



HMUN 2025

Implementing measures to combat corruption on a governmental scale

G20

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Issue: Implementing measures to combat corruption on a governmental scale

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Introduction

Where there are positions of power, there are also those who will try to abuse them. The abuse of entrusted power for private gain, or corruption, has been a key issue in every position of power since ancient times. Solving this deeply ingrained issue is an incredibly challenging task, as it can take so many forms and is so often hidden, meaning the measurement of corruption levels becomes incredibly subjective. Corruption can come in the form of bribery, embezzlement, nepotism, extortion, fraud, money laundering, and conflicts of interest, to name a few.

On a governmental scale, corruption of officials can lead to negative economic, social, and environmental impacts and the undermining of governance. As of 2024, the level of corruption at a worldwide level has been stagnating. According to the Corruption Perceptions Index, which is a measurement of 180 countries based on their perceived level of public sector corruption, only 28 of those countries have improved their corruption levels over the last twelve years, with the situation in 34 countries significantly worsening. To fix the root causes of corruption, we must make sure justice systems are able to properly punish corrupt governments, increase the levels of education and awareness around corruption, and promote transparency. Combatting corruption will lead to fair allocation of funds, greater accountability, and overall public justice, in accordance with the UN's seventeenth Sustainable Development Goal.

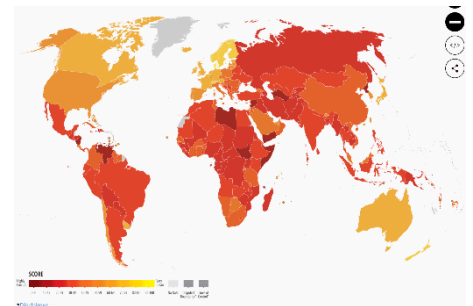


Figure 1: The Corruption Perception Index for 2023

Definition of Key Terms

Bribery

The gifting, promising, offering, soliciting, or accepting of an advantage could influence an individual to perform an illegal or unethical action, often being a breach of trust.

Nepotism

The practice of those in positions of power to unfairly grant exclusive privileges to their family, friends, or associates.

Embezzlement

A form of financial fraud in which an individual misappropriates money or assets entrusted to their care, using them for purposes other than their intended use.

Transparency

Transparency is the principle that ensures those impacted by administrative decisions have access to relevant facts, figures, and processes (e.g., allocation of resources) or the rationale behind said decisions. Transparent governance means government officials operate openly, keeping citizens informed about the decisions being made and the reasoning behind them.

Whistleblower

A person who unauthorizedly informs someone (often an authority or the public) about the unlawful or immoral actions of an organization.

Conflict of interest

The Oxford Dictionary defines a conflict of interest as a situation in which a person is in a position to derive personal benefit from actions or decisions made in their official capacity. This can introduce bias, reducing transparency.

General Overview

Corruption is a vague term that comes in many forms, thus making it difficult to define. It is in nature obscured to the general eye. It has been around for as long as humanity has been around, and even in ancient civilizations there have been records of corruption within governments, such as the Code of Hammurabi, a Babylonian legal text containing sanctions against corruption. Governmental corruption is the usage of power by government officials or their associates to achieve unlawful or illegitimate personal benefits. Some common forms of corruption are bribery, nepotism, embezzlement, and conflicts of interest. In the context of governmental corruption, bribery can often be very common, as officials may take money or favors in exchange for granting exclusive privileges (which can also be applicable to nepotism), awarding contracts, or bypassing regulations, which can undermine justice and public trust.



Figure 2: The Code of Hammurabi, composed during 1755-1750 BC

Causes

The primary cause of public sector corruption is often attributed to the desire for personal gain; however, often there are varied reasons. There are quite a few theories in economic literature on why corruption occurs in the public sector, some being the principal-agent model, institutional theory, game theory, and collective action theory.

The principal-agent model suggests that corruption may occur due to the complex relationship between public officials (agents) and those that they serve, e.g., the public or parliament (principals). The model displays how the interests of the agent may diverge from those of the principal and how the principal often has less knowledge about the actions of the agent than the agent themselves. This can lead to the agent choosing to engage in a corrupt transaction to further their own interests (conflict of interest) and be able to carry out these actions without detection. Only when principals implement monitoring and other schemes to hold agents accountable can this cause be prevented.

Institutional theory describes how corruption may be built into a government system through flawed systems or organizations. It places an emphasis on fixing the systemic flaws that may lead to corruption instead of blaming the individual wrongdoers. For example, in the USA, candidates who run for elections can receive financial aid from private companies, and this can make politicians more likely to act in the interests of the company funding them instead of focusing on the public good. The poor design of the system in allowing such a scenario to occur is placed at fault and not the politicians carrying out the corrupt acts.

In game theory, corruption is suggested to be deeply rooted in how people make decisions,

THE PRISONER'S DILEMMA

	B stays silent (cooperates)	B betrays A (defects)
A stays silent (cooperates)	Both serve 1 year	A serves 3 years, B goes free
A betrays B (defects)	A goes free, B serves 3 years	Both serve 2 years

Figure 3: The Prisoners Dilemma, which can also be applied to corruption, where an official can either cooperate (remain honest) or defect (engage in corrupt acts)

referencing the prisoner's dilemma. The fear of being outdone by those who are engaging in corrupt activities influences people to also engage in said activity, when in actuality both would receive a higher benefit if none were involved in these actions. For example, in governments, two officials have the choice to either accept a bribe or act honestly. If both officials choose to reject the bribe, they both maintain their integrity, and the government functions fairly. However, if one official accepts a bribe while the other decides not to, the one who accepts the bribe gains immediate benefits as a result of the bribe. This advantage

gained by the official over the other may influence the other to also engage in dishonest acts.

This closely relates to the collective action theory, in which corruption may be so built-in in a government system that it is merely viewed as a way to get things done. For example, according to Transparency International, in one Russian province, if you want to become a police officer, you will probably have to pay around \$3,000 and \$10,000 to get a place in medical school. The integration of

bribery into the general culture, as in this situation, makes it exceedingly difficult to get anywhere without engaging in corrupt acts.

Corruption is much more likely to occur in times of political instability, poverty, or conflict, as there is less regulation in place, and it is more likely for people to be able to escape detection. In times of poverty, engaging in corruption may become a necessity, and in conflict, it may become a social norm (see the collective action theory).

Impacts

The impacts of corruption are widespread and often detrimental. Not only does it weaken state effectiveness by diminishing the state's ability to govern, but this can also cause a ripple effect leading to insecurity and even conflict. For example, the National Truth and Reconciliation Commission found the main causes of the 1990 civil war in Sierra Leone to be greed, corruption, and nepotism, which led most of the population to poverty.

In fact, the economic impacts of corruption can be very fatal. According to an article by the World Bank, corruption costs developing countries 1.26 trillion dollars a year. This value could lift 1.4 billion people above the poverty threshold for a minimum of six years. The misdirection of government funds caused by corrupt acts by officials leads to underfunding of vital services such as education and healthcare, reducing the quality of life for the public. The general dissatisfaction experienced by the civilians of nations with elevated levels of corruption in some cases can even lead to extremism, including increased acts of terrorism. Those affected lose trust in the governance of those who rule them, decreasing state legitimacy and effectiveness and undermining national security and democracy.

Efforts to Address It

There have been countless efforts to address the issue of governmental corruption. Governments have formed many anti-corruption laws and implemented many such legislations; for example, the Foreign Corrupt Practices Act (FCPA) was established in the US in 1977, becoming the first legislation against international corruption.

There have also been many conventions created against corruption, one of the most well-known ones being the United Nations Convention Against Corruption (UNCAC), adopted by the UN General Assembly in 2003. It holds a comprehensive approach to combatting corruption and is the "only legally binding universal anti-corruption instrument," according to the United Nations Office on Drugs and Crime (UNODC). The G20 Anti-Corruption Working Group (ACWG), established in 2010,

was another convention to guide the anti-corruption initiatives of G20 nations, collaborating with many NGOs such as the World Bank, OECD, and UNODC.

Nations also establish national anti-government agencies, for example, the Independent Commission Against Corruption (ICAC) in Hong Kong, which has become a model for effective control of corruption.

There have also been efforts to recover assets stolen through corruption, one of the most well-known endeavors being the Stolen Asset Recovery Initiative (StAR), a collaboration between the World Bank and the UNODC that was launched in 2007. This initiative helps countries return illicitly stolen assets to their citizens.

Timeline of Key Events

Date	Event
1755-1750 BCE	The Code of Hammurabi (a Babylonian legal text) establishes sanctions for corrupt practices.
December 19th, 1977	The Foreign Corrupt Practices Act (FCPA) in the United States is established, becoming the first major law targeting international corruption.
May 4th 1993	Transparency International was established
October 31st, 2003	The United Nations Convention Against Corruption (UNCAC) is adopted by the UN General Assembly.
December 14th, 2005	The UNCAC is entered into force.
September 17th, 2007	The StAR initiative is launched by the World Bank and UNODC.
June 2010	The G20 Anti-Corruption Working Group (ACWG) was set up.
April 3rd, 2016	The Panama Papers were leaked, exposing the corrupt tax avoidance of hundreds of thousands of politicians, world leaders, and other figures.

Major Parties Involved

Organisation for Economic Co-operation and Development (OECD)

The OECD is a knowledge hub for data, analysis, and best practices in public policy, working with over 100 countries across the world to build fairer societies. They have been a critical player in the global anti-corruption movement for over four decades, organizing the Convention on Combating Bribery of Foreign Public Officials, which legally binds 45 countries to implement anti-bribery laws, and creating. As a result, the OECD Working Group on Bribery, monitors the carrying out of the results of the Anti-Bribery Convention.

Transparency International

Transparency International is a key NGO working against corruption. It works in over 100 countries with the goal of ending corruption and promoting transparency. Their Corruption Perception Index displays a visual and statistical representation of corruption levels across the world and is vital for tracking global progress. They have had countless other endeavors to reduce the impacts of corruption, stop it from its source, and bring it to light.

UNODC

The United Nations Office on Drugs and Crime (UNODC) oversees the implementation of the UNCAC framework, which has a significant impact on anti-corruption in many countries, taking great measures against them. It also provides technical assistance to member states, raises campaigns to provide awareness against corruption (such as the International Anti-Corruption Day on December 9th), and promotes the recovery of assets as specified in the UNCAC, being a joint collaborator in the StAR initiative, along with the World Bank.

World Bank

The World Bank is an international development organization owned by 187 countries with the role of reducing poverty by lending money to the governments of its poorer members to improve their economies and to improve the standard of living of their people. The World Bank views corruption as a major challenge against its 2030 goal of ending extreme poverty, believing it has a disproportionate impact on the poor and vulnerable. It works at regional, country, and global levels, assisting governments in implementing transparent and accountable institutions and anti-corruption programs. It is also a joint player in the previously mentioned StAR initiative.

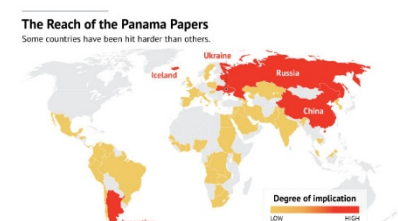
Possible Solutions

To be able to combat corruption, it is important to be able to understand the root causes that inspire it. In situations such as the ones displayed in institutional theory, game theory, and collective action theory, it is important to be able to prevent the integration of corruption into the workings of society, and therefore allow people to access the same opportunities as those who exploit the system without using an abuse of power. Creating robust systems that can stand against and prevent possible exploitation must be implemented to avoid future problems.

In the case of principal-agent theory, monitoring and transparency are key to preventing agents from indulging in corrupt actions. By holding agents accountable through systems such as codes of conduct or regular reports on specifics such as where funds are allocated, it is easier to justly prosecute corrupt officials and prevent others from following in their actions. As an adverse consequence, a system of incentives/rewards could be implemented to reward those who do not participate in corrupt deeds.

Primarily, promoting transparency is the number one key to solving the issue of corruption. Corruption as a whole is a secretive act, and by putting into effect transparent systems such as reports and tracking of decisions of officials, companies, and governments, it will be easier to keep a record of the actions of said groups and therefore hold them accountable. The public affected by these decisions has a right to know the logic behind them and remain informed, and by promoting transparency, they can do so. Bringing corruption out into the open has had, in history, a profound effect in not only inspiring dialogue on combatting it but also reducing general levels of corruption. For example, the StAR initiative was launched following many high-profile corruption scandals. By raising general awareness of corruption, people are more informed and therefore are less likely to defect to dishonest acts.

Transparency can be promoted in many ways, including methods such as campaigns and widespread activism. Journalists play an especially crucial role in uncovering corruption and advocating for transparency. If the general public is more aware of corruption it urges justice systems to act against perpetrators, reducing levels of corruption. However, journalists (specifically in the field of investigative reporting) cannot act without the fuel of leaks and testimonies from whistleblowers, who risk their livelihoods to bring to the open cases of corruption that may otherwise never be uncovered. A notable example of such an exposé is the Panama Papers, which were, according to the International Consortium of Investigative Journalists (ICIJ), “a giant leak of more than 11.5 million financial and legal records.” These exposed the corrupt tax avoidance of hundreds of



thousands of politicians, world leaders, and other figures. The aftermath of this leak, published in 2016, still carries on today, being cited by countless governments and becoming a global touchstone of the debate around combatting corruption. In a study taken by journalists from the Reuters Institute, 45% of the countries tracked have taken measures to understand the problems related to the Panama Papers or identify steps to tackle them through actions such as inquiries, commissions, public investigations, hearings, and intergovernmental or interagency meetings. Bringing corruption to light in such a manner creates conversation around it and inspires governments to implement new and more developed anti-corruption legislation. It is vital to protect the rights and security of whistleblowers and investigative journalists to be able to bring more cases of corruption to the open, without individuals being too scared of the consequences of speaking up to report said cases.

Another method of implementing transparency, especially on a governmental scale, is through making government reports open to the general public to view. In Article 10 of the UNCAC, it is already required for states to adopt such procedures, and many have done so by implementing e-governments. The use of technology to promote transparency is also quite useful, as it is easier to track irregularities in decisions and therefore detect corruption (such as in the manipulation of contract terms). Through the use of e-government, person-to-person contact in governmental and public affairs is also reduced, limiting the possibility of corrupt interactions.

Further Reading

<https://www.transparency.org/en/what-is-corruption>

Transparency International is a large organization working in over one hundred countries, with the goal of stopping corruption and promoting transparency. Their website is a brilliant resource for learning all about corruption and its many forms, including current efforts in combatting it across the globe.

<https://www.transparency.org/en/cpi/2023>

Transparency International's Corruption Perceptions Index is a way of measuring perceived corruption. It collects data from 180 countries and territories and scores them on a scale of 0 to 100 (0 being highly corrupt, 100 being not at all corrupt). It also produces diagrams that serve as a good visual representation of corruption levels across different countries.

https://grace.unodc.org/grace/academia/module-series-on-anti-corruption.html?lf_id=

This is a lecture resource created by the UNODC made up of eleven modules, focusing on anti-corruption. It goes quite in-depth and gives a great comprehensive understanding of anti-corruption efforts, as well as context on why corruption takes place to begin with.

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