



## ASPECTS OF POLITICAL LEADERSHIP SERIES

# Accountability and Corruption

Cape Town

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## 1. OVERVIEW

The Catholic Parliamentary Liaison Office (CPLO) and the Hanns Seidel Foundation, together with the Goedgedacht Forum have initiated a series of roundtable discussions on "*Aspects of Political Leadership in South Africa*". The second in the series, "Corruption and Accountability" was held at the Townhouse Conference Centre, Cape Town, on 26<sup>th</sup> April 2013.

## 2. WELCOME AND INTRODUCTIONS

Director of the Catholic Parliamentary Liaison Office, Fr Peter-John Pearson opened the roundtable with a welcome: "Thank you for attending the second in our series on leadership. I think it is quite unnecessary to go into detail on why we need a discussion on leadership at this critical junction in our country. I think that is clear. We want to generate a discussion from several angles on this topic. This is one of them and we hope you will avail yourself for the next three events in the series. We have three very well-known, talented people to lead us into the discussion this morning. As always, the Chatham House Rules apply in this discussion so you may feel free to speak your mind and it will not be attributed to you in any of the public write-ups that might follow."

## 3. PRESENTATIONS

### **Mr Jeremy Routledge, Deputy Director, Embrace Dignity**

Thank you for inviting me. My wife Nozizwe was asked to speak and she could have given more insight into the nature and culture of the government, the military culture and the Arms Deal. She is unfortunately not able to be here.

Corruption, together with violence, is one of the most important issues we need to face in our society. They are connected. When we run community workshops for the Alternatives to Violence Project (AVP), either in community or in prison, inevitably corruption comes up when we ask, what is violence? Corruption is violence against the state and violence against the poor in particular. Colonialism was corruption and violence on a grand scale but we should not use that to say that now it is our turn. The liberation struggle really was an opportunity for liberation. And for a while we held the moral high ground. It was an opportunity and the opportunity is still there but will not be there for much longer unless we start doing something about it, like Corruption Watch for instance.

The press carries increasing reports of corruption and lack of accountability and that is actually a positive aspect. If there weren't the reports then we'd have a more serious problem. However they cannot tackle the task on their own and there is a much larger task to carry out. The larger task is transforming the culture of corruption and apathy into one of integrity and creating accountability through active citizenship. This can be the task of educational planners in the school system and teachers, the faith communities and people who worship in churches, mosques and temples and for every man and woman in the street, in cities and in rural areas.

What tools do we have? What are examples of good practice and role models? If we focus on corruption, we can use the few successful prosecutions. Successful prosecutions in the arms deal would involve Tony Yengeni, who was carried into prison on the shoulders of members of parliament, and Schabir Shaik, who was released from prison on a dubious medical parole. If we use these, the lessons we learn are that you should not be caught or that you need friends in high places. Where are the others who received Mercedes Benzes, or the ones who gave them, or the other half of the Schabir deal? Those are questions we need to learn to ask.

What we need is a massive focus on the other side, rather than on corruption but on integrity and honesty in public service and on education on integrity and accountability. The faith communities, parents and the education system have a very important role to play in this. Government has a responsibility for putting in place systems to ensure accountability and transparency in arms deals and ensuring the country's **limited natural resources** are exploited without corruption. The faith communities have a responsibility for unleashing the country's **unlimited natural human resources**, such as honesty, integrity, courage and cooperation. What we need is a change in culture, brought about by a massive focus on education for integrity and nonviolence.

Andrew Feinstein's new book, The Shadow World, is a mine of information and opens with a youthful quote by the industrialist Henry Ford, "Show me who makes profit from war and I will show you how to stop war". Africa has been the shadow world's most fertile ground. The continent's colonial history and independence struggles, weak state formation and big men rulers willing to plunder their nations to retain power and enrich themselves have ensured continued violence and poverty. This is done in partnership with people in the developed world. It continues today and draws South Africa in, as the unfolding story in CAR shows us. How do we change the situation? Massive integrity education is important.

Another way might be to make a fresh start and some correspondence in *The Cape Times* is informative. George Ellis calls for a fresh start where we draw a line, set up effective systems and say no more from now on. He makes a case for a corruption amnesty:

*"This country has serious problems as far as corruption goes. It is destroying service delivery as well as casting a shadow over the president and close colleagues, which in turn are causing major problems in our legal system. The issue is if we can somehow cut the cord and set ourselves on a proper path for the future where it can be stopped in its tracks and vast sums of money meant for the development of the country and up-liftment of the poor will be used for its intended purpose, instead of being used for individual gain, as happens at present. To propose a way forward one might ask why the anti-corruption drive that has so often been proclaimed by government is in fact not taking place. The answer is simple; so many people in government are likely to end up in jail, including the president, not to mention thousands of low ranking people. Put yourself in his shoes. He does not want that to happen, he has the levers of power in his hands, therefore it is not going to happen. The arms deal inquiry will eventually bog down, private property will be declared a national security key point to prevent questions being asked, secrecy legislation will be passed to prevent what has happened in the past from coming into the open. In short, justice will be compromised to protect those in power.*

*What is the solution? Decide to let bygones be bygones. The money has been spent and is gone. What is gained by keeping on pursuing it? The aim is to see justice done for what has happened in the past but that will not happen. Huge resources will be spent in trying to get it to happen on the one hand and to prevent it taking place on the other. Let us face reality and set in place a policy that will make the future work at the cost of setting aside justice for what has happened in the past in this regard. There is of course a precedent of this kind, the Truth and Reconciliation Commission, so why not set up a corruption and reconciliation commission? Give amnesty for corruption brought into the open with full disclosure and acknowledge and prosecute those cases from the past where this is not done. Then draw the line and say any future corruption will not be condoned and will be met with the full might of the law. This would be ideal, but it is not practical for many reasons. It would take too long and would be costly and would add greatly to the burden of our already overloaded legal system. Where would the commissioners come from? It will delay setting things right for at least five years; we want it to happen now. So the realistic plan is to lower our sites further and aim for a corruption amnesty now. Condone what has happened in the past and let bygones be bygones in return for a cast-iron guarantee that whatever corruption happens in the future will be severely dealt with. The subversion of the legal system will cease and the secrecy bill will be rephrased so that it cannot prevent the coming into the open and prosecution of any future corruption. Yes of course it is not ideal, but it is the only way to move that has the hope of clearing the decks so that the practice will cease in the immediate future and stopping in its tracks the subversion of the legal system that is taking place at present to prevent perpetrators of past corruption being brought to book.”*

*One would have to consider in detail the contrasting consequences of doing it and not doing it for various actors such as the NPA, the courts, the police, the prisons, the political parties and the general public now and in the future and most interestingly for the president himself. The tricky part would be those corruption cases that are already underway being investigated or already in the courts. The simple solution would be to drop them in their tracks, freeing those working on them to tackle future cases rather than pursuing the past. This may seem a bad way out at first sight, but actually it is the only realistic option for dealing with these issues and the future. It deserves serious consideration.”*

The following day the paper ran a reply written by Paul Hoffman who outlines an offer for immunity from prosecution in the arms deal which was refused, and questions the political feasibility:

*“Your correspondent, Prof. George Ellis, may be interested to hear that in the litigation that preceded the appointment of the Arms Procurement Commission, Terry Crawford-Brown made an open tender which included an offer for immunity from prosecution for all those who came forward to make a clean breast of their involvement in the wrongdoings in the arms deal. This tender was declined by the president. A few months later the terms of reference of the Seriti Commission do not include any such provision. On the contrary, the commissioners were required to seek out evidence of criminality, something they are having difficulty doing. The refusal to summons the financial and documented trail within the ANC is perplexing and irrational. The trouble with the solution posed by the learned Professor is the embarrassment of asking for amnesty or immunity from prosecution. There is simply no political appetite for the solution proposed. The pretence of being clean and the culture of*

*impunity are too entrenched to resort to a surrender of sorts. It has been claimed by former ANC MP, Andrew Feinstein, that the ANC itself is intrinsically corrupt. How amnesty would affect their popularity is a risk that is regarded as not worth taking.*

*The absence of a sufficient independent and effective anti-corruption mechanism is a real problem. The Hawks do not fit the bill. The Scorpions did to an extent. The culture of impunity is such that there is no political appetite to address the lacuna in the arsenal. Litigation is pending in which the constitutionality of the legislation that purports to improve the Hawks is being challenged. The constitutional court has held in the Glenister case that our law demands a body outside of executive control to deal effectively with corruption. This finding is either ignored or misunderstood by the state. The Hawks are still under executive control two years later. This is a national disgrace. Insisting on a court prescribed medicine is the only viable strategy now. Generating the political will to do so is the task of all active citizens, civil society organisations, the faith based sector and the National Planning Committee. The latter is alive to the corrosive nature of corruption. All people of goodwill will need to stand up and be counted if the scourge of corruption is to be cured.”*

One initiative faith communities might take is to look at integrity rather than corruption. If you focus on corruption you tend to start thinking about how to make it more successful. If you focus on integrity and particularly over a period of time, you will start coming up with ideas for increasing it, finding people who have integrity and supporting them. During apartheid some of the faith communities chose to take a certain time each week, the Quakers on Fridays at 9pm, to just stop, hold silence for 5 minutes and reflect on what could happen in a future world without apartheid. Perhaps we could do the same with integrity; at a certain time each week stop and focus on that. Some Quakers have chosen Thursdays at 9pm to stop for 5 minutes silence and reflect on a country of integrity without corruption. What would start happening is that citizens would start having ideas, perhaps bringing reports to Corruption Watch and mobilising the goodwill that is amongst the faith communities to take things forward.

Corruption is a very difficult thing to tackle and I am suggesting we need ground-breaking things to try and make a difference. Corruption Watch is one of those, but also how do we mobilise people in the community to start participating and looking at corruption and integrity?

**Mr Mondli Makhanya, Editor in Chief, Avusa Media**

Greetings. I will deal primarily with accountability. I will start by giving a few short anecdotes about corruption.

The first one is related to my former personal assistant who went into hospital a few years back for a little procedure and she was in for a few days. While she's in hospital she strikes up a relationship with another person in the ward and they click. They are both born again Christians and by the time they left hospital they had become good friends and exchanged numbers. About a month later she gets a phone call from this person who asks that they have coffee. They meet for lunch and this person, who happens to work for a provincial department in procurement, says to my PA, "You

know, lots of people come to me who tender from me and want services. I sort them out and they get business from my department that runs into hundreds of thousands of rands and all I ever get is R5000 to R10 000 for thank you. I'm tired of this; I see them driving fancy cars and me I just get this little pocket money. So why don't the two of us start our own company; you will be the public face and I will channel business to this company." Obviously my PA was shocked with the brazenness of it; they had been sharing bible verses in the ward and suddenly she is being brought into this. Needless to say, she told her to go jump off a cliff and nothing ever came of that.

The other anecdote relates to an attempt by Avusa media to get into Nigeria and I don't want to stereotype Nigeria, but we all know certain things. What the company wanted to do was get NuMetro and Exclusive Books, which are subsidiaries of Avusa, to formalise bookshops and the cinema experience in Nigeria. Up to then it was not a very formalised enterprise. All the approvals are done and very specialised equipment was ordered and shipped there. When it gets to port the usual rigmarole starts – there is an official that wants this and another wants that and if you read between the lines it is clear that these people want to be greased. So the equipment stayed in port for months and it just couldn't get in. It was during the time when Mbeki and Obasanjo were in power and eventually Mbeki mentioned to Obasanjo, this is intra-African investment, in the spirit of NEPAD, you need to intervene and ensure this equipment gets in. Obasanjo obliged and sent a message down and it went down and got lost somewhere and the equipment remained in port. He thought that it was all sorted out. At some point his wedding anniversary was coming up and he wanted to treat his wife to a cinema experience at this new Nu Metro cinema. He tells his officials to organise the night out for him and his wife at this cinema, which he believes exists at this point. Of course he discovers that it does not exist and he flips. So within days the equipment was in and the cinema was built in record time and Obasanjo got to go to the cinema on his anniversary day with his wife.

The last little anecdote is something that is familiar with you all and it relates to something that happened in this country. We all remember Oil-gate, where money was siphoned from Petro SA and given to a company called Mvuma, which was owned by a funder of the governing party. That money then found its way into the coffers of the governing party just before the election. The media exposed it and the Public Protector, who was a lackey at that point, did a very wishy-washy report that effectively exonerated everybody. The ANC did hand the money back eventually, but an act of criminality had happened, money had been stolen from a public entity and there were no consequences.

Now why do I tell those three anecdotes? Because it is about the normalisation of corruption. In South Africa at this point we are fortunate in that people have not thrown their hands up in the air and said this is the way that things are done. We still have public outrage - in their short life Corruption Watch has received 4000 reports. So South Africans are disgusted by corruption and we should take comfort in that and make sure we build on it. In the country that I mentioned, there is a sense there that this is the way of doing things and you cannot get things done any other way. How you get around to being that kind of society, where corruption is normal, is behaving in that manner so that there is a culture of impunity as happened in the Petro SA case.

Now we have to be honest with ourselves and say we could easily go in that direction, that the outrage that we still have could diminish and people could just accept that that is the way. We need to turn that culture around and stop ourselves from going down that road. But it is not something that happens mechanically or automatically, it has to be worked on. In order to do that you have to create a culture of holding power to account, not necessary just political power but also corporate power, the state, religious bodies, everybody. We need to be able to stop that route to a culture of impunity. The good thing about South Africa on paper and in practice is that we have very strong institutions of governance. Some work better than others and some do not work at all. You have a parliament which should be primary institution that represents the people, but we all know what parliament has been turned into in recent years – a rubber stamp for decisions that have been taken at a certain building in the centre of Johannesburg. We have the Public Protector, who fortunately has teeth and has created a strong institution. Other institutions such as the Competition Commission, does a lot of good work in terms of protecting people from corporate corruption. We all remember, for instance, the bread investigation. Currently there is an investigation into the collusion into the building industry. Those are things that touch people very directly.

These institutions of governance and accountability are there for the public to use. I think that what we need to do, and it is not something that we have done as actively as we should have - civil society, media or other sectors of the public – is teach citizens how to use these institutions properly and make them effective. These are weapons in your hand that your constitution and your democratic order has given to you. It is not in the interest of the powerful to make sure that people know about these institutions; the governing party doesn't want people to know that they can use all of these institutions to hold them to account. It becomes the responsibility of the rest of society to create that culture of using these institutions, it becomes the responsibility of leadership, NGOs and religious organisations and other civic bodies to make sure that there is an education amongst the public that, the Public Protector for instance, just to use one institution, is not for just the stuff that makes big headlines in the media. You can actually hold your local councillor or mayor etc. accountable through a body such as the Public Protector. By doing that we make the citizenry accountable for the state of affairs of the country. We make them accountable for holding leadership to account.

One of the things that we need to be doing along those lines, to use an ANC term, is to build a “cadreship” of people who are able to use these institutions across the country. There is a very irritating man, who some people may be aware of. A man called Theo Botha, who is a shareholder activist who buys one share in every company just so he can go to the AGM of that company. He asks very difficult questions. He is every CEOs nightmare because when you think your AGM is going to go smoothly Theo Botha will be there and definitely ask particular questions. He is an extreme case, but we need to create those types of Theo Bothas in different sectors of society. People who will be able to know when the auditor-general has released a report into the affairs of a municipality. What do you do with that damning report? Is it just something that appears in the papers one day and then is gone the next day? People who are able to analyse the council reports and reports that come out of government. We need to create people who can use community policing forums not just as a means of complaining about lack of cars on their streets, but monitor the state of corruption that goes on in the police force because that is probably one of the greatest cancers. We have a police force that is very corrupt. I have a friend that used to work in the training academy of

the policy and he would say that when they train these young people at the colleges they come out very enthusiastic about being good cops. It takes six months to lose them when they start working because the older guys tell them, basically, this is the way it is done and this is how you will do it. So that has become the culture of our police service. We need a set of people who are able to monitor tender committees, who know how they work.

What makes accountability difficult is the fact that we have a very powerful governing party which controls almost two thirds of national power and virtually controls all provinces. It is not necessarily corrupt, to be fair on some members of the party, but excessive power always breeds contempt for the public, impunity and lack of accountability. It also breeds a culture of doling out patronage because no one is holding you to account and that is why a lot of people within the governing party see the public purse as their own. In order to get anywhere your path is through the ANC branch and the ANC branch becomes a corrupt enterprise in the hands of various people. How do we then make sure that that corruption, which is deeply set in the governing party, is not something that then goes on to infect the rest of society? It's basically by taking that leadership back into the hands of the citizenry and not simply leaving it to the politicians to affect accountability. The way to do that is to through teaching people how to use these institutions. In the end it will be about society taking leadership in keeping society honest. It is ourselves.

## **Mr David Lewis, Executive Director, Corruption Watch**

I am the executive director of Corruption Watch (CW), which is an NGO of relatively recent origin; we have been around for about 15 months. As our name suggests our mandate is focused on the issue of corruption. I will provide an overview of the issues and say something about the South African context with regards to corruption and then I want to spend most of the time talking about a model that we are trying to develop to help in combating corruption. I will say something about the reports that we have received, which is the central part of the model that we employ, as well as something about how we see our future work and future activities unfolding. I want to stress that this is a very experimental model and we are developing it as we go along. I make no apologies for that, it is a difficult area and a fairly unique idea in some sense. We are taking up issues and charting directions that we sometimes have to change very quickly when they are not working. You will all be familiar with the resource constraints that NGOs deal with, meaning there is not a lot of time for experimentation with things that do not work. We are a very flexible organisation, largely because we have to be.

### *Corruption generally and some of the South African context*

The standard definition of corruption is that it is the use of public resources and public power for private gain. This does not mean that we are not interested in the private sector. A lot of corruption, particularly most high-value areas of corruption, involves a collusive relationship between the private sector and the public sector and indeed between private citizens and public officials, particularly in the area of petty corruption – traffic-cop bribery, bribery to get into housing allocation queues, etc. All of these are effectively a conspiracy to which the private sector or individuals are party, and so we are as interested in the private sector and individuals as we are in the public sector. The truth remains however, that it is not very often possible to abuse public resources and public power without the participation of the public sector and members of the public sector. I feel quite unabashed about demanding that when you sign up to work in the public sector you take on a very particular set of responsibilities and duties, so inevitably a lot of what we do will be directed at the public sector, but as I say that, does not mean that we are not interested in the private sector and the role of private individuals in escalating corruption. And escalating it is.

There is an enormously growing public concern at corruption and really one of the first insights of the CW project has been to establish that the concern with corruption is not a suburban concern, as often leaders in the public sector have attempted to present. This is not a concern expressed by any means exclusively at dinner parties in the leafy suburbs. The overwhelming majority of reports we receive come from small towns. If you stop and think about it, this would obviously be the case. In the suburbs it is very difficult to distinguish how your next door neighbour behind their high wall achieved the wealth and the success that they have achieved. It is much easier to discern and understand when the beneficiaries of corruption stand out to the extent they might do in a small town or impoverished community. So it is not at all surprising that these people are most aggrieved and disadvantaged by corruption. In particular, it makes the interface between corruption on the one hand and efficient delivery of services on the other hand that much clearer when you live in a community that relies on the provision of public services.

We are not by any stretch of the imagination the most corrupt country in the world, nor by any stretch of the imagination are we the least corrupt country in the world, but we are going down most of the scales, not many of them reliable, corruption being very difficult to measure. But certainly in terms of the perception of South African citizens, we are becoming a more corrupt society and that really is all that counts. I am less concerned if we are more corrupt than Norway or less corrupt than Russia, what is absolutely clear is that our own citizens perceive our society to be more corrupt than they think it should be.

There are interesting issues in South Africa that demonstrate that compared to many other countries things are being done about corruption. I am sure there are corrupt police commissioners in many countries in the world, but there are not many countries in which, of the two most recent police commissioners, one has been jailed for corruption and one has been dismissed for what looked like corruption. Cynics may say they made the fatal mistake of being both corrupt and on the wrong side of a political struggle, but nevertheless these are advances on a lot of other countries on fighting corruption.

I think there is a real fear amongst a lot of people that we are reaching a tipping point, a point beyond which it is going to be very difficult to combat corruption. When you have corruption not merely *in the system* but you have *a corrupt system* it becomes difficult. In the very early days we focused on some low hanging fruit, which were the activities of the traffic cops in the Johannesburg metro police department. It was interesting to see how the continuation of corruption had become an interest not only of the public officials, the traffic cops, but of those of who were the victims of corruption as well. There is an unspoken rule amongst both those who are victims and the apparent perpetrators that there is an interest in maintaining a corrupt system. Better to know that the punishment for driving drunk is R200 bribe to the traffic cop than the loss of one's licence and a possible criminal record. So there is an extraordinary conspiracy between the victims and the perpetrators in maintaining corruption. And that is probably the case in a lot of institutions and that is a sobering thought because combatting corruption when that becomes the norm is extremely difficult.

One of the particular features of corruption, and this relates to our model, is that it constitutes a set of crimes that can only be confronted by a public response. Obviously there are other institutions like the law enforcement and criminal justice system, but the criminal justice system on its own could never combat corruption by serial prosecutions of individuals, and in that sense corruption is different to homicide or house robbery. This is not a crime committed by one individual against another individual. It is a crime against the public. I think of it in the same light as crime directed against foreigners, or against women or children, an entire category of society, which reflects a deep social pathology. Corruption constitutes a set of activities or conduct that is similarly directed at the public and the only way in which it can be combatted is for the public to respond.

The second reason, and maybe one of the most complex reasons why the public have to be involved in combatting corruption, is that there are many grey areas and blurred lines where corruption is concerned and it is very difficult to know where to draw those lines without a degree of public participation in defining where the lines are to be drawn. Where you have the proverbial brown envelope exchanging hands to secure a tender, everyone is pretty clear that that constitutes

corruption. But there are many grey areas that attempts have been made to codify, but are in fact very difficult to codify. There are some things that may constitute corruption and yet if they fall on one side of the line rather than the other, may constitute quite a positive set of actions. Questions like conflicts of interest, which are not easily understood. When the president asks and has asked on a number of occasions, "Why is it that my children cannot engage in business?" I think he is being partly disingenuous and partly being genuinely perplexed. And you want to say, if your children were engaged in the retail sector it might not be a problem but when they are engaged in business that requires them to get mining licenses from ministers whom you have appointed, then by becoming president you have effectively forgone on behalf of your family and close associates the right to apply for rights from the public sector which you command. Issues like when is a gift a gift and when is a gift a bribe? These are very difficult lines to draw and very socially determined lines to draw.

When is lobbying a process of providing the public sector and decision makers in the public sector with the information they need in order to make effective decisions, sometimes about very complex issues about which they are not necessarily expert, and when does it become the exercise of undue influence and undue pressure that may come to constitute corruption? The whole question of social networks, everybody knows that it is important to build networks and communities, to assist your communities and networks in advancing. When does that shade into nepotism and corruption and when is it the product of helping uplift those who are closest to you and share your values and your concerns? These are unbelievably difficult lines to draw and they can only be drawn through active public debate and understanding about where the lines are to be drawn. To some extent it can be codified, but the codification is less interesting and important and valuable when drawn by some legislator or regulator than when they are drawn and accepted by broader society itself.

Another reason why the public needs to be so vitally engaged in combatting corruption is that the impact on the poorest members of society is disproportionately felt, because it is an abuse of public resources and public powers. It is those that rely on public transport, public security, public health, education, etc. and who do not have the alternative of private health or private education, who are most severely disadvantaged when public resources are abused and diverted to private gain. Similarly, it disadvantages those members of the community who are most vulnerable to the exercise of public power: the informal street trader or the immigrant whose choice about whether to participate in the act of corruption is a far more difficult choice to make than the leader of a large corporation or a member of a powerful community. These are the people on whom it most severely impacts.

And then finally, in support of the argument that says that the public have to participate in combatting corruption, although there are many attempts to measure the cost of corruption in rands and cents terms, the greatest cost of corruption is in the massive erosion of trust in the leadership of both the public and private sectors that rampant corruption generates. This is a very serious and sorely underestimated cost of corruption. It's extremely difficult to have a public discussion about anything, even actions by government that are well intentioned, when the first question any member of the public asks when government proposes some large initiative is what is in it for the people who are directly involved? Once you have that question posed as the first question in response to any public initiative, it becomes extraordinarily difficult to have an intelligent public debate about public programmes or public initiatives. So for all those reasons, no matter how

good or bad our law enforcement system is, this requires a public response. No matter who your government is or where it is, the lesson of the last 20 years is that if citizens relax their guard relative to government they will get the public and private sector leadership that they deserve. All of us, the churches included, relaxed after 1994. We thought correctly that we won a great battle and we were now entitled to relax for a while and enjoy the fruits of that battle, and the fruits have been considerable. But the consequences of the relaxation have been considerable as well. And this is ultimately why a demanding citizenry and active citizenry that demands that its leadership in public and private sectors accounts to them for their actions is a vital element in combatting corruption.

I have been asked to say something about the causes of corruption, which is something I try to avoid because it is so difficult and delicate, but one of the causes is the state of our criminal justice system. There are many intelligent and well informed people who believe that we can go on about corruption in health, in education, in the management of municipal finances, until we are blue in the face, but if we do not deal with corruption in the criminal justice system, none of the efforts in other sectors will bear much fruit and be sustainable. I do not entirely agree with that view point but I do accept that there is rampant corruption in the criminal justice system. The police, the prosecutorial services, to an extent the magistracy, are incredibly important reasons for why we have growing corruption in South Africa. Fortunately we are in a situation in South Africa, not necessarily the situation in a great many other countries, where the judiciary is free of the taint of corruption, and long may that continue because offices like the judiciary and the auditor general's office are incredibly important institutions in the fight against corruption. But this is not the case with the criminal justice system, and indeed it is difficult to imagine seriously combatting corruption without a more powerful criminal justice system.

The second cause of corruption is a weak, fragmented state administration, and there are understandable reasons for why our state administration is as weak and fragmented as it is. It is weak because in a very short period of time we had to extend the state from a state that served a tiny fraction of the population to a state that served a population ten times larger than that it had served before. I often recall that when West Germany effectively absorbed East Germany, the integration of that small state into that very large and very rich other state, what the cost of that was and the social dislocation that it caused. In some way we have gone through an integration exercise much larger than West Germany ever had to undergo. It is not a surprise that many of our state systems and much of our state administration is extremely weak and its weakness makes it vulnerable to corruption. We were previously run by an administration that was enormously centralised in its activity. It was fairly natural that we should attempt to develop an administration that was decentralised and appeared to be more democratic that. For example, we had one tender committee that sat in Pretoria and awarded tenders for anything from pencils to large IT systems to arms procurement. It is different now; we decentralised and fragmented that system. There are apparently some 9000 points at which procurement decisions are taken in the Eastern Cape and around these fragmented systems interests have coalesced and developed. Not only is this a fundamental cause of corruption, but it makes it difficult to combat corruption.

I have absolutely no doubt that the huge inequalities that characterise South Africa have something to do with corruption. I feel uncomfortable with identifying this as a cause of corruption, but it is. We have a middle class in South Africa, a fraction that enjoys living standards that few other middle

classes in the rest of the world enjoy. We have another large and growing section of the middle class that, by virtue of the fact that they have not inherited the assets of a long period of accumulation (and I do not mean huge bequests, I mean a family house or education), are part of the middle class but part of the middle class that does not enjoy anything like the living standards of South Africa's traditional white middle class. The only way in which this new middle class can catch up in a single generation is by looking to the state to support its living standards. I am uncomfortable with that as a cause of corruption, but indeed I think it is so, interestingly one advanced by the public service commission quite often.

And then there is the extremely vexed question of black economic empowerment. It was absolutely essential to de-racialise the private sector in South Africa, but the fact of the matter is that the private sector, in drawing in the new elite into business, effectively rewarded political connectivity in many instances and this is part of promoting a relationship between private wealth and public power and public access that is extremely unhealthy. I do not have any interesting answers to what the alternatives were, but it has undoubtedly been a generator of a particularly unhealthy public-private relationship.

#### *The Corruption Watch Model*

The Corruption Watch model is focused on encouraging people to report their experiences of corruption. We have web-based systems of reporting, we have short-code SMSs, we have people walking in and phoning in and people approaching their own NGOs and unions to report instances of corruption, which are then handed to us. Essentially the central aspect of our model is to get people to report corruption to us. We have received about 4000 reports, about half of which properly deal with corruption as we would define it and they come from all over the map. The question we are asked by everybody from media to ordinary people is, what we do with these reports?

The answer I feel I have to give is that we receive these reports and analyse them and use them to identify hotspots of corruption, prevalent practices of corruption. We report back to the public who have given us the information through our own reporting platforms or through the media, which we have an active orientation towards, but also through very active work with community media. On the basis of the reports we also develop campaigns. We have received an enormous number of reports about corruption in schools and small towns and these become the basis of focused campaigns.

We also investigate certain reports that we get. Our capacity requires that we investigate only a select number of reports. We have a small team of three people who come from a policing background and who, without policing power, investigate areas and particular instances of corruption. We also have a small team with an investigative journalism background. We have scored some really successful hits. With the impunity in South Africa, it is remarkable how much evidence people leave lying around of their corrupt activity. So even without possessing subpoena power or the search power that the police possess, we are able to expose serious instances of corruption. With the fruit of those investigations we either approach the law enforcement authorities or public protection and then we monitor whether they are doing anything about it. Increasingly we are finding that it is less valuable to hand over to law enforcement than to the media. I do not think that

any really important case of corruption has ever been uncovered without the participation of the media.

The answer I would like to give about what we do with all the reports is that all of these things we do, the investigation and the advocacy, are really designed to generate more reports of corruption. They are designed to say to people, this is what others are experiencing, what are you experiencing? Part of our role is to take these voices and provide a platform to amplify and focus. This is the method of change in a democracy. If we have 4000 reports and government are hearing those voices, and I think that they are, can you imagine how much more impact we would have if we had 40 000 reports or 400 000 or indeed 4 million reports? This may sound idealistic, but in answer to the question we are typically asked, "Where are your teeth?" it is tempting to say that the teeth are actually in your mouth. This is really our role, to give expression to those mouths and to that voice; this is what our theory of change is. There is evidence that many important centres of government and private sector leadership are listening to this. I am really enjoying the kinds of things that Minister Sisulu is saying about reform of the public sector. I think she is underestimating the push back she is going to get, but these are precisely the kind of proposals we want to hear from government. I am also cheered by the number of reports we are getting from public servants, people who are very fearful but who are ashamed that the institutions they work with are being associated with corruption.

We have received about 4,000 reports, half of which are concerned with corruption, ranging from very incomplete reports of petty corruption, to some very detailed dossiers on tender reports. They range over the geography of South Africa. A lot have come on corruption in schools, not arms deal scale, but enough to make the difference between whether a school has an extra classroom or library. This is an area in which people who may not be otherwise be inclined to report, when they see their children being directly disadvantaged by what might be described as petty corruption, are particularly willing to report. We have had a lot of reports about corruption in small towns, mostly about nepotism in appointments and this is often not the end of corruption but the beginning of corruption. In addition, many are about corruption in public procurement.

The campaigns we are currently developing are particularly focused on schools. Slowly we will unroll a campaign around small towns, which is very difficult. We are also developing a programme that engages business.

Finally, where do we see our future? Our immediate future is in more reports. This is what we want to encourage. In our first year of existence we have very effectively used news coverage and editorial coverage to raise our profile. We have to go to several plateaus higher to massively increase the scale of the reports we are receiving. We are looking more deeply at social media. We have been relatively successful, but we have a lot more we can do.

We are also planning more successful mass communication using traditional advertising and marketing tools. However these are extremely expensive and so we have to be smart about how to use them. Finally to say that our future lies in leveraging what we do through work with fellow NGOs, for example those focused on health, education, correctional services or whatever the case may be. This is a very difficult, resource consuming process but is incredibly important.

#### 4. QUESTIONS TO CORRUPTION WATCH AND DISCUSSION OF THEIR WORK

*Question:* Is there some way that Corruption Watch could publish an index of regular suspects in the same way that countries are named by TI and give the public the opportunity to decide where to send and where to withhold their business?

*Answer from Corruption Watch:* There are interesting ways of working with business who want to be seen as clean as against those who are not. There are two lists published on the National Treasury website of business that are prohibited for a time or indefinitely banned from doing business. One of these lists deals only with businesses that have been found guilty under the Prevention of Corrupt Activities Act; there are only two names on that list. Another list has about 230 names on it, an incredibly inadequate reflection of corruption in the country. We want to pressurise government and the courts, which are in some instances responsible for making decisions on the names that go on these lists, to become more effective. CW has started to work with corporations around anti-corruption compliance programmes and that is proving to be an interesting exercise. We are trying to raise money from Siemens who were forced to set up a \$100 million anti-corruption fund for anti-corruption activities around the world as retribution for major corruption they engaged in on a World Bank project.

CW would like to get to a place where businesses sees an advantage in being associated with us, much like Fair Trade initiatives, which lend them a clean image. Of course we must be careful with this as we cannot become involved with business that is corrupt. We are very interested in developing a programme for working with business and something that particularly interests us is that they often command very effective communication channels. For example: Foschini's newsletters go to five million people a month, the banks have 30 000 employees whose desktops we could use for messaging, SA Breweries do very effective social messaging on a large scale. As most of our corruption reports involve business, it is important to work with them.

##### *Discussion*

A participant related that the whole board of Siemens in Germany was changed after these corrupt activities, due to immense pressure from German society, exerted through well-organised and networked civil society. The outcry was such that there was no way out for Siemens. In another example, President Wolf was forced to resign over the equivalent of R2000 he took from a business person to pay for his room. On further investigation the corruption allegations were unfounded, but it was too late. German society has no tolerance for corruption when it is revealed. It is important that organisations and civil society connect much more. In Germany, the higher one gets in politics the more they are looked up to and if these leaders' corrupt behaviour is accepted, it will be accepted in society as a whole.

It is encouraging to hear of the low level of tolerance of corruption in Germany; in the very recent past it was not so in Western democracies. For example, multi-national corporations were able to claim tax for commissions and facilitation payments; it was considered legitimate business practice

as long as it was happening in another country. The good thing is that the OECD has managed to change these mind-sets and has done a lot to deal with corporate corruption, so we can turn the tide.

#### *Reporting issues*

Corruption Watch (CW) has received about 4,000 reports of corruption since it opened its doors. About half of these were non-corruption issues and could include anything from labour disputes to consumer complaints - even a request for help in finding a wife on release from jail! People use corruption as a synonym for anything that they feel is unfair. These non-corruption reports are now lessening as the public is becoming educated about what constitutes corruption. Initially, CW rejected service delivery complaints, but has since been persuaded to acknowledge these. So while it has educated the public, the public has also educated the organisation.

A participant pointed out that while getting individuals to report is essential, it also comes at a cost. Whistle blowers need stamina to deal with seeing the process through. So far, that participant's complaint against a corporate bully had taken eight months! The Ombudsman and other institutions have been involved. This is an exhausting process so it is important to see how to reduce the cost to the individual. In addition, web-based reporting could be problematic for individuals who need to remain anonymous. CW explained that extraordinary measures have been put in place to ensure anonymity in all its reporting avenues and that sources are protected in the same way as the media would do, giving an absolute guarantee on anonymity.

#### *Relationships with government and law enforcement*

Corruption Watch (CW) does have a good relationship with the Public Protector and in some cases where people have reported incidents to her office and have had no come back, they bring it to CW, which takes it up with the Public Protector. The Public Protector was praised for doing a great job, especially in selecting cases in which investigations will make impact. However, despite relatively large resources (compared to CW), the backlog is enormous.

The relationship with law enforcement is more difficult, however, because they are not naturally inclined to cooperate with organisations like CW that could inadvertently mess up a criminal prosecution. The difficulty is that when cases are not progressing it is difficult to know if they are protecting sensitive information, or if the case is just taking incredibly long to go to prosecution as they often do, or if a corrupt individual is being protected. Ultimately, the most productive engagement has been with the media.

#### *Media profile*

A participant relayed that he had not seen much of Corruption Watch in the media to which David replied that public exposure has been huge, measured by any conventional means such as mentions in newspapers, website hits, etc. For example, CW have recorded 300 000 hits on their website, have 13 000 Twitter followers (growing at 1000 per month) and constant slots on radio. The media profile is greater in Gauteng, simply because that is where the organisation is based. The fact that the participant has not seen their work in the media indicates that CW is not as successful as they would like to be. Future plans include using more social media as well as conventional advertising and

marketing tools (which are unfortunately extremely expensive), as well as social activation at events like big football games.

The project is a medium to long-term venture, given that this is not an issue that will be resolved in the short term. This is unsettling as the bulk of funding comes from philanthropists, who can follow fashions and could decide in a few years' time that not enough impact has been made and pull the funding. A very idealistic plan in the next three or four years is to raise money in the way that the Obama campaign was funded – with a lot of small donations coming from the public. Generating funding like these makes a huge public impact.

#### *COSATU link*

It is a misnomer that COSATU is a principal funder of CW. COSATU and Business South Africa made seed grants, but there is no funding relationship. Funders are listed on the website; 40% comes from foundations, 55% from South African private family foundations and 5% from corporate grants. COSATU leadership was responsible for the initiative and the organisation is often called “COSATU’s Corruption Watch”, which can be useful but is not true. Zwelinzima Vavi is on the board in his personal capacity, as well as leaders from Business South Africa and the Anglican Church. Vavi is one of nine board members, all of whom are hard-headed, making the idea that he could use the organisation to promote his political agenda funny. It is not surprising that the notion that Vavi is using CW to promote his own agenda has arisen in the context of the vicious intensity of political battles going on at the moment. The *Mail and Guardian* was guilty of sloppy journalism on this issue, resulting in a published correction, which takes a hell of a lot.

CW has taken certain precautions around board intervention in their operation; for example, it does not report to the board on any individual report received until it has gone public. These precautions are essential because CW must be seen as being above influence. No doubt people will seek to use CW to fight their battles. They may not even be powerful people, just ordinary people with an axe to grind. This goes to questions of anonymity; reporters have an absolute guarantee of anonymity. Now in the lead-up to elections, no doubt CW will be used, as the media is used, to fight political battles. Another thing to be careful of is that many reports of large-scale corruption come from people who feel that they were not sufficiently rewarded in their corrupt deals. Reporters are not angels, either!

## **5. DISCUSSION, RECORDED THEMATICALLY**

### **Summary**

There was a debate around whether or not the government has the political will to tackle corruption. Some participants pointed to the numerous agencies tasked with combatting corruption as a show of political will to deal with it. Others saw these multiple agencies as fragmented, under-resourced and ineffective, with a lack of a policy to guide a strategy as proof of no political will. Many agreed that a single, well resourced, independent agency is necessary to scale back corruption. Others felt that more effective use of current agencies must be made.

Another strong theme of the roundtable was the need for integrity-education in communities and through schools, with the assistance of faith-based organisations. It was noted that organisations

and society are made up of fallible individuals and that a process of moral regeneration is necessary to combat corruption from the ground up. There was a challenge to the notion that human beings are inherently immoral and that corruption is perpetrated by individuals, not collectives. It was highlighted that known corrupt leaders, including the president, continue to be elected into positions of authority by our society. There was also a comment that small-time corruption is a necessary evil in a very unequal society. The impact that South Africa's electoral system has on creating corruption was debated and lack of transparency in political party funding was noted as highly problematic.

There was a further discussion around the perception of African leaders as inherently corrupt. While the transition from corrupt colonial and apartheid rule to democracy created vulnerability to corruption for a period, this has changed dramatically over the past 20 years. Examples of corruption in other developing countries as well as developed countries were given.

The role of corporations in large-scale corruption was discussed and a suggestions for naming and shaming offenders, as well as suggestions of ways to work constructively with business on anti-corruption, were advanced.

The role of the media in educating the public about corruption and the institutions that are set up to combat it was highlighted, as was the effectiveness of the media in exposing corruption and driving investigations into high profile cases. The creative use of mass media, social messaging and social networking tools to bring about behaviour change and create public education were also discussed.

A number of questions of clarity on issues related to Corruption Watch and the model it was developing were addressed.

### **Institutional arrangements and political will to combat corruption**

A common theme in the dialogue was a perception that the ANC lacks the political will to deal with corruption. A view was advanced that this is not true, evidenced by the fact that eleven (government) institutions are mandated to fight corruption. Pushing for the creation of more institutions obfuscates the issues; therefore, we must move beyond this approach. There is also need to move beyond attacking individuals and realise that this is about the country as a whole, so that the debate can be couched in broader terms. For example, how will corruption impact on the implementation of the National Development Plan?

A counter-argument provided was that there is indeed a lack of political will - a manifestation of which is the lack of a national anti-corruption strategy to set out the overall goal and strategy to combat the scourge of corruption. It was pointed out that there are actually 36 agencies tasked to deal with corruption in South Africa. However, due to weak leadership, none of these is effective. Two examples cited were the National Prosecuting Authority and the Special Investigations Unit (SIU), both of which have been leaderless for some time. The SIU has complained of a lack of resources. This shows clear lack of political will. The National Planning Commission (NPC) supported an independent anti-corruption agency in its *Diagnostic Report*; however, the final NPC report reverted and said that the multi-agency approach already in place should be used and placed a lot of

emphasis on the Anti-corruption Task Team. However, the Task Team is now without the SIU - probably the most competent agency to deal with corruption, despite its limitations in jurisdiction and capacity.

A further example of the inadequacy of existing structures was given: the Minister of Finance recently had cause to investigate the South African Revenue Service (SARS) Commissioner on an issue of corruption, but instead of referring the matter to the institutions already in place, he instituted an independent inquiry to be conducted by a retired constitutional judge.

The inadequacy of the Hawks Bill going through parliament was mentioned. The proposed legislation to restructure the Hawks will not lead to an independent anti-corruption agency. What is needed is an independent, Chapter Nine agency with the triple mandate of investigation, public education and the prevention of corruption. There is no political will to set up a truly independent agency that is properly resourced to scale back corruption. Countries like Hong Kong and Botswana serve as reminders of how effective this can be.

Another suggestion was to focus the activities of agencies mandated to combat corruption because fragmentation and duplication of mandates by multiple institutions fighting corruption overburdens these institutions. These mandates should be reviewed to create a targeted approach for each institution and avoid duplication. For example, the Public Protector deals with corruption in municipalities, the SIU looks at government departments, etc. It is then also important that South African citizens can access these institutions as well as use them to hold government accountable.

It was also noted that the National Development Plan and the *Diagnostic Report* contain “strong stuff on the creation of a capable state that will do what it is supposed to do, peopled by strong civil servants, with an emphasis on people who will serve with integrity”. Attacks on the NDP by trade unions are side tracking us with a “nothing debate”, because the strongest aspect of the NDP is about the creating the capable state and if we concentrate on holding government to fulfil that part, we could achieve some radical improvement in service delivery and accountability of public servants.

A comment was made that there is failure by our leadership to acknowledge that we are a corrupt society; such an admission would have political consequences. R30 billion is lost per year to corruption in South Africa. When parliament is asked to justify an increase in budgets for anti-corruption and the funding of the SIU it points to a corrupt society. Recently, a Balkan president apologised to the nation for the war in that country and the Association of Women rejected the apology, insisting that he call it genocide. Only then could healing begin. It is important to name things properly in order to deal with them.

### **Corruption is carried out by individuals**

There was a quite heated debate about whether human beings are inherently corrupt and if corruption is an activity that is carried out by individuals rather than organisations or companies. Individuals are corrupt, not collectives, it was noted. It is individuals that employ relatives or engage in other corrupt activities and they need to be exposed. A collective group approach to corruption does not work. We need to create a new cadre that can resist temptations and raise red flags.

We are all humans and it is humans that make up society and organisations. Our fundamental flaw is that we are inherently corrupt as a species and we need to figure out how not to allow corruption to happen. One participant noted that s/he had been a public servant for 25 years through various administrations and had not been corrupt. This speaks to the integrity of people. Organisations are led by people and made up of people, so we need to shift our thinking on corruption to recognise this. We need to go back to basics; schooling and curricula, the important role for faith based organisations, etc. We need to look at moral regeneration, which seems to have fallen off the agenda. We need to look at how gender plays into the problem; charity begins at home and women lead the home. In Liberia women played a fundamental role in arresting the conflict. The issue is not about political will; it is for all of us to consider: we are humans, what is our role in protecting almost 20 years of democracy?

There was disagreement among participants with the notion that South Africans are fundamentally corrupt. We start off being good and get waylaid along the way. We are human and have weaknesses, but most of us do not want to break the law. The comments that organisations are led by humans and that corruption is perpetrated by individuals brings to mind one of the lowest moments of Mangaung, when Humphrey Mmemenzi was appointed to the ANC's National Executive Committee. This was a person who had been fired for corrupt activities, but when his name was announced the place erupted with wild cheers; he was being lionised for his infamy. What message is being sent here? The fact that he even made it onto the list is problematic.

When we talk about organisations being led by people and corruption being committed by individuals, we have to face the fact that our society is led by a corrupt individual. This is the elephant in the room. We cannot run away from the fact that our president, who was elected by the vast majority, does not fit the bill of the integrity that we want to create. Despite pronouncements about cracking down on corruption and accountability, the bottom line is that he should have been tried for corruption but was rescued by institutions in this country that were corrupted in order to save him from standing trial. Subsequently, we said let us give him a chance, but he has behaved with impunity. The message to all public officials is that the rules do not apply to them. We should not give up the fight on corruption, but we do need to be conscious that the person at the helm is a corrupt individual.

This is defeatist. We are not a corrupt society; South African society continues to reject it. We have highly unacceptable levels of corruption, but once we concede that we have a corrupt society we have given up. We need to build on the outrage and turn it around.

### **Is the ANC the only corrupt party? Why the focus on them?**

The ANC is not the only party where corruption is happening; however, as a party that controls 66% of the vote and runs 8 out of 9 provinces and the bulk of municipalities, it has a great effect on most South Africans. In addition, the ANC has been quite frank about the state of the rot in the party in its organisational renewal document, circulated before Mangaung. All credit to it for its openness (instead of hiding it). There is also general concern about corruption in certain circles within the ANC, which is why the integrity commission will be established.

### **Integrity-education in society**

Many participants agreed that an important tool in combatting corruption is to promote and reward integrity in society, recognising that corruption does not happen only in government and large corporations, but also in many small acts carried out daily between people. For example, a woman who failed her driver's licence told a participant that she now wanted to now buy a licence. Another example was an employee in a faith-based organisation who requested that a personal computer be added to a funding proposal. Were these people aware that these are forms of corruption?

Attention must be brought to these small instances which can escalate. Integrity education is needed in the community, as well as building a culture where people with integrity, doing their jobs faithfully, are acknowledged and rewarded.

This work can be done through faith-based organisations and also through school curricula. Many complaints of corruption stem from small towns where these organisations are often the only independent organisations available. Remembering the energy and work done in the 1980s with faith-based organisations is a reminder of how complacency has set in. A number of participants expressed a wish to work together on integrity education in communities and working through schools, in conjunction with faith-based organisations.

A further concern was expressed about contradictory messages on the relevance of faith-based organisations in South African society, given the recent outcry about ICASA granting rights for a porn channel on television. In this case, faith-based organisations were seen as irrelevant but now we are talking about the need for these organisations to be involved in combating corruption.

Another view on the integrity issue was that these small instances of corruption are a "necessary evil in a society which is striving to bring about equalisation". The imbalance of power in our society drives corruption because to become part of general society, people have to buy their way in. A person bribing a cop is saying, "I have no confidence in your system". So these systems must be improved. If people are waiting in long queues they may feel the need to buy their way in, be this in hospitals, housing lists or for any other public service. Imbalances in schools mean that the children involved are suffering inequality in education. The role of the state is to strive to equalise society. Corruption is a necessary tool to be celebrated until we find other tools.

### **Media and public education**

The media has an important role to play in educating about corruption. When the media only focuses on high profile cases it sends a message that corruption only happens on a large scale and that institutions that deal with corruption, such as the Public Protector, are not accessible to the public and not created for ordinary people. The question was asked why the media does not focus on small-time corruption. It was suggested that it might be primarily committed to sensationalism and profit.

It was pointed out that smaller cases will generally be found in daily newspapers such as the *Daily Sun* and tabloids but not in nationals like the *Sunday Times*, which is talking to the whole nation. The

work of organisations like Corruption Watch is good for the media because they aggregate a lot of low-profile cases, making them more interesting to media. In this way, a comment can be made about the prevalence of corruption without having to follow up small stories, which can be difficult.

Other kinds of media, apart from traditional media, are also useful for public education. Corruption Watch and others run campaigns which aim to change behaviour through public education tools. An important factor in changing behaviour is to show the consequences of corruption. In a campaign on metro cops, it was made clear that bribery is not a victimless exchange between those who bribe and those who take bribes. The suffering is considerable when drivers become used to the fact that they can drive drunk and pay a bribe. South Africa has the highest rate of fatalities from car accidents and a significant amount of injuries from drunk driving. Organisations are experimenting with a number of ways to educate the public *en masse*; for example, through messaging at football games. There is also the example of an animation series called “Bra Tjotjo”, with well-loved artist Mdu Ntuli, which has received 55 000 hits on YouTube so far.

### **South Africa’s electoral system**

A number of participants expressed the view that our electoral system needs to be reformed because the current one makes it difficult for citizens to hold leadership to account. It is therefore a root cause of corruption. In addition, a lack of transparency around political party funding is problematic and it was claimed that no political party can “cover itself in glory” in this regard.

Another view was advanced that too much emphasis is put on the need for electoral reform and that it is wrongly presented as a panacea to the problems we face. Replacing our current list system with a constituency-based system does not necessarily guarantee that corruption will be stamped out. In fact, it might even benefit the ANC in the long run.

### **Is corruption a particularly African problem?**

It is a commonly heard phrase that “If we are not careful we will become like the rest of Africa”; this is a preoccupation of the “chattering classes”. Looking at the Transparency International (TI) survey on perceptions of corruption, we would do well to become like the rest of Africa: there are at least 6 countries ahead of us in the survey, with many of them well ahead. For example, Ghana has made huge strides in democracy, as has Botswana and a number of others. Corruption is not a phenomenon of the African continent, nor is it a phenomenon only found in developing countries. Huge instances of corruption involved, for example, French water companies, German power generation companies and companies in our own Arms Deal. Interestingly, the passing of powerful laws in the United States and Britain have made a greater impact on business in South Africa, as companies listed in those countries have become more vulnerable to law enforcement in their own countries than in South Africa. Our own legislation is actually very strong but is not enforced.

A reason for the perception of corruption being greater in Africa than in other regions could be that periods of rapid and radical political change create vulnerability to corruption. It is often forgotten that post-colonial countries transitioned from systems that were corrupt at their very core. The transition is difficult where new public officials are employed in systems with a history of corruption

and exclusion. Resource-rich economies are also particularly vulnerable to corruption because all the foreign exchange revenue is coming from a small part of the economy; corruption only needs to man one gate to milk the revenues. This applies to Venezuela, Mexico and central Asia, which are also hugely vulnerable. One could say that in immediate post-independence Africa, in the 1970s and into the 1980s, it was a continent of plunder. Colonisation was replaced by a new kind of colonisation and the elites did not recognise that independence and freedom was meant for all, not just for themselves. However, over the past 20 years the African picture has changed dramatically with the democratisation project taking place on the continent.

### **Corporate Corruption**

One participant opined that corporations are behind so much corruption; and asked if there a way that we can focus on them? Transparency International publishes an index of corrupt countries; surely the same can be done for corporations? When it comes to large-scale corruption, these companies operate in a structural way. For example, with the charges against President Zuma, there was a Malaysian company, an Indian company and a French company involved, with Schabir Schaik as the go-between. In the arms deal, British Aerospace, Thompson from France, Augusta in Italy and EADS in Germany was involved - four more corporates all involved in corrupt activities around world. A new airline called Fast Jet that operates around Africa is coming to South Africa. 25% of the South African shareholding is held by a company on which Edward Zuma sits. Apparently he is there because he is brilliant at navigating business in Africa and of course, South Africa, and we are supposed to believe that this is due to his being a good businessman, not because he is the president's son. That is corruption. Fast Jet is just the next company that is paying a Zuma for contacts and favours.

## **6. CLOSING REMARKS**

Fr Peter-John Pearson thanked partners the Hanns Seidel Foundation and the Goedgedacht Forum for Social Reflection and the CPLO who are jointly hosting this series on Leadership. A key purpose of the meetings is to build up public discussion to exercise leverage in the public domain.

The Director of the Goedgedacht Forum for Social Reflection thanked the co-hosts for their efforts. One of the things that the Forum often says is that they bring the best and the brightest into the room and this has certainly been the case with the presenters and participants in the day's discussion.

**END**

## 7. LIST OF PARTICIPANTS

### Presenters

Jeremy Routledge	Embrace Dignity
Mondli Makhanya	Editor in Chief, Avusa Media
David Lewis	Corruption Watch

### Facilitator

Peter-John Pearson	CPLO
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### Participants

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Anthony Mohamed	Mater Dei - Parow Valley
Biddy Greene	J&P Cape Town
Bradley Petersen	Open Secrets
Cherrel Africa	UWC
Christian Jakos	Konrad Adenauer Stiftung
Colleen Ryan	DDP
Delorees Kotze	DDP
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Ebenezer Durojaye	Community Law Centre
Eva Hendricks	Mater Dei - Parow Valley
Fiona Anciano	UWC/UCT lecturer and independent researcher
Gary Pienaar	HSRC
Godfrey Walton	Anglican Church
Hamadziripi Tamukamoyo	ISS
Karl Groepe	Rector: St Paul's, Cape Town, Archdeacon of Waterfront.
Lawson Naidoo	Council for the Advancement of the South African Constitution
Louise Macham	Forgiven
Margaret Kelly	
Marjon Busstra	The Office of International Diplomacy Africa
Marugawane Moremogolo	
Mary Fawzy	Ndifuna Ukwazi
Mickey Glass	Western Cape Religious Leaders' Forum
Moses Mncwabe	Parliament
Mpho Mathabathe	Parliamentary Researcher
Naomi Marshak	Open Secrets
Pamela Harris	Nehawu: Department of Local Government
Peter Soal	Former MP
Gilmore Fry	DCS
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