you. (I Corinthians 12:21)

We have travelled from the Aegean to the Arctic Seas, from the Danube to – this coming May – the River Nile, all with the thought to find practical solutions to the corruption of the environment that threatens every life on the planet,



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

human and animal alike. And yet we know that the transformation of societies and systems begins with each and every person taking responsibility for himself and for the other in his midst.

Therefore, we convey to all of you, the participants in the 13th International Anti-Corruption Conference, our heartfelt blessing on your important work. May the deliberations, workshops and experiences of all build upon the foundation laid in previous conferences, particularly the Declaration that emerged from Guatemala City. It was there that a call was sounded for faith-based entities to become more engaged in the promotion of anti-corruption measures in the general institutions of the human family. And we know that as agents for change in society, institutions of religious faith can have an impact on the governmental, legal and societal establishments.

In a world of unparalleled technological accomplishment that oftentimes feels more insecure than ever – witness the global credit crisis – the fight for basic human equity and equality is essential to the restoration of balance and harmony among all peoples. Greed, terror, oppression – these are the marks of the bondage of corruption that threatens every human soul.

May God grant us the grace, the strength and the moral courage to break these bonds asunder, so that every human person may go forth into the glorious liberty of the children of God.

So be it. Amen.

Mr UGAZ (Moderator):

We have agreed that each participant will speak for ten minutes, after which we will open the discussion to the members of the audience, take some questions and then hear some final remarks and conclusions from this plenary.

I now call upon Prof. Nikos Passas to address us on the problems of trans-national crime, terrorism, criminal enterprises and corruption.

Prof. PASSAS:



Thank you very much. Let me first express my gratitude for inviting me to return to my hometown, which I left 28 years ago. This wonderful conference makes me an even prouder Athenian. Σας ευχαριστώ πολύ. (*Thank you, in Greek*).

The main point I would like to make is that corruption is not just an offence and significant problem in itself; it is a core societal problem; it erodes the very heart of governance, security, the rule of law and public policy, and this will become increasingly clear as each speaker takes the podium.

There are three ways in which corruption contributes to security problems. The first is that it fuels militancy, that is to say it creates the conditions, the environment in which grievances drive people to despair and motivate them to take up arms and violently fight for some form of a resolution.

Corruption corresponds to oppression; it is a violation of human rights; it constitutes a problem of inequality that if unaddressed, if unarticulated can lead to conflict and acts of terrorism. Acts that are justified in the minds of militants. And sometimes they have a point.

Another example is when reconstruction efforts are being made in conflict zones and there is corruption in procurement and public works. When services are not provided, then that adds to desperation, that adds to ill feeling and that results in conflict.

We will hear some examples from my fellow panellists, so I will not add anything at this point.

The second way in which corruption contributes to a lack of security is that corruption facilitates particular terrorist acts. Examples of this include the crossing of borders by corrupt officials, in Chechnya for example.

We have seen the ease with which people can place a bomb on an airplane. We have seen that in the bombing of the Air India flight from Canada to India.

We also have legal and illegal enterprises providing support to militant causes. We have seen that with conflict diamonds, in the tobacco trade, in gold trading, and in many other sectors.

The third way in which corruption undermines security is that corruption is an enabling mechanism for criminal enterprises and infrastructures. What we



have is the proliferation and illegal trade of arms and drugs. What we have is illegal trading, illegal migration, slave labour, human trafficking for sexual exploitation, and organ trafficking.

Let me take the example of human trafficking, and highlight some of the ways in which corruption plays a key role in this illegal form of trade.

First of all, it adds to the vulnerability of victims. It is misery, it is economic inequality and injustice that make it easier to convince people that someone who promises them an artistic career, for example, or work in the domestic sector in another country is in fact speaking the truth. They believe it, they buy into it, they fall for it.

Corruption tempts officials to turn a blind eye or even to participate in human trafficking. Some police officials even participate in the recruitment of victims.

Corruption undermines consular services. This is evident in cross-border trade where illegal papers are provided for the crossing of borders. Hence, border control is subverted.

Corruption also infiltrates the legal economy. It infiltrates the running of hotels, bars, restaurants and even private homes that are rented out and used for illegal activities.

When the police allow this to happen, when judges allow people to walk with impunity, the criminal justice system is delegitimised. But we need that very system to counter corruption, especially when the victims of human trafficking see their offenders/clients of the previous night on television.

We know that problems in governance are at the very heart of corruption. But here, with the momentum we will gain due to this conference, we have the strategic opportunity to make a difference.

We have a wonderful instrument, the United Nations Convention Against Corruption, which we need to implement effectively. But we also have enough laws and enough declarations, what we need is action. We need to do is to move from the law in writing to the law in practice.

We need to make corrupt people, the culprits, accountable for what they have done. We need to take small steps, one foot at a time, to build legitimacy, credibility, and increase the momentum against corruption.



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

For it is only in this way that we will accomplish long-term success and positive results for the future.

Thank you very much.

Mr UGAZ (Moderator):

Thank you.

His Excellency, the Patriarch, has to leave because he has another engagement. I ask that you give him a warm round of applause, after which we will continue with the plenary session.

DEPARTURE OF PATRIARCH

Mr UGAZ (Moderator):

We have with us Prof. Mark Pieth, who is an expert in many of the issues being discussed here today. I now call upon Prof. Pieth to tell us about inequality, the South-North divide, the consequences of corruption, and the international tools and arenas we should use to strengthen ourselves in the fight against corruption.

Prof. PIETH:

Thank you very much, ladies and gentlemen. I would like to take this opportunity to echo the thanks expressed by Nikos to the hosts of the conference.

I am very pleased to be here. The topic we are talking about is very broad indeed and one has to decide how to tackle it. The angle from which I would like to examine it is the role that corruption has played in prolonging the agony of colonialism.

Industrialised states and economies in transition are trying hard to obtain access to primary goods, especially minerals and oil. In doing so they do not always play fair. Let's just say that companies or states involved in the extractive industry have gained access to such essential goods by means of bribes, illegal campaign contributions, or unconditioned loans that barely camouflage their intent.



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

In those countries providing the goods – and they are frequently developing countries as already mentioned – payments to leaders have contributed to the already uneven distribution of wealth. Corruption and similar practices are therefore one of the key sources for strife and civil war. Take the conflicts in Africa, in the eastern part of Zaire, for instance, which also lead to a lack of development. Everything that follows from these phenomena – hunger, inefficient health services, lack of education – contributes to a general sense of insecurity.

Let us now look at the question on what can be done to combat bribery so as to foster a sense of security. The global community has reached a crucial point: it has decided to call corruption by its name, to write conventions – for example the UN Convention already mentioned – and to put forward preventative and punitive measures in great detail.

I think that the real challenge we are confronted with, and it is indeed timely after 25 years, is how to adopt and implement these rules in areas where corruption has become a way of life.

I would like to say a few words from my particular point of view, my personal experience from working with the OECD the last twenty years. Now, the OECD has a very particular role to play, because the member countries of the OECD account for about 70% of exports and 80% or 90% of foreign direct investments worldwide.

They make up the club of the rich, those countries who are in danger of actually bribing rather than just taking bribes. Obviously they also take bribes, in particular the community of companies. The Convention that the OECD has drafted on bribery in international business transactions focuses on one particular type of bribery, the bribery of managers and of companies so as to conclude contracts and obtain licenses abroad, including access to primary goods in the developing world.

Now what can the OECD do to make a difference here? It has established a very rigorous monitoring mechanism that allows it to address even its most economically and politically powerful member countries in a very undiplomatic and straight-forward manner about their deficiencies, not only from a legal



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

perspective, but also in terms of the application of the law or their unimpressive awareness raising efforts, etc.

In one recent case, the OECD has actually gone so far as to declare a country's companies altogether unsafe, because they are under-regulated, and increased due diligence by trading partners, including multilateral development banks, is required.

This is a weighty and potent statement; it is something that goes well beyond what the OECD can actually deliver itself. But being allowed to say that all the companies in a specific country have to be examined closely before engaging in any kind of business with them, is a bold step forward. Of course, there is nothing stopping these companies from continuing to pay out bribes, because the national laws are substandard. Therein lies the problem, a very significant point.

Now, in what way is being strict with developed countries a contribution to making the world a safer place? I am asking this question so as to return to the actual topic. I think one can sum up the answer quite simply. If dictators find it more difficult to obtain extra cash from selling their countries' treasures to those who favour them personally, or if dictators find it more difficult to hide their bounty in financial institutions, or if companies paying out bribes are put on black lists and find themselves criminally prosecuted, all this can help reduce corruption.

Many people have been able to subvert democracy by means of illegally obtained funds. Think of a number of heads of state who have been bribing the justice system and members of the justice system for the last few years. I wrote their names here. That is an example of subverting democracy to its very core.

There is a greater chance under these circumstances to challenge the inequality and the unrest that goes with it. The role of the OECD is, let's just say, to induce change at one end, one very complex end, but I think we can encourage the idea that change is actually possible, even with very powerful players. I think that will most certainly help with the much larger project of helping the UN Treaty take off.

Thank you.



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

Mr UGAZ (Moderator):

Thank you very much.

What is the link between corruption and human rights? That is a very important question and we have here Ms Irene Khan, Secretary General of Amnesty International, to provide us with an answer.

Ms KHAN:

Thank you. Let me start by saying how pleased I am to be here. This is the first time Amnesty International is attending an anti-corruption conference and as I look at the agenda I wonder why we did not attend sooner.

I think there is a very direct correlation between corruption and human rights. If T.I. and A.I. were to compare notes, we would end up with the same top list of countries that have the highest prevalence of human rights abuses and also tend to have the highest prevalence of insecurity and corruption.

It is pretty clear that there is a causal relationship there. Corruption is a major cause of human rights violations and it has a domino effect resulting in conflicts, entrenched marginalisation, greater poverty, the dismantling of institutions, the subversion of justice and so on.

The first point I would like to make is that a broader definition of security actually shows the impact, the terrible cost that human beings pay for corruption. Take, for example, the cost that women in refugee camps have to pay, the sexual favours they have to perform in order to get food; or take the young boys shot in the *favelas* in Brazil because of corrupt police forces.

That is the real cost on human life. You just need to consider that very long list of what people go through. Peace and security, at their most basic level, are about freedom, freedom from fear. In turn, fear is not just about violence, but about losing your home, that is evictions that are based on corrupt practices, and so on.

Now, how does corruption feed fear and kill hope? In many different ways. I think those who have spoken ahead of me have already mentioned the way in which corruption sows seeds of conflict, by creating disparity and inequality, by destroying justice systems and people's confidence in those very systems. And from political violence comes electoral violence.



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

Think of Zimbabwe, a classic case of corruption that, like a cancerous growth, has affected all basic human, economic and social rights, as well as political and civil rights. But at least we talk about Zimbabwe; indeed it has been very prominent in the news of late. There are many countries that we never even hear about. Like my country, for example, Bangladesh, another country with that insidious network of human rights abuse created by corruption.

This can lead to mass violence because of the prevailing sense of injustice already mentioned. Take for example the Niger Delta – where Amnesty International has done a lot of work – where we have seen conflict between communities fuelled by illicitly acquired wealth. Or take the eastern Democratic Republic of Congo, where there has been an escalation in killings and violence and where armed factions are seeking to invade Goma as we speak. The main cause is really the fight for natural resources, for minerals in the region, and the implication of those resources for businesses and neighbouring governments. An illegal, illicit, or grey area steeped in corruption.

The point I would like to make is that tolerance, tolerance of corruption in peace and security processes is actually intolerable. We have seen how the UN Security Council actually failed to address this issue in eastern Congo, despite its efforts. We have seen how very often the international community will turn a blind eye to corrupt regimes, because they somehow feel that these corrupt regimes, made through alliances, create stability, when in fact the exact opposite is true.

Tolerating corruption, tolerating impunity – especially from Amnesty International's point of view – allowing violation of rights without redress, weakens peace and security and any future efforts to create peace and security.

So what can be done? I would say that there is a very direct relationship between human rights and the fight against corruption, and that there needs to be greater cooperation between the two movements. Corruption is a major cause of human rights violation, and human rights are the tools we need to fight corruption, at the most basic of levels. Freedom of expression, freedom of association, freedom of assembly are essential rights that allow people to stand up and fight corruption.



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

At the same time, I would also say, as a human rights activist, that it is very important that anti-corruption strategies comprise human rights. In this way, when people are accused of corruption, they will be guaranteed a fair trial; otherwise, if corruption is only used as a tool to oppress others, then the battle is lost.

I also think that human rights offer a legal framework in the context of corruption, albeit under-utilised. You have mentioned the UN Convention against Corruption, the OECD Convention, and so on, but there is a whole host of human obligations that human rights instruments create for both state and non-state actors. Some effort is now being made to include business in the framework of human rights obligations and I believe that this is an under-exploited area and that we should pay greater attention to it.

What human rights would bring is greater focus on individuals, because the best tool against corruption is an empowered citizen. And it is that empowerment, the encouragement of citizen leadership that has turned the tide on these issues in many societies. People need to know their rights, people need to have access to information and people need to be able to stand up to their leaders and hold them to account.

The second issue of course in the context of human rights is the system of accountability, intolerance of impunity, the building of institutions that can address these situations and – we already discussed international treaties – but allow me to stress the importance of national institutions in making such international treaties legitimate, because very often it is at national implementation level that we find systems breaking up and weaknesses emerging.

My third point regards the way in which we all do business, as governments, as businesses and as civil society. I think that on the part of governments there needs to be better policy coordination. I think corruption, human rights, peace and security are all “stored” in different “silos”. There needs to be greater integration, these areas all need to be inter-related.

In the context of business, I think the big challenge is how to hold businesses accountable across borders. The extraterritorial jurisdiction issue is one that certainly needs to be examined. And, in terms of civil society, I think



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

civil society organisations need to be more accountable and transparent, because they are losing the people's trust and confidence, because of their own practices. Greater emphasis needs to be placed on this issue, because civil society is not immune to corruption. Civil society, and very often civil society organisations, are tainted by corrupt practices. Therefore, greater emphasis needs to be placed on creating the appropriate rules and tools for civil society organisations.

Mr UGAZ (Moderator):

Thank you.

With his vast experience as former UN Special Rapporteur on human rights and the fundamental freedoms of indigenous peoples, Professor Stavenhagen will share his ideas from this particular perspective.

Mr STAVENHAGEN:

Thank you and good afternoon. I, too, would like to thank the organisers and the government and people of Greece for their hospitality and for giving me the opportunity to be here.

I will try to follow up on some of the points that have been raised by the people who spoke before me, particularly those of Irene Khan. I will try to tie some of the issues of corruption to the basic problems of human rights faced by a section of the human population that is often ignored, or worse, forgotten: indigenous peoples.

According to a number of estimates, indigenous peoples make up about 400 million or even 500 million of the world's population. They are found in various countries across the globe, in Latin America, in Africa, in a number of Asian countries, in Europe, in Northern Europe, in the Pacific. They are becoming increasingly involved in migration, migration from the poorest areas of the world to those where there are seemingly more opportunities for survival. Indigenous peoples are among the world's poorest and most marginalised. Traditionally, they have not even been recognised as citizens with basic human rights.



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

So the first human right they have struggled for is the right to have rights, to be recognised. Important changes in the international and national arenas have taken place over the last few years that are quite significant.

The most recent international development in the field of human rights of indigenous peoples is the adoption of the United Nations Declaration on the Rights of Indigenous Peoples by the General Assembly in September 2007, after more than two decades of negotiations in the UN between member states.

In a number of countries, we have also found in recent years constitutional and legislative reforms recognising the rights of indigenous peoples.

What are these rights? What are these issues that indigenous peoples have been facing?

Well, first of all they relate to land, territory, and resources deemed essential for the survival of indigenous peoples all around the world. They relate to autonomy, self-government and self-determination. They relate to environmental rights, access to the rule of law and the possibility of recognition of local justice systems, legal pluralism. They relate to traditional knowledge and intellectual property rights that are important to a number of indigenous peoples around the world as they comprise their cultural identity, their cultural rights, their language and education, their tangible and intangible heritage. They are often the victims of racism. And of course, they have had to tackle the provision of social services, which have a cultural meaning for them: health, security, education, work, all these relate to indigenous peoples' culture, their organisation and their possible participation. Certain issues have now been recognised at international level by the UN Declaration on the Rights of Indigenous Peoples, but they are not necessarily issues implemented and practised in most of the countries where indigenous peoples live.

Thus, there are a number of processes that indigenous peoples are involved in. They are the victims of land laws and resource laws, because they occupy what some people call the last frontiers of development, the few remaining jungles or undeveloped areas of different countries.

They are the victims of environmental pollution; they are the victims of injustice and the justice system. They are the victims of inefficient social



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

services, of widening inequality, which can be documented in most of the countries where indigenous peoples live.

We have cases of persistent poverty, malnutrition, and famine among indigenous peoples, and the disintegration of their societies, of their cultures, of their communities, which also means loss of solidarity, something that His Holiness referred to earlier today.

All this leads of course to migration, to trafficking, to child labour, all of which have been documented by the UN as slavery of indigenous people. This in turn leads to conflicts, to violence, which is often associated with illicit economic activity, drug and human trafficking, and that in turn leads to resistance movements being formed amongst indigenous peoples, which are then criminalised by the justice system or by governments or by more dominant social groups.

What we have here is a vicious circle of insecurity. Indigenous peoples live in permanent and constant insecurity; physical, environmental, social, cultural, and human insecurity. That is why indigenous peoples are and have always been eternal victims of corruption, ever since the first contact between European explorers and indigenous peoples in the 16th century, which is when we started coming into contact with indigenous peoples around the world.

But this is not a top-down form of corruption. What I would like to underline in my presentation is bottom-up corruption, because corruption, for many indigenous peoples, is really just a matter of survival. It boils down to staying alive, to remaining indigenous but having access to basic resources.

I think it must not only be understood as a sickness or an illness, as some of today's speakers have referred to it, but as a way of life that has become embedded in the relationship between indigenous peoples, their communities and society as a whole, be it the government, government institutions or the justice system, or economic players such as trans-national corporations.

What we see in indigenous communities, albeit on a smaller scale, is an everyday form of corruption for survival, the greasing of the machinery, so as to have access to certain basic things that they have a right to.

It is therefore obvious that they will be corrupted, that indigenous peoples will be corrupted on a daily basis, by government officials, by political parties,



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

by private interests. They are sucked into the widening illicit economy, into drug trafficking and other forms of illegal economic activity. Indigenous children for example are drawn into activities such as drug smuggling; indigenous girls become part of prostitution circuits, and even indigenous authorities become members of far-reaching corruption networks. Indigenous peoples are therefore not immune to corruption; they too become corrupted and corruptible, like everyone else in society.

So, what alternatives do they have and what are the dilemmas they have to face? The general public comes into contact with indigenous peoples mainly through the media, through television programmes, and so forth - they tend to be polarised – where they are portrayed as guardians of nature or as destroyers of the environment, where they are idealised in local communities, or described as links in a chain of predatory capitalism. They are sometimes thought of as a “Rousseau model of egalitarianism”, that is the noble savage image, or else as authoritarian patriarchal sexist, and so on and so forth.

They may be perceived as keepers of ancient wisdoms or as ignorant and hapless peoples living in the modern world. They may be seen as clever and strategic players or as an easy mark for outside manipulators. These are all images that we usually work with, that the media work with. They may be seen as visionaries of alternative lifestyles or as easy victims of consumerist sale strategies; as serious partners in development or as the gullible puppets of greedy outside interests. Take your pick.

These are the indigenous peoples of the world and we find them everywhere, on every continent. What are the alternatives? The alternatives, and I will conclude on that note, must be found in a different approach to development, in what indigenous people themselves call ‘development with identity’ and what the United Nations now defines as a “human rights based development” that includes the participation of indigenous peoples and where new strategies for the survival and preservation of both community and individual rights can be brought to bear. I think this is a very important aspect that must be looked at when we discuss solutions and alternatives to endemic corruption in the world today, particularly as regards indigenous peoples.

Thank you very much.



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

Mr UGAZ (Moderator):

Thank you. Mr Siim Kallas has just arrived; he is the Vice-President of the European Commission. So without further delay, I give the floor to Mr Kallas. Please bear in mind that we have agreed on ten-minute presentations.

Mr KALLAS:

First, I would like to thank you for inviting me to this conference, and of course apologise for being late. Today's modern world is so strange at times: something happens to your flight, and you end up leaving an hour later than your scheduled departure time, but that's enough to make you late for your appointment. I apologise yet again for being late.

I am quite impressed with the topic of this conference, global transparency, fighting corruption for a sustainable future. We are in the midst of a global form of corruption and we really do need global cooperation to fight global corruption.

A few words on the European Union. This panel was asked to link corruption to security and the European Union most definitely plays a major role in creating security and stability. That is mainly why our soft tools, our financial tools support development in the European Union. That is why there is prosperity and stability in the Union and why there is more security for those people living in these conditions.

We are a major contributor to regional development in the European Union: in 2007, we spent 47 billion on structural aid, and another 47 billion on agricultural aid. The European budget has earmarked 10 billion for humanitarian aid. And the European Union's member states have earmarked 46 billion from their budgets.

We are therefore dealing with a substantial amount of money. We have an enormous task at hand, a task which is carefully monitored and controlled to ensure that the distribution of this money is fair and that it is not corrupted in any way.

If you try to create security and stability in certain regions and if you try to contribute financially to the development of those regions, but the money is



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

unfairly distributed and misused, then this will most definitely produce the exact opposite result.

We have a lot of rules in the European Union, which are, on occasion, rather rigid. But we have these rules to guarantee, to ensure the fair distribution of money and the fair use of money in accordance with our aims.

Several departments of our institutions deal with the enforcement of these rules, which include different audit services. We also have numerous judiciaries who deal with possible corruption and fraud cases.

But when looking at facts and figures, we determine that the number of corruption cases being tried in courts of law, the number of trials will bring people to their knees, are rare and difficult.

There are many problems and in many areas, and corruption cases tried in court are, from a legal point of view, very complex. They require a lot of time, and sometimes there is a lack of evidence, amongst other things.

At the same time, there is a strong perception that we must fight corruption, and people expect us to take the necessary steps to fight corruption.

Rules, law enforcement and judiciaries are just not enough. So, what have we done to ensure the ethical and proper use of our resources and to avoid corruption?

In 2005, we launched the so-called “European Transparency Initiative”, the result of a major decision made by the European Council in December of 2006. I personally did not think that the initiative would be approved. But the Council decided that all information regarding the beneficiaries of EU funds was to be made public. This was a major breakthrough for us, because in 2004, there were only two member states that published information about the beneficiaries of EU funds. Keep in mind, it is very difficult to say to people “See, we have introduced a wonderful policy, but we cannot tell you what the real outcome of this policy is”.

We are now in the process of implementing the technical aspect of the initiative. A month ago, we launched a website where everyone can see the projects that are financed directly by the European budget.

At the end of 2008, all member states will be required to have a website up and running, where they will publish information regarding the recipients of



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

structural funds and agricultural aid. In 2009, we will have a website which shall provide all Europeans with important information.

This is a huge change for us. I think you can already see these changes in newspaper articles that are including a lot more of this information.

But that is not the only initiative we have adopted. We have also started a register for lobbyists, another major breakthrough for us.

We also work hard in the field of ethics. Last year, we commissioned a study by a European institute working in public administration, entitled "The Professional Ethics of Public Office Holders". The study provided us with some very interesting material, available on our website, on ethics, rules for public office holders throughout Europe, in different institutions, in governments, central banks, judicial departments, parliament. The findings of the study were most interesting.

For example, some countries do not have enough appropriate rules. Others, especially the new member states, have too many and are making the lives of officials too complicated.

So again, the study was most interesting. Moving on, we have also done a lot of work in our own "home", to establish an ethical working environment. We have a rather excellent code of conduct, which is one of our core documents defining behaviour, the professionalism of commissioners, etc. We also have sound rules on staff regulation for high-level officials.

The main question, however, is the implementation and monitoring of these rules. And of course the time will come when we will need to reconsider all the rules we have in place and decide which need to be amended and made more precise.

Bearing in mind the circumstances that have arisen lately, the European Commission and other institutions are looking at how they can create bona fide guidelines for the people and how these can be monitored.

We have also set up a special network of ethical correspondence, which meets regularly and discusses concrete cases. What we still need, is a monitoring body.



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

We have therefore proposed that a body of experts be put together to assess cases. Because one thing is for sure: texts that regulate, that define professional ethics, will never be perfect.

Many new cases will arise and these need to be assessed in terms of common sense and in terms of the public's expectations.

This is a mere overview of our actions in the fight against corruption, and of what constitutes proper behaviour in the European Commission.

Thank you very much.

Mr UGAZ (Moderator):

Thank you. Before taking some questions from the audience, I would like to pose a question of my own.

Some people believe that this is a lost battle. That we cannot defeat criminal networks and corruption and create a more secure world for all.

Some people believe that this is due to politics. Take for example the charges filed by the International Criminal Court against the President of Sudan.

Others believe that the money involved is so much that there are too many economic interests that will not allow this struggle to succeed.

My question to the panel is whether or not you believe that conventions are enough to succeed in the struggle against corruption.

We now have the United Nations Convention Against Corruption, and numerous other Conventions in different parts of the world, but it seems economic and political reasons may be stronger than these instruments.

Let us now take a few questions from the members of the audience. I would greatly appreciate it if you would put forth questions, and refrain from making any statements, as we have very little time available. Please keep it short and simple so the panellists have time to answer all your questions.

The gentleman there.

Member of the Audience:

I would like to start by thanking T.I. for inviting me to take part in this conference.



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

I would like to make two points. One, that we in the academic life have shifted completely from the concept of security and national security, to the concept of human security. I would have loved to have seen greater emphasis on the procedures related to human security.

I have also reviewed the three Holy Books, and I am in total accordance with His Holiness, that is that what is needed is greater emphasis on integrity, human, individual and community integrity.

The three Holy Books revealed that the definition of human security depends on or is based on a lack of fear. Fear of our basic needs not being satisfied, fear for our physical safety, fear of not having safe and secure residence, and fear of immigration being curbed.

My point is that we have to place greater emphasis on human security.

My second point is about corruption and finding a solution to human security. Corruption is manmade. It is spreading all over. We have seen heard today of the impact of corruption, and soon enough we will witness first-hand the impact of the international financial crisis on human security, especially in developing countries.

I think we need to have an index similar to the CPI, an index listing bribers, including the governments with the worst track record in paying bribes to heads of states, politicians, and individuals in developing countries or in developed countries.

It is extremely important that we have such an index of bribers, as well as a black list, as mentioned by Professor Pieth, of corporations involved in bribery.

Thank you.

Mr UGAZ (Moderator):

Do you have a question, Sir?

Member of the Audience:

No.

Mr UGAZ (Moderator):



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

Thank you. Yes.

Mr ROVEL (Member of the Audience):

Good afternoon, my name is Frank Rovel, and I have a very simple and short question.

Eighteen years ago, Peter Eigen told me that we could no longer afford to tolerate corruption. And he asked me what I was going to do about it personally! I have been worried about the answer ever since, and have felt guilty for not doing enough.

I wake up every morning and ask myself what can I do. I see you and this entire room, and the comfort and luxury in which we are all sitting, and I cannot help but say that as corruption fighters, we need to “comfort” the “afflicted” and “afflict” the “comfortable”.

Allow me to “afflict” you by asking a simple question. When you leave here today what one act will you personally carry out to reduce corruption? An act that you can come back a year from now and honestly say made a difference in the life of perhaps only one person, but a person nonetheless, suffering because of corruption.

Thank you.

Mr UGAZ (Moderator):

Thank you very much. The gentleman here.

Mr HONAKA (Member of the Audience):

Thank you very much. My name is Mike Honaka, I am the Minister of Justice of Nigeria.

I have a rather simple question. Is there any other way to fight corruption? That is any other way than by means of the law, by taking criminals to court, by seeking convictions? Is there any other way?

Mr UGAZ (Moderator):

Thank you. The gentleman on the right. This will be the last question, so that we still have two minutes for the participants to make their final remarks and



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

comments. Of course, we shall continue discussing these issues in the various workshops.

MARK WADE (Member of the Audience):

My name is Mark Wade. I am from the Republic of Trinidad and Tobago, where I am Chairman of the Public Accounts Enterprises Committee. I wanted to ask the panellists whether they think the time has come to categorise corruption as a crime against humanity and for perpetrators to face criminal sanctions, and secondly whether governments that blatantly refuse to implement measures to ensure transparency and accountability should be subject to sanctions from the global community?

Mr UGAZ:

Thank you.

Mr PASSAS:

If I may, I would like to answer the question about the one thing I plan on doing after we leave here today. As an academic, my aim is to drive my students mad and by my students, I do not only mean my university students but also bank officials, government officials and law enforcement professionals. Illustrating the consequences, sometimes hidden consequences of corruption, illustrating the consequences visually to these groups can have a very powerful effect on them, and they can then share that with their friends and families, so eventually, there are a lot of mad people ready and willing to do something to make some kind of a difference.

Mr PIETH:

I would like to make two rather succinct points. Firstly, isn't time corruption was labelled a crime against humanity? That is a very provocative question I think, because if you think of corruption, the rather crass forms of corruption and the crimes committed by the more powerful, then you have no problem in identifying corruption thus.



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

But it has also been demonstrated that corruption also originates from the powerless; sometimes the powerless have to pay bribes, and sometimes they benefit from corruption... obviously petty corruption endemic to the masses causes major social problems. It would, however, be totally disproportionate to perceive a single act of corruption as a crime against humanity. One has to be very careful.

As to Mr Rovel's point, I would, very briefly, like to say this: we have discussed at length what you can do about corruption in terms of punishment and negative reinforcement. I think that there is a lot more out there that can be done by handling the problem from a positive perspective. I have only really thought about it in terms of the economic context within companies.

So, to cite a concrete example we are currently negotiating with groups of companies, if companies put the facilitation payments they currently make into a box, together with contributions from government advertising, and declare them, and officials receive a fair salary, then that is one way in which corruption can be countered. Obviously you have to make sure that the payments are not simply raised and that someone still wants more at the end of the day.

Ms KHAN:

Let me begin with the issue of crimes against humanity, because obviously that is an area I deal with in many ways, in my role as both lawyer and head of Amnesty International.

I think it is important to see corruption not just as an act, but as a systemic problem. As an act, you criminalise it. As a systemic problem, you have to do much more than just criminalise it and therein lies the challenge, because the term corruption covers a huge range of activities and problems and failure of systems that all need to be set straight. The response, therefore, needs to be much more complex.

I come from a country where you have to bribe the chap who comes to read your electricity metre. He is doing you a favour when reading the meter, so you have to pay him a little extra. Now can you blame him when you know how much he earns? How else is he going to survive?



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

Then, on the other hand, you have rich political leaders who syphon off state assets. And in between you have systems that allow impunity, making it very difficult for the state to carry out its duties. That is why I believe a multiple, multi-layered strategy is the answer.

I also believe that the real problem is not the addition of new laws but the actual implementation of existing laws. There are many tools that are not being used and I think we need to investigate such a problem and make things happen.

Now, as to what I would do. I come from a country where corruption is a way of life, so you either fight it or succumb to it. You can decide to pay a bribe or refuse to do so, you can expose your leaders or let them be... it is all part of the daily battle.

For me personally, as head of Amnesty International, where we are expanding our work to include the area of poverty and human rights, and where we can see how corruption acts like a cancer, destroying the very systems we are seeking to uphold, from that perspective, what I plan on doing is going back and making sure that my at A.I. are in constant communication with our colleagues at T.I. and that we are working well together in the field.

Finally, if memory serves me correct, a comment was made about fear. I always like to speak about hope, because the best way to fight fear is with hope. I earnestly believe that a lot of progress has been made. It is amazing how much progress has been made on this issue within such a short period of time. And that gives me hope, even if we never find a world that is corruption free, or a world that is human rights abuse free.

But the progress we are making, the awareness we are raising, and the empowerment of people... I believe all this will make our world a better place. So, I think the message is one of hope rather than of fear.

Mr STAVENHAGEN:

I stand by Ms Khan's words. As for indigenous peoples, over the years I have witnessed some of the worst forms of violation of their basic human rights, related to their land, the territories that they occupy and the resources they live on. What it boils down to is stealing, stealing assets from people who not only



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

traditionally and legally own these assets, but also live off them, whose survival is guaranteed by them.

I agree that stealing the wealth and assets, the land and resources of the weakest members of society should be considered a crime against humanity, because it is related to other issues of concern, such as environmental pollution, climate change and all other major issues afflicting the world today.

There is no simple answer. And what one should do when leaving this hall today or in a few days time, is to continue to help to empower indigenous peoples politically, economically, and culturally and help them maintain their ties to their land and resources, to keep, these basic resources, which they have owned since time immemorial.

Because this is not only a legal issue. As we all know, we have many good laws but they are not always implemented properly. At the end of the day, it is a question of participation, a question of empowerment, a question of human dignity and a question of respect for the rights of others.

Thank you.

Mr KALLAS:

I would say that I share the opinion of many of my fellow panellists. We need to have good rules. But 99% of our success depends on the implementation of those rules.

First, we need honest people whose priority it is to maintain their own integrity. This means that they should be elected by means of transparent processes and elections. People with a conflict of interest should not be elected to positions where they are called upon to make important decisions.

And if rules are transparent, then this can be monitored.

We need to have clear rules and laws in place. We do not want any form of ambiguity, or lack of qualifications or lack of discretionary powers. This pertains in particular to the rules in public procurement, a complex and sensitive area that always seems to attract unethical behaviour.

We should have a clear decision-making mechanism that is transparent to all, and in every way.



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

If there is real transparency, and rules and peoples and decision-making processes can be monitored, then you have the tools necessary to fight corruption.

Thank you

Mr UGAZ (Moderator):

Thank you very much. And we managed to finish on time!

It is clear that there are a multitude of very different ideas on these issues. Today's speakers have given us much food for thought. The Patriarch highlighted the fact that we need to change our social values and reinforce education, raise awareness and strengthen family ties.

For those of you who believe rules are important, we have the United Nations Convention, the European Transparency Initiative, and other conventions like that of the OECD.

We heard about the impact of corruption on the vulnerable members of society, like indigenous peoples, women and children. And we heard that nobody is immune to this problem, because corruption is a way of life that has become embedded in the very foundations of our existence.

These are some of the ideas you can take away with you and explore further during the various workshops. Thank you very much for coming today.

Master of Ceremonies:

Thank you to Prof. Ugaz, our colleague from Peru. Allow me to take up a further two minutes of your time to give you some additional information.

As you know, we will now have our coffee break, after which the first workshop will start at 17:30. There is another workshop after that, one you don't know about and I will very quickly read a few lines to describe it to you.

"Two weeks ago the OECD issued an extraordinary report criticising the UK's lack of compliance with the OECD Anti-bribery Convention and laying out detailed recommendations for the adoption of corrective measures. The report is hard-hitting, as it charges the UK Government of not having the political will to comply. The OECD's report has created an important window of opportunity to accelerate anticorruption enforcement. If the UK complies, the success of the



Global Transparency:
fighting corruption for a sustainable future.
Athens, Greece | 30 October - 2 November 2008

OECD Convention will be within reach, resulting in a substantial reduction in foreign bribery. If the UK fails to comply, the credibility of the Convention will be undermined.”

The speakers in this workshop are Ms Huguette Labelle, who will introduce the theme, Fritz Heimann from T.I., Mark Pieth and Maria Gavouneli, Chairman and Vice Chair of the OECD’s working group on bribery respectively, Jeremy Carver from T.I. UK., and Francois Vincke, Chairman of the ICC Anti-corruption Commission. Closing remarks will be made by Ms Labelle.

For those of you who are interested, the workshop will be held from 19:30 to 20:30, in MC2, Level 1. Otherwise, there is a welcoming cocktail at 19:30. And from 20:30 onwards there will be busses to take you back to your hotels.

Thank you for being here today. We look forward to seeing you all here tomorrow morning at 9:00.

Thank you very much.