



Submission No 24

Inquiry into Human Rights and Good Governance Education in the Asia Pacific Region

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TRANSPARENCY INTERNATIONAL AUSTRALIA

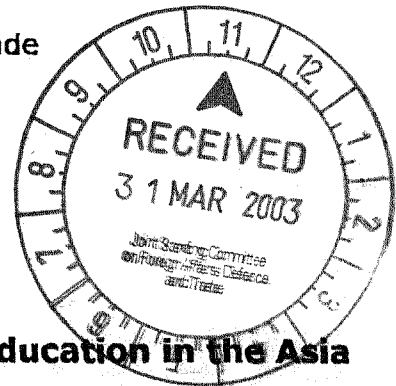
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The Secretary
Joint Standing Committee on Foreign Affairs Defence and Trade
Human Rights Sub-Committee
Room R1 120
Parliament House
Canberra ACT 2600



Dear Sir

Inquiry into human rights and good governance education in the Asia Pacific region

Transparency International's interest

Transparency International Australia wishes to draw the inquiry's attention to one specific aspect of human rights and good governance education, namely that relating to the issue of corruption.

TI Australia ¹ is one of 87 national chapters of Transparency International ², the global anti-corruption movement. There are in all 24 TI national chapters in the Asia Pacific region from Pakistan to Japan and including in our immediate region chapters in Fiji, New Zealand, Papua New Guinea, Solomon Islands and Vanuatu.

TI does not investigate cases or get involved in party politics. TI's strategy is to build coalitions at all levels to bring civil society and the community at large together with government and the business community to develop and implement strategies to increase transparency and accountability and thereby to curb corruption across all sectors of society.

TI believes that corruption hurts everyone. It deepens poverty, it distorts social and economic development, it erodes provision of essential public services, it harms trade and deters investment and it undermines democracy. Its impact is greatest in developing countries where institutions tend to be less robust and the rule of law less entrenched. This is confirmed by the annual TI Corruption Perceptions Index. ³

There is clear evidence that increased corruption goes hand in hand with poor governance and less respect for human rights.

¹ For more information see www.transparency.org.au

² For more information see www.transparency.org

³ See www.transparency.org/cpi/2002/cpi2002.en.html

Corruption prevention and enforcement are complex and involve many disciplines. While some education and training needs to be targeted at specialist professionals who staff anti-corruption and other integrity watch-dog and enforcement bodies, it is also important to develop public awareness of the need for integrity in public and business life and to mainstream corruption prevention and investigation in other disciplines. Public officials need to be aware of the dangers of conflict of interest and abuse of entrusted power for personal benefit. So do managers in the business and non-government sectors and professional advisers, investigative journalists and others. In most cases training is best integrated into more broadly based programmes rather than taught on a stand alone basis. For example, in schools the issue of corruption can best be included in courses on civics, values and human rights. At business schools and professional training institutes, it can best be taught as an adjunct to business or professional ethics or risk management. For this reason the issue needs to be factored into curriculum design and into the training of teachers and other trainers, most of whom are unlikely to be aware of its importance until this is explained to them.

Developing new anti-corruption awareness and education programmes

Raising awareness to mobilise community support is a pre-requisite to curbing corruption sustainably and this involves education at schools and at tertiary and vocational training institutions and through adult education and awareness programmes.

Amongst the pioneers of public awareness and education programmes as part of a national corruption prevention strategy is the Hong Kong Independent Commission Against Corruption and its example has been followed by other anti-corruption agencies. The New South Wales Independent Commission Against Corruption has developed a number of education packages for schools and tertiary institutions which have been used as models elsewhere; for example some NSW ICAC material has been translated and adapted for local use by TI Russia.

But TI national chapters have also taken the initiative to develop education material themselves. As TI Papua New Guinea puts it:

"It is obvious... that in developing an anti-corruption culture, some kind of action has to be taken in the schools because children have to be influenced early in their lives."

TI PNG recognised that as teachers were role models for their students, the first focus of any anti-corruption training within the education system should be on teachers. To this end, two handbooks were produced - one for teacher participants and the second for facilitators who teach the course - which are designed to help teachers recognize the signs and symptoms of misuse and abuse. The training process involved takes the teachers along a journey, which enables them to understand their own values and the foundations of their own attitudes towards corruption. Each teacher confronts his or her own system of values, both personal and traditional. The discovery and analysis of personal values is mixed with interesting but commonplace case studies, which any teacher may have to deal with in any school in PNG. A workshop was held to provide a trial run of the facilitators' handbook and the participants' workbook and the group

of teachers who participated in the training expressed great satisfaction and support for TI's efforts ⁴.

The then PNG Minister of Education, Dr. John Waiko, MP said "...this course should be offered regularly as an integral part of the pre-service training course for both elementary and primary school teachers. It should also, of course, be offered to teachers in our secondary institutions as part of their annual in-service programs.." As a consequence the training programme has been adopted by the PNG education authorities.

The TI PNG experience is currently being adapted by TI Vanuatu and Transparency Solomon Islands, TI's most recent national chapter launched on 25 March 2003, also has plans to work with the education authorities in its country using a similar approach. TI Australia was represented at the launch and in private meetings both the Prime Minister and the Governor-General expressed the view that values based education was essential to produce a new generation of leaders who would be less inclined to put private interests ahead of the public interest. This is a view which is echoed around the developing world.

Contributing to other's educational and training programmes

Apart from developing educational materials, TI national chapters make an important contribution to existing educational and training programmes.

TI Australia has a network of highly experienced volunteer resource persons who frequently run seminars in Australian universities. Recent examples include students in business schools, engineering and law faculties and visiting prosecutors from China and Vietnam as well as on the ground-breaking and highly regarded short course 'corruption and anti-corruption' which has been run for several years by National Centre for Development Studies (NCDS) at The Australian National University ⁵ and which attracts participants, in the main public officials but also from non government organisations, from many developing countries.

While training for developing country participants in Australia has an important role to play, it is expensive and participants are often less at ease than in their home environments. Additionally, a course run in-country can be more tailored to local conditions and can cater for a much larger number of participants. However, given the shortage of suitably experienced trainers and the understandable reluctance of some employers (for example the NSW ICAC) to release their staff to run courses overseas, it will be necessary to train more trainers if Australia is to maximise its contribution to meeting the perceived need.

Recommendation

Australia should encourage the training of more trainers in corruption prevention and enforcement to facilitate more training courses in developing countries in the Asia Pacific region for political leaders, public officials, business and civil society.

TI Australia has convened and contributed to many workshops and short courses overseas, for example national integrity workshops in Papua New Guinea, investigative journalism training in Vanuatu and anti-corruption training (with NCDS and NSW ICAC) in Indonesia.

⁴ See <http://www.transparencypng.org.pg/pro-tea.htm>

⁵ See <http://ncdsnet.anu.edu.au/short/descript.htm#corruption>

TI national chapters are very well placed to identify needs for training and education and to help design and implement courses which are tailored to local needs. Such courses may be for specialist audiences. For example in a number of countries including Kenya, Nigeria and Pakistan TI has conducted induction seminars for the incoming Cabinet while other courses have targeted procurement experts, forensic accountants, and non government organisations involved with monitoring of service delivery or the electoral process.

Some of the most effective training is on the job, that is involving trainers and trainees implementing programmes and projects together. One recent example is the joint Vanuatu Electoral Commission/TI Vanuatu project which monitored the May 2002 general elections. The observer group included a majority of ni-Vanuatu but also a former Australian High Commissioner invited by TI Australia, a Papua New Guinean former Deputy Secretary-General of the Commonwealth who now heads TI PNG and a former Secretary of the New Zealand Department of Justice who is treasurer of TI New Zealand. Funding came from AusAID, NZAID and the EU. Vanuatu now has for the first time a core of trained election observers and TI looks forward to their participation in observing elections in neighbouring countries as well as in Vanuatu.

Recommendation

AusAID should support initiatives to ensure that the potential for civil society to contribute to training in corruption prevention and enforcement is fully realised.

Regional anti-corruption instruments in Asia Pacific relevant to education

The Asia Pacific region has been slow to develop regional instruments and networks to focus on the issue of corruption. This has become more obvious as other regions (the Americas and Europe for example) have developed or (in the case of Africa) are in process of developing legally binding regional anti-corruption conventions.

However the Asia Pacific region does now have some instruments, notably:

1. The Pacific Basin Economic Council (PBEC) Charter⁶ on relations between business and government adopted in 1999. PBEC represents major companies from countries right across the Asia Pacific region and its requirement that its members commit not to bribe as well as moves to achieve good corporate governance are very important in improving the integrity of business. Australia is already involved in corporate governance training courses particularly in South East and East Asia which are well placed to reinforce the need for corporate integrity. Australia has an enviable, although not entirely unblemished, reputation as a leader in corporate governance which points to more coordinated activity in education and training in this field.

Recommendation

Australia should encourage the issue of integrity and resistance to corruption to be incorporated into corporate governance education and training, using the principles of the PBEC Charter as a point of reference.

2. The Anti-Corruption Action Plan for Asia and the Pacific (APAP)⁷ which was developed in 2001 under the leadership of the Asian Development Bank and the Organisation for Economic Cooperation and Development (OECD) with the active participation of PBEC, representing business, and TI, representing civil society.

⁶ See <http://www.pbec.org/policy/1998/igmstandards.htm>

⁷ See <http://www1.oecd.org/daf/ASIAcom/>

Currently endorsed by 19 governments across the Asia Pacific region with 3 more, China, Federated States of Micronesia and Thailand likely to endorse soon, the Action Plan is non binding but has already facilitated useful cooperation between developing country governments and donors and other stakeholders. A recent development is the institution of high level training courses, the first on effective prosecution of corruption, with proposed topics including mutual legal assistance, forensic accounting, political party and election financing, whistleblower protection systems and the methodology for surveys of public opinion about corruption.

Australia, led on this issue by the Attorney-General's Department but with input from AusAID and the Department of Foreign Affairs, has been considering since late 2001 whether to endorse the Action Plan. Given that other OECD members, namely Korea and Japan, did so at the outset, Australia appears out of step with the region where it should be taking a leadership role.

Recommendation

Australia should endorse the Anti-Corruption Action Plan for Asia and the Pacific without further delay and play an active role in its steering committee both as an endorsing country and as a donor.

Global anti-corruption instruments relevant to education

The following global instruments also impact on the region or will do so when they come into force:

1. OECD Convention to criminalise bribery of foreign public officials⁸, which came into force in Australia in 1999, embraces 35 countries representing 70 per cent of world trade and 90 per cent of foreign direct investment. It has the potential if effectively enforced to reduce the supply side of cross-border corruption and thereby assist in reducing major corruption particularly in developing countries where it has the most adverse impact. The TI Bribe Payers Index published in May 2002⁹ showed that in the 15 major developing countries surveyed including, in the Asia Pacific region, India, Indonesia, the Philippines, South Korea and Thailand, the level of awareness of the OECD Convention, even among foreign business and professional advisers, was worryingly low. In the context of improving corporate governance it is imperative that steps are taken to increase awareness of the Convention, particularly as Australian business is perceived in the survey as less likely to bribe foreign officials than any of its major competitors.

Recommendation

Australia should taken additional steps to raise awareness of, and to enforce, the OECD Convention to criminalise bribery of foreign public officials in Australia and overseas as well as participating fully in the ongoing work of the OECD bribery working group.

2. Two United Nations instruments have the potential to curb corruption and provide for increased levels of international cooperation and development aid assistance. The first is the United Nations Transnational Organised Crime Convention (UNTOC)¹⁰ signed by 147 countries including Australia and which is expected to come into force within 12 months. The UNTOC is currently the subject of a consultation process with

⁸ See <http://www.oecd.org/EN/document/0,,EN-document-86-3-no-6-7198-0,00.html>

⁹ See http://www.transparency.org/pressreleases_archive/2002/2002.05.14.bpi.en.html

¹⁰ See http://www.undcp.org/odccp/crime_cicp_convention.html

states and territories prior to reference to the Joint Standing Committee on Treaties. The second is the United Nations Convention against Corruption (UNCAC)¹¹ which is currently going through its third reading with a target for signature of December 2003.

Both these instruments, to be effective, will require considerably increased levels of awareness raising, education and training particularly in developing country states parties. The scope, in particular of the UNCAC, is very wide and impacts on many areas of domestic corruption prevention and enforcement as well as the international dimensions.

AusAID is well placed to facilitate and respond to new initiatives in anti-corruption education and training in Asia Pacific developing countries. The Centre for Democratic Institutions has conducted some anti-corruption workshops for public officials but much more could be done. In particular there needs to be a recognition that corruption involves the private sector as well as the public sector and that the whole of society must support effective anti-corruption action so that these sectors need training too.

Recommendation

Australia should ratify as soon as possible the United Nations Transnational Organised Crime Convention and its 3 protocols and should work to ensure that the United Nations Convention Against Corruption is negotiated in a form which makes it an effective instrument for facilitating international cooperation in curbing corruption in the Asia Pacific region and beyond, including technical assistance and education and training where Australia is well placed to assist its developing country neighbours.

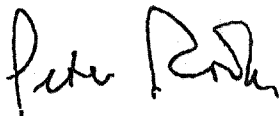
It is long overdue for AusAID to develop a coherent and comprehensive policy on corruption. For example the World Bank has had a clear policy in effect since 1997 and the issue of corruption is mainstreamed in its work as it is in other development aid agencies. TI understands that AusAID is currently formulating a policy which it plans to finalise by the end of 2003.

Recommendation

AusAID should finalise as soon as possible, after public consultation, a coherent and comprehensive policy statement on corruption covering both the minimisation of corruption within AusAID-funded programmes and the mainstreaming of corruption prevention and enforcement and the related issues of transparency and accountability in its programmes.

TI Australia is ready to supply further information and to respond to questions from the committee.

Yours sincerely



Peter Rooke
TI Australia

¹¹ See http://www.odccp.org/odccp/crime_cicp_convention_corruption_docs.html