

Regional Economic Communities and the fight against corruption in Africa:

An Analysis of the roles of Southern African Development
Community

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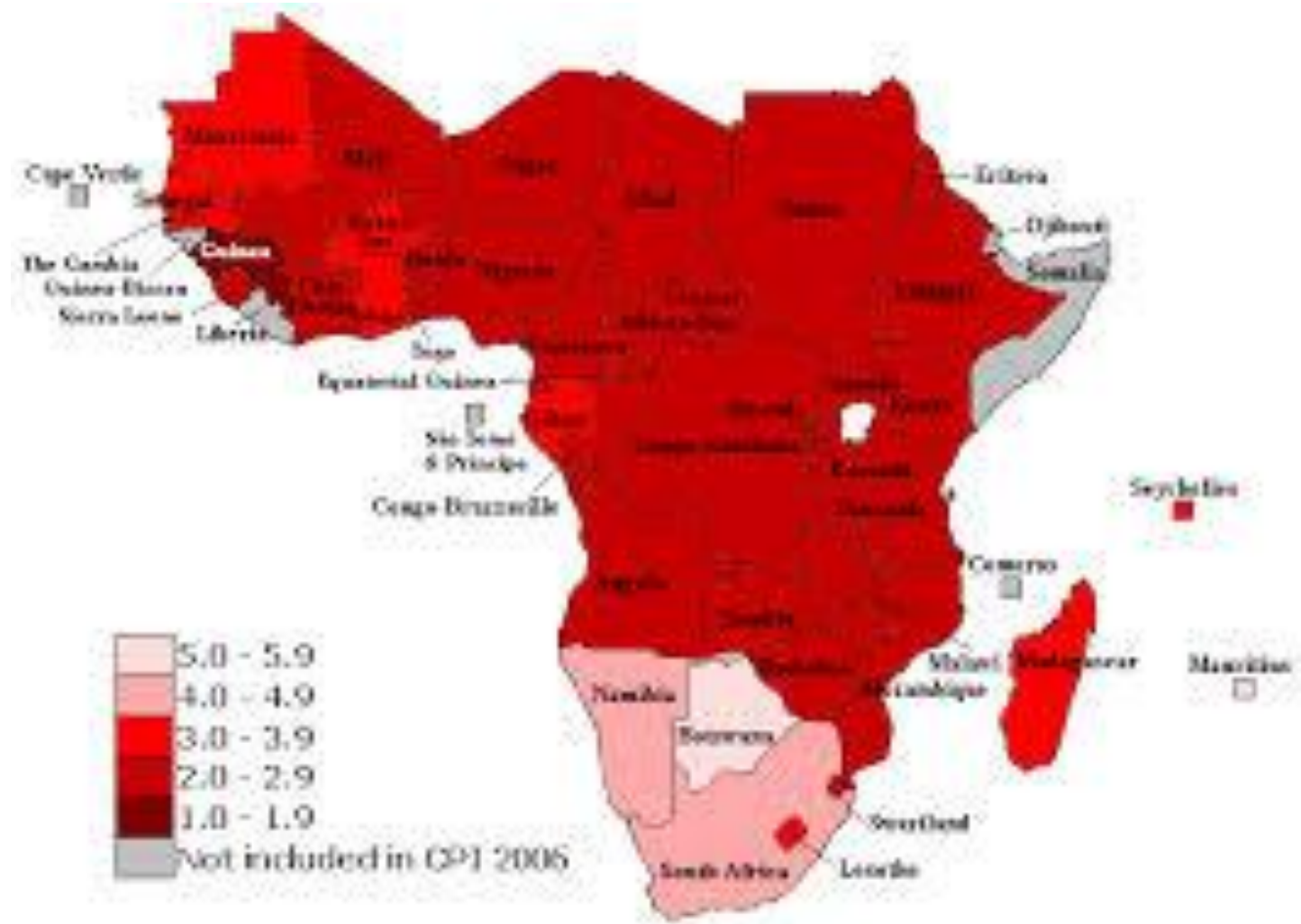
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Introduction

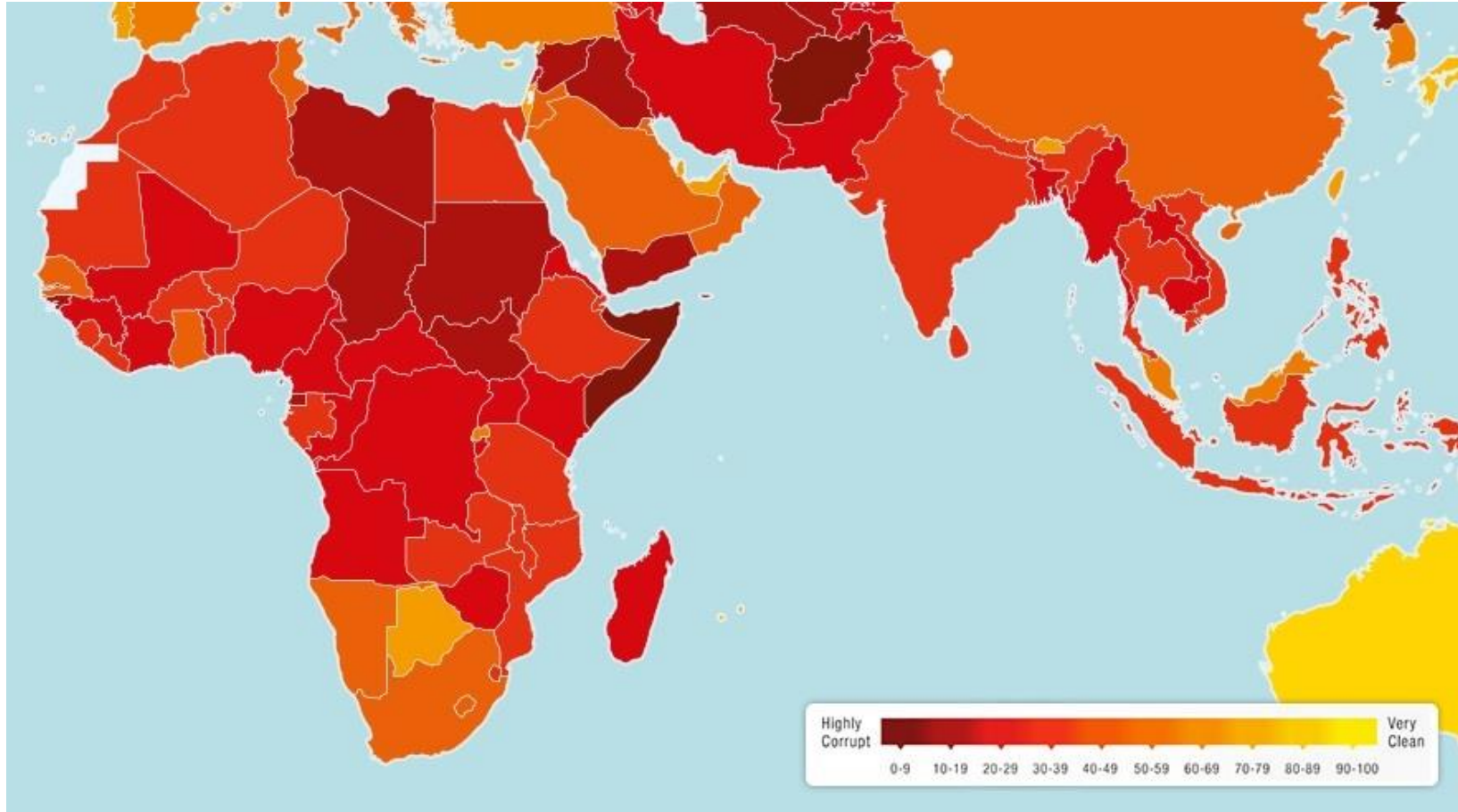
- Corruption is deliberate manipulation of rules and expropriation of state resources for personal or group benefits
- The capacity of the state to reign in corruption has been severely limited
- Regional Economic Communities are made of countries that subscribe to certain norms and values
- SADC Protocol on corruption is well intentioned but face problems with implementation
- Corruption in the private sector through illicit financial flows needs a regional approach



Corruption Perception Index in Africa



Corruption Perception-Negative Progression



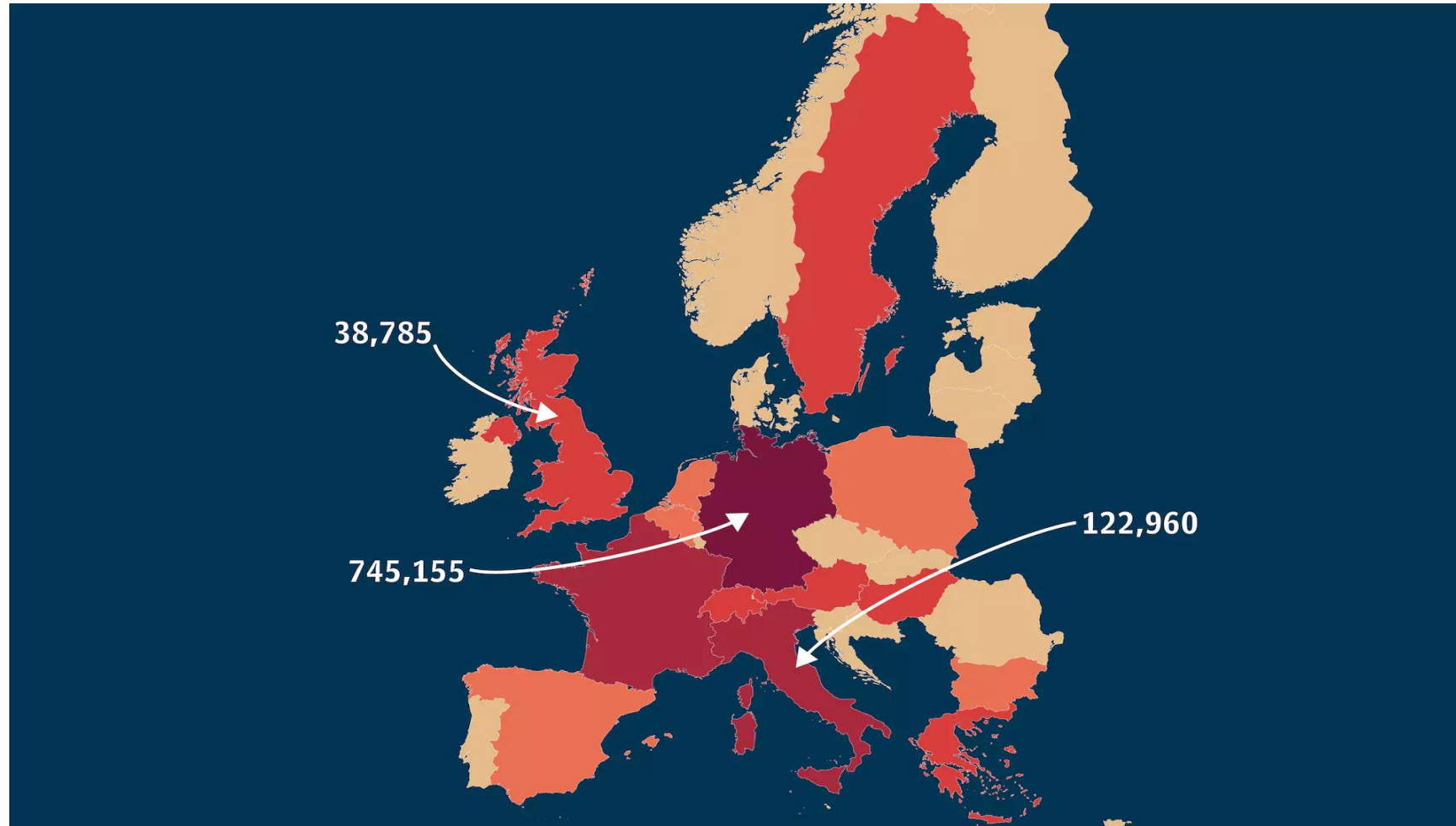
Pervasiveness of Corruption



Pervasiveness of corruption

- Corruption is all encompassing and rooted in both public and private sectors
- It has been part of governance systems all through the process of state formation in pre-colonial, colonial and postcolonial period (Bathiley, 1994)
- It has both internal and external dimensions
- Capital flights and Illicit financial flows constitute great risks to the survival of African countries (Global Financial Integrity, 2015, 2017)
- It is linked to conflicts, instability and migration crisis

Corruption and Migration Crisis in Europe



The state in Africa and its contradictions

- Colonialism disrupted and distorted the process of state formation in Africa
- Despite early efforts of the post-colonial state to achieve development, it has been limited by its internal contradictions and location in the global capitalist order
- Scholars have used various epithets to describe the state in Africa- prebendal, leviathan, predatory, rogue, politics of the belly, order and disorder, etc (Olukoshi, 2005, Joseph 1987, Bayart, 1993)
- Weak capacity of the state limits its ability to implement laws against corruption –little incentives to fight corruption
- The dependence on foreign capital undermine the state in regulating the private sector

Theoretical Frameworks-

- Public Choice : The state as an arena of contestation for rent
- Principal Agent Client Model- Misuse of power by the Principal to secure advantage (especially financial) (Carr, 2009)
- Theory of global capital capitalism-Formation of Transnational Capitalist Class (TCC) under neoliberal capitalist order. TCC is made up of the State ruling elites, multinational companies and international institutions (Robinson, 2010, 2004)

Regional Integration and its appeal on governance

- Regional integration involves pooling of sovereignty to foster public good such as high level of trade, cooperation and development
- Functionalists see European integration as a means of developing institutions and norms that can foster peace, stability and development (Mitrany, 1943)
- Regional governance can develop norms and values that are threatened by the dynamics of politics at state levels
- Common norms of accountability can be shared across a region which can be enforced

SADC Protocol Against Corruption

- The Protocol was adopted at the Heads of State and Government of the SADC summit held in Malawi, August 2001
- The adoption was a response to both internal and external factors
- It was also part of the Good Governance Agenda of the 1990s
- It defines what is considered as corruption and how state parties commit to dealing with such
- The Protocol established a committee charged with implementation

SADC Protocol against Corruption

- In line with Article 3 of SPAC its purpose is:
- to promote and strengthen the development, by each of the State Parties, of mechanisms needed to prevent, detect, punish and eradicate corruption in the public and private sector,
- to promote, facilitate and regulate cooperation among the State Parties to ensure the effectiveness of measures and actions to prevent, detect, punish and eradicate corruption in the public and private sectors; and
- to foster the development and harmonization of policies and domestic legislation of the State Parties relating to the prevention, detection, punishment and eradication of corruption in the public and private sectors.

SADC Protocol Against Corruption

- 93% signed while 87% of member countries have ratified SADC Protocol against Corruption
- 80% signed while 67% for the AU Convention on Preventing and Combating Corruption
- 80% signed while 100% for UN Convention against Corruption and
- ((Anti-Corruption Trust of Southern Africa, 2017)

SADC Protocol and Illicit Financial Flows

- SADC Protocol did not specifically deal with illicit financial flows
- Yet, it is pervasive
- AU High Level Panel on IFF shows that Africa loses about \$50billion every year
- The Global Financial Integrity puts the figure at \$70billion
- IFF is mostly with Private sector-think of the Panama papers
- This requires new discussions on the locus on emphasis on corruption
- Sharife (2015) argues that definition of corruption limits the geography to demand side
- EITI frame of reference excludes the role of transfer pricing, tax avoidance and thin capitalisation (Sharife, 2015)

Anti-corruption as a regional public good

- The fight against corruption should be seen as a regional public good
- When effectively tackled, it free up resources for development
- It will also bring about win-win for the private, public and the overall society
- Regional protocols against corruption should be supported to succeed

Civil Society and mainstreaming SADC Protocol to accountable governance

- SADC Protocol needs to be mainstreamed to national policies by State parties and implemented
- The deception of power show that beneficiaries of corruption have no incentive to reform
- CSOs needs to put up pressure on the State and the international community to address illicit financial flows and other forms of corruption
- The fight against corruption should also be linked to the campaign for inclusive development

Conclusion

- There is need for more discourses and actions against corruption
- It requires building **regional anger**, **national revulsion** and **local resentment** rather than rhetoric and lamentations without action
- **Citizenship action** that is based on common commitment to development is fundamental in the fight against corruption, (Green, 2008)
- It requires a multi-stakeholder approach involving state and non-state actors, the private sector, the international financial institutions, religious and traditional institutions

END

- Thank you for taking home the call for anger against the monster of corruption-and be prepared to pay the price for standing up for the regional public good.