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Fighting Corruption in Security Sector Reform

Summary

- Corruption in the security sector damages society's trust in the government.
- Donors must coordinate on anti-corruption programs and make sure not to engage in corruption themselves.
- Corruption is highly political and context specific.
- Fighting both high and low-levels of corruption should be a priority in security sector reform.

The Impact of Corruption

Security sector reform (SSR) is a process of realigning the security establishment to be more attuned to the needs of society. The security sector includes the agencies that protect the state and its citizens from security threats; these bodies range from the operational actors (police and armed forces) to the managing institutions (ministries of interior, defense and justice). When the people who have pledged to protect society are the source of corruption, abusing entrusted power for private gain, the first casualty is reduced trust between society and government. Rebuilding trust between the military, police, and government, and those they are supposed to protect is critical. This involves fighting corruption at both the high and low-levels.

High-Level Corruption

High-level corruption involves substantial amounts of money and usually senior level officials. Economically, grand corruption leads to the funneling of scarce public resources away from critical development projects. In the security sector, corruption occurs most often in contracting and procurement. Procurement is a "high value–low frequency" occurrence, where deals for massive sums of money do not happen every day. As there is a tendency to overextend rules of secrecy and confidentiality in the security sector, citizens generally are unaware of the impact of this corruption on their lives. The impact of the drain of scarce public resources is real nonetheless.

Beyond secrecy, another guise for grand corruption in procurement is subcontracting. The common practice of principal contractors operating through multiple subcontractors creates an "ostrich effect," where the actual perpetrators of corruption are masked by a network of agents and subagents, providing cover for corrupt officials. Subcontractors may be located in various countries and may be protected by barriers of language, inadequate legal systems and special privilege. This situation can be made worse by the "revolving door" syndrome, as the implementation of

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large contracts is spread out over time allowing for payoffs and kickbacks to materialize long after the signing of the contract. Even if the official is fired for malfeasance, corrupt payouts from the contract may nevertheless continue in the future.

In mid-2006, agents from the Special Inspector General for Iraq Reconstruction (SIGIR), and the Departments of Defense, Treasury, Homeland Security and Justice initiated a lengthy joint investigation that broke up a multimillion dollar bribery scheme at Camp Arifjan, Kuwait. While serving as a contracting officer, U.S. Army Major John Cockerham received more than \$9 million in bribes from Defense Department contractors in exchange for awarding contracts paid with money from the Iraq Relief and Reconstruction Fund. Cockerham was sent to federal prison for 17 ½ years and was ordered to pay in restitution the amount he collected from awarding contracts for services to be delivered to troops in Iraq, including bottled water.¹ The Justice Department prosecutor reported this as the largest Department of Defense corruption case in history.

Low-Level Corruption

While grand corruption may grab the headlines, the effect of petty corruption on the social fabric of society is more damaging. Low-level corruption, characterized most often by the traffic cop asking for bribes on the street, undermines people's trust in the political system, its institutions and its leaders. When police—who are the most visible symbol of government to society—are perceived as corrupt, it erodes the public confidence in government. Institutions lose legitimacy when they are misused for private advantage and fragile governments cannot afford this loss of trust. Citizens often do not see the impact of high-level corruption on their daily lives, but petty corruption is highly visible and constitutes a major obstacle to effective security sector reform.

American police trainers in Afghanistan have said it is hard to determine which is a more daunting challenge: the few thousand Taliban insurgents or dealing with corruption so rife it deeply undercuts efforts to improve the police and has destroyed many Afghans' faith in government.² The result is a woefully ineffective Afghan police force and a frustrating lack of justice for Afghans. In contrast to the government's exercise of authority, the law imposed by the Taliban is far more certain, quick and clear, if ruthless. Afghan popular support for the Taliban has swelled because the Afghan police engage in such petty corruption. According to Dennis Blair, former U.S. director of national intelligence, "Many Afghans perceive the police to be corrupt and more dangerous than the Taliban."³

Culture and Context are Important

Norms and values are context bound and vary across cultures. This is particularly true concerning popular attitudes toward corruption. In some parts of the world, particularly in a context of poverty or conflict, allegiance to personal loyalties such as one's family or ethnic, religious, or socioeconomic identity outweighs allegiance to the state or to abstract rules. What is considered ethically questionable or even corrupt behavior in the U.S. might be seen as social obligations or simply good manners in another country. Local counterparts may be shocked to learn that U.S. government regulations forbid U.S. officials from accepting payment by others for lunches or dinners that exceed a certain amount or that accepting small gifts from foreign counterparts might be considered as ethically questionable.

It is important to understand the political context surrounding corruption as well. A strategy to fight corruption should fit the particular circumstances of a country, taking into account the nature of the corruption problem as well as opportunities and constraints for addressing it. For example, in Liberia, the price for getting the leaders of various warring factions to lay down their arms was to

give them control over the government ministries for a two-year transition period before presidential elections. These former warlords took advantage of the short time provided to loot ministry resources and live extravagant lifestyles. The United Nations focused its efforts on organizing an election that terminated this transition period and brought a widely respected former World Bank official President Ellen Johnson-Sirleaf to power. Subsequently, President Johnson-Sirleaf has adopted a number of innovative measures that provide for international oversight of ministry expenditures, but corruption remains a problem.

Fighting Corruption

In post-conflict environments, pervasive corruption exacerbates a broad range of problems and presents international donors with daunting challenges. There are steps that can be taken, however, to address corrupt practices. First, there must be a clear idea of what constitutes corruption in a given country. An assessment of the extent, form and causes of corruption in the country must also look at the political will for anti-corruption reform in the government and civil society. It is important for donors to articulate a common set of standards for an anti-corruption strategy that fits the host country's political will and cultural context.

International donors must also ensure that foreign firms, nongovernmental organizations and domestic officials are not engaging in corruption. Revelations that some American firms and representatives, including military officers, were involved in large-scale corruption in Iraq undermined U.S. credibility and made it more difficult for the U.S. to demand that Iraqi authorities control corruption within the Iraq government. The U.S. embassy's anti-corruption working group reported that Prime Minister Nuri Al-Maliki protected corrupt officials by reinstating a law that prevents the prosecution of a government official without the permission of the minister of the relevant agency. Between September 2006 and February 2007, Iraqi ministers used this law to block the prosecutions of 48 corruption cases involving a total of \$35 million.

To fight petty corruption, SSR programs should make certain that ministerial reform includes measures that ensure that rank and file police officers receive their salaries, and that police families have access to appropriate housing, schooling and medical care. Programs that provide for officer welfare reduce the need for police officers to engage in petty corruption and instead provide incentives for proper behavior, especially if there are clear opportunities for merit-based promotions and advanced training. It is also important that police officers understand legal standards and are fully briefed on the codes of ethics, operational guidelines and the consequences for breaking the rules. There should also be internal accountability mechanisms—an inspector general or internal affairs office—within the police department as well as external citizen review boards to deal with citizen complaints and officer misconduct.

The end goal of fighting corruption in security sector reform is the professionalization of the work force. This includes creating decent work conditions for the police, military and bureaucrats in government institutions—such as offering adequate salaries, providing a safe environment, and decreasing incentives in general for corruption. Increasing wages alone will not prevent corruption, but police and military personnel must have a baseline salary level where they at least have the opportunity to take care of themselves and their families. If police are not taken care of, it is unreasonable to expect they will behave appropriately. Increasing salaries to a living wage is one of many anti-corruption measures to decrease the incentives for engaging in illegal behavior.

ABOUT THIS BRIEF

This report is based on a February 25, 2010 panel presentation and the views expressed on fighting corruption in SSR during a meeting of the Security Sector Reform Working Group. The panel consisted of Raymond Gilpin, vice president of the Center for Sustainable Economies at USIP, Rachel Nield, legal adviser at the Open Society Justice Initiative, former Chief of Police Michael Berkow (retired), president of Altegrity Security Consulting, and Alex Berg, a USIP peace scholar. Robert Perito, director of USIP's Security Sector Governance Initiative, moderated the panel.

Recommendations

- Understand the culture and political context. Ensure that anti-corruption programs are consistent with local standards and political will.
- Consider fighting corruption in SSR a top priority. Corruption is happening at a cost that fragile countries and economies cannot afford.
- Clarify measures of success for external oversight bodies and maintain internal accountability for corrupt behavior.
- Focus on officer welfare, including the daily pressures that influence decision-making.
- Address low and high-level corruption simultaneously.

Endnotes

1. "Army Officer, Wife, and Relatives Sentenced in Bribery and Money Laundering Scheme Related to DOD Contracts in Support of Iraq War." U.S. Department of Justice, December 2, 2009. http://www.justice.gov/atr/public/press_releases/2009/252618.htm
2. Richard Opiel. "Corruption Undercuts Hopes for Afghan Police." *The Washington Post*, April 8, 2009.
3. "U.S. Sees Taliban Spreading But Signs of Afghan Hope." Reuters, February 2, 2010. <http://www.alertnet.org/thenews/newsdesk/N02100407.htm>



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