

---

# VISITING EXPERTS

---

## INVESTIGATING CORRUPTION

By Tony KWOK Man-wai\*



### I. INTRODUCTION

The Hong Kong ICAC is popularly regarded as a successful model in fighting corruption, turning a very corrupt city under colonial government into one of the relatively corruption free places in the world. One of the success factors is its three-pronged strategy - fighting corruption through deterrence, prevention and education. All three are important but in my view, deterrence is the most important. That is the reason why the ICAC devoted over 70% of its resources into its Operations Department, which is responsible for investigating corruption. Nearly all of the major corruption cases I have dealt with were committed by people in high authority.

For them, they have certainly been educated about the evil of corruption and they may also be subject to a certain degree of corruption prevention control. But what inspired them to commit corruption? The answer is simply greed, as they would weigh the fortune they could get from corruption with the chance of them being discovered. So how can we deter them from being corrupt? The only way is to make them realize that there is a high risk of them being caught, which is therefore the mission of the ICAC Operations Department - *to make corruption a high risk crime*. To do that, you need a professional and dedicated investigative force.

### II. DIFFICULTIES OF INVESTIGATING CORRUPTION

Corruption is regarded as one of the most difficult crimes to investigate. There is often no crime scene, no fingerprints, no eye-witnesses to follow up. It is by nature a very secret crime and can involve just two satisfied parties, so there is no incentive to divulge the truth. Even if there are witnesses, they are often parties to the corruption themselves, hence tainted with doubtful credibility when they become prosecution witnesses in court. The offenders can be equally as professional as the investigators and know how to cover up their trails of corruption. The offenders can also be very powerful and ruthless in enforcing a code of silence amongst related persons through intimidation and violence to abort any investigation. In this modern age, the sophisticated corrupt offenders will take full advantage of the loopholes in cross jurisdictions and acquire the assistance of other professionals, such as lawyers, accountants and computer experts in their clandestine operations and to help them launder their corrupt proceeds.

### III. CORRUPTION AND ORGANIZED CRIME

Corruption rarely exists alone. It is often a tool to facilitate organized crime. Over the years, the ICAC has investigated a wide range of organized crimes facilitated by corruption. Law enforcement officers have been arrested and convicted for corruptly assisting drug traffickers and smugglers of various kinds; bank managers for covering up money laundering for the organized crime syndicates; and hotel and retail staff for perpetuating credit card fraud. In these cases, we need to investigate not only corruption, but some very sophisticated organized crime syndicates.

### IV. PREREQUISITES FOR AN EFFECTIVE INVESTIGATION

Hence, there is an essential need for professionalism in corruption investigation. There are several prerequisites to an effective corruption investigation:

#### A. Independent

A corruption investigation can be politically sensitive and embarrassing to the Government. The

---

\* Honourary Course Director, Corruption Studies Programme, Hong Kong University SPACE and Former Deputy Commissioner & Head of Operations, ICAC, Hong Kong.

investigation can only be effective if it is truly independent and free from undue interference. This depends very much on whether there is a top political will to fight corruption in the country, and whether the head of the anti-corruption agency has the moral courage to stand against any interference.

### **B. Adequate Investigative Power**

Because corruption is so difficult to investigate, you need adequate investigative power. The HK ICAC enjoys wide investigative power. Apart from the normal police power of search, arrest and detention, it has power to check bank accounts, require suspects to declare their assets, require witnesses to answer questions on oath, restrain properties suspected to be derived from corruption, and hold the suspects' travel documents to prevent them from fleeing the jurisdiction. Not only is the ICAC empowered to investigate corruption offences, both in the Government and private sectors, they can investigate all crimes which are connected with corruption. I must hasten to add that there is an elaborate check and balance system to prevent abuse of such wide power.

### **C. Adequate Resources**

Investigating corruption can be very time-consuming and resource intensive, particularly if the cases involve cross jurisdiction. In 2002, the HK ICAC's annual budget amounted to US \$90 million, about US \$15 per capita. You may wish to multiply this figure with your own country's population and work out the anti-corruption budget that needs to be given to the equivalent of ours! However, looking at our budget from another angle - it represents only 0.3% of our entire Government budget or 0.05% of our Gross Domestic Product (GDP). I think you will agree that such a small "premium" is a most worthwhile investment for a clean society.

### **D. Confidentiality**

It is crucial that all corruption investigations should be conducted covertly and confidentially, at least before arrest action is ready, so as to reduce the opportunities for compromise or interference. On the other hand, many targets under investigation may prove to be innocent and it is only fair to preserve their reputation before there is clear evidence of their corrupt deeds. Hence in Hong Kong, we have a law prohibiting anyone, including the media, from disclosing any details of the ICAC investigations until overt action such as arrests and searches have been taken. The media once described this as a "press gag law" but they now come to accept it as the right balance between press freedom and effective law enforcement.

### **E. International Mutual Assistance**

Many corruption cases are now cross jurisdictional and it is important that you can obtain international assistance in the areas such as locating witnesses and suspects; money trails, surveillance, exchange of intelligence, arrest, search and extradition, and even joint investigation and operation.

### **F. Professionalism**

All the investigators must be properly trained and professional in their investigation. The HK ICAC strives to be one of the most professional law enforcement agencies in the world. The ICAC was one of the first agencies in the world to interview all suspects under video, because professional interview technique and the need to protect the integrity of the interview evidence are crucial in any successful corruption prosecution. The investigators must be persons of high integrity. They must adhere strictly to the rule of confidentiality, act fairly and just in the discharge of their duties, respect the rights of others, including the suspects and should never abuse their power. As corruption is so difficult to investigate, they need to be vigilant, innovative and be prepared to spend long hours to complete their investigation. The ICAC officers are often proud of their sense of mission and this is the single most important ingredient of the success of the ICAC.

### **G. An Effective Complaint System**

No anti-corruption agency is in a position to discover all corrupt dealings in the society by itself. They rely heavily on an effective complaint system. The system must be able to encourage quality complaints from members of the public or institutions, and at the same time, deter frivolous or malicious complaints. It should provide assurance to the complainants on the confidentiality of their reports and if necessary, offer them protection. Since the strategy is to welcome complaints, customer service should be offered, making it convenient to report corruption. A 24 hours reporting hotline should be established and there should be a quick response system to deal with any complaints that require prompt action. All complaints, as long as there is substance in them, should be investigated, irrespective of how minor the corruption allegation. What

appears to be minor in the eyes of the authorities may be very serious in the eyes of the general public!

## V. METHODS TO INVESTIGATE CORRUPTION

Investigating corruption can broadly be divided into two categories:

- Investigating past corruption offences
- Investigating current corruption offences

### A. Investigating Past Offences

The investigation normally commences with a report of corruption and the normal criminal investigation techniques should apply. Much will depend on the information provided by the informant and from there, the case should be developed to obtain direct, corroborative and circumstantial evidence. The success of such investigation relies on the meticulous approach taken by the investigators to ensure that “no stone is left unturned”. Areas of investigation can include detailed checking of the related bank accounts and company ledgers, obtaining information from various witnesses and sources to corroborate any meetings or corrupt transaction, etc. At this stage, the investigation should be covert and kept confidential. If there is no evidence discovered at this stage, the investigation should normally be curtailed and the suspects should not be interviewed. This would protect the suspects, who are often public servants, from undue harassment. When there is a reasonable suspicion or evidence discovered in the covert stage, the investigation can enter its overt stage. Action can then be taken to interview the suspects to seek their explanation and if appropriate, the suspects’ home and office can be searched for further evidence. Normally a further follow-up investigation is necessary to check the suspects explanation or to go through the money trails as a result of evidence found during searches. The investigation is usually time-consuming.

### B. Investigating Current Corruption Offences

Such an investigation will enable greater scope for ingenuity. Apart from the conventional methods mentioned above, a proactive strategy should always be preferred, with a view to catch the corrupt person red-handed. In appropriate cases, with proper authorities obtained, surveillance and telephone interception can be mounted on the suspects and suspicious meetings monitored. A co-operative party can be deployed to set up a meeting with a view to entrap the suspects. An undercover operation can also be considered to infiltrate a corruption syndicate. The pre-requisite to all these proactive investigation methods are professional training, adequate operational support and a comprehensive supervisory system to ensure that they are effective and in compliance with the rule of evidence.

One unique feature of corruption investigation is that the investigators must not be content with obtaining evidence against one single offender. Corruption is always linked and can be syndicated. Every effort should be explored to ascertain if the individual offender is prepared to implicate other accomplices or the mastermind. In Hong Kong, there is a judicial directive to allow a reduction of 2/3 of the sentence of those corrupt offenders who are prepared to provide full information to the ICAC and give evidence against their accomplices in court. The ICAC provides special facilities to enable such “resident informants” to be detained in ICAC premises for the purpose of de-briefing and protection. This “resident informant” system has proved to be very effective in dealing with syndicated or high-level corruption.

### C. Interview Technique

As corruption is a secret crime involving parties who are often sworn to the code of secrecy and silence, a successful corruption investigator should always be a good interviewer, so as to break the code of silence. Interview technique always forms a very important part of the professional training of corruption investigators. Interview techniques should include the following elements:

- Proper preparation and planning before the interview – the interviewer must study the case thoroughly – the background of the interviewee, the available evidence against him, the list of question areas, etc. He should then formulate the structure of the interview.
- Ability to deal with a reluctant witness – it is fully understandable that the interviewees in corruption cases are reluctant to come forward in the interview. The interviewer must have the ability to identify the reasons behind the interviewee’s reluctance, whether it is due to his dislike of the agency, fear of intimidation, fear of going to court, his relations with the corrupt offenders, etc.

- Ability to build rapport – by putting the interviewee at ease in a hospitable environment, giving him reassurance, and handling him with patience and sympathy.
- Need for active listening and flexibility in the line of questioning, depending on what the interviewee has said.
- Maintain eye-contact and watch the body language, which often give you a clue as to the truthfulness of what the interviewee is saying. Always attempt to test the truth and to identify the motive of the statements made by the interviewee.
- If the interviewee is prepared to relate the full version, ensure that maximum details are obtained – when, where, who, what and how, in chronological sequence, and most important of all, who else is also involved in the corruption.
- Always retain control of the interview.

#### **D. Investigative Support**

Apart from the core investigation units, there should be strong operational support units, and the following are essential for the reasons given:

##### 1. Intelligence Section

As a central point to collect, collate, analyze and disseminate all intelligence and investigation data, otherwise there may be major breakdown in communication and operations.

##### 2. Surveillance Section

A very important source of evidence and intelligence. The Hong Kong ICAC has a dedicated surveillance unit of over 120 surveillance agents and they have made a significant contribution to the success of a number of major cases.

##### 3. Technical Services Section

This section provides essential technical support to surveillance and operations.

##### 4. Information Technology Section

It is important that all investigation data should be managed by computer for easy retrieval and proper analysis. In this regard, computers can be an extremely useful aid to investigation. On the other hand, computers are also a threat. In this modern age, most personal and company data are stored in computers. The anti-corruption agency must possess the ability to break into these computers seized during searches to examine their stored data. Computer forensics is regarded as vital for all law enforcement agencies worldwide these days.

##### 5. Financial Investigation Section

The corruption investigations these days often involve a sophisticated money trail of proceeds of corruption, which can go through a web of off-shore companies and bank accounts, funds, etc. It is necessary to employ professionally qualified investigative accountants to assist in such investigation and in presenting such evidence in an acceptable format in court.

##### 6. Witness Protection Section

The ICAC has experienced cases where crucial witnesses were compromised, with one even murdered, before giving evidence. There should be a comprehensive system to protect crucial witnesses, including 24 hour armed protection, safe housing, a new identity and overseas relocation. Some of these measures require legislative backing.

## **VI. CONCLUSION AND OBSERVATIONS**

In conclusion, the success factors for an effective corruption investigation include:

- An effective complaint system to attract quality corruption reports

SEVENTH COURSE ON CORRUPTION CONTROL IN CRIMINAL JUSTICE  
VISITING EXPERTS

- An intelligence system to supplement the complaint system and to provide intelligence support to investigations
- Professional & dedicated investigators who need to be particularly effective in interviewing techniques and financial investigation
- More use of proactive investigation methods, such as entrapment and undercover operations
- A good system of protection for whistle-blowers and key witnesses
- International co-operation

It is obvious that corruption is getting more and more difficult to investigate. The offenders have taken full advantage of the high technology and cross jurisdiction loopholes. The conventional investigation method and the current legal system may not be adequate to win the battle against the corrupt. We should adopt a more proactive approach in investigation such as the wider use of undercover operations and the use of telephone interception. In addition, there is also a need to strengthen the legislation to provide a better balance between human rights and effective law enforcement. There are two proposals:

**A. Right of Silence**

Corruption is a secret crime and there is a need to break the secrecy if we want to find out the truth. Many countries follow the old British system of allowing the suspect to exercise their right of silence when questioned by the investigators. If they have a lawyer, the first thing the lawyer will advise them is to maintain his right of silence! However, when the case comes to court, the offender will have ample time to concoct a story, which does not allow the prosecution sufficient time to verify its truthfulness. In the end, it defeats the objective of the criminal justice system in enabling full facts to be presented to the court so as to arrive at a fair verdict. Under the new British cautioning system, the suspects are now warned that any delayed response to questions may prejudice their defence in subsequent legal proceedings. The new caution reads like this, *“You do not have to say anything. But it may harm your defence if you do not mention when questioned something which you later rely on in court. Anything you do say may be given in evidence”*. I believe this new caution strikes a better balance between the human rights of suspects and the public interest to investigate crime. Alternatively, we should also consider adopting the Continental system where the suspect can be interviewed by an examining magistrate where he cannot exercise any right of silence.

**B. Telephone Intercept**

It is no longer a secret to the criminal world that most law enforcement agencies have access to telephone intercept in their investigation. There appears to be two broad ways in dealing with telephone intercept in different countries. In the United States, Canada and Australia, telephone intercept requires judicial approval authority and its products can be used as evidence in court. In Britain and some other countries, telephone intercept is approved by the Executive and cannot be used as evidence in any courts. Experience over the world has proven that telephone intercept is an extremely useful tool in investigating high level organized crime and corruption and its production in court often forms the crucial evidence against the mastermind offenders. To disallow the use of telephone intercept evidence in court is in my view simply to hamper the effective investigation and prosecution of major corrupt offenders. So long as there is a proper check and balance system built into the use of telephone intercept, there is no valid reason why the evidence obtained from it should not be used as evidence in the criminal trial.

In addition, consideration should also be given to introducing new legislation to protect whistle-blowers, offer witness protection and allow a greater degree of entrapment to facilitate successful undercover operations, and the international mutual assistance in corruption investigation and money laundering.

Finally, the key to successful enforcement against corruption can be summarized in the new Mission Statement of the Operations Department of the Hong Kong ICAC: “By enforcing the law vigilantly and professionally, we are determined to seek out and eradicate corruption wherever it exists”

# FORMULATING AN EFFECTIVE ANTI-CORRUPTION STRATEGY – THE EXPERIENCE OF HONG KONG ICAC

*By Mr Tony KWOK Man-wai\**

## I. SHORT HISTORY AND THE ACHIEVEMENTS OF THE ICAC

Let me explain briefly about the Hong Kong ICAC which has a particularly interesting history and story to tell. It was established in 1974 at the time when corruption was widespread, and Hong Kong, as a British Colony, was probably one of the most corrupt cities in the world. Corruption was a way of life and existed “from womb to tomb”. There was at that time a particularly close “business” association between law enforcement agencies and organized crime syndicates. Nearly all types of organized crimes, vice, gambling and drugs were protected. As a taxi-driver, you could even buy a monthly label stuck on your taxi and it would guarantee you from any traffic prosecution. Such was the scale of open corruption in Hong Kong.

When ICAC was set up in 1974, very few people in Hong Kong believed that it would be successful. They called that “Mission Impossible”. Within three years, the ICAC smashed all corruption syndicates in the Government and prosecuted 247 government officials, including 143 police officers. In its thirty years of history the ICAC has achieved the following success:

- Eradicated all the overt types of corruption in the Government. Corruption now exists as a highly secretive crime, and often involves only satisfied parties.
- Amongst the first in the world to effectively enforce private sector corruption.
- Ensures that Hong Kong has clean elections.
- Changed the public’s attitude to no longer tolerating corruption as a way of life; and support the fight against corruption and are not only willing to report corruption, but are prepared to identify themselves in the reports.
- As an active partner in the international arena in promoting international co-operation. ICAC is the co-founder of the International Anti Corruption Conference (IACC).

No doubt the fight against corruption in Hong Kong is a success story and has had wide ramifications to the change of culture in Hong Kong. In the Year 2000 Millennium public opinion survey in Hong Kong, the establishment of the ICAC was voted the 6th most important event in the 150 years of history in Hong Kong. In promoting Hong Kong as an ideal place for foreign investment, we use this slogan: “The competitive advantage of Hong Kong is the ICAC”!

## II. NEED FOR A COMPREHENSIVE STRATEGY IN FIGHTING CORRUPTION

The experience of Hong Kong is that you cannot rely on one single solution to fight corruption. Fighting corruption requires a well thought out and comprehensive strategic plan. I have been running a number of strategic planning workshops in different countries and I recommend the following model.

### A. Step 1 – Taking an External Environmental Scanning

You should examine the various external factors that may affect the fight against corruption in the country and through this process, identify the problems:

#### 1. Political Environment

- Is there adequate political will to fight corruption?
- Is there any political interference in investigating corruption?
- Is the political system defective? Are there any political elections? Is there any corruption in the election process?
- Is there support from the Legislature in fighting corruption?
- Is there adequate accountability and transparency in the government?

---

\* Honourary Course Director, Corruption Studies Programme, Hong Kong University SPACE and former Deputy Commissioner and Head of Operations, Independent Commission Against Corruption (ICAC), Hong Kong.

2. Economic Environment

- Is the poverty of the state related to corruption?
- Are the salaries of the civil servants adequate and comparable with the business sector?
- Is the Government providing sufficient funding in its budget for fighting corruption?
- How prevalent is corruption in the business sector?

3. Social Environment

- What is the public attitude towards corruption?
- Are people willing to report corruption? Anonymously or non-anonymously?
- What is the public perception of the government's effectiveness in fighting corruption?
- Is there any ethics education in school and universities?
- Is the media supportive of fighting corruption?

4. Legal Environment

- Is the anti-corruption legislation adequate and effective?
- Is the election law adequate in preventing corruption?
- Is there a right balance between effective enforcement and human rights? And between effective prosecution of corrupt offenders and protection of the innocent?
- What is the standard of the public prosecutors and judges?

The above list of questions is not exhaustive. They are merely guidelines to assist you to examine the unique environment of your countries to identify the barriers in fighting corruption.

**B. Step 2 – Taking an Internal Environmental Scanning**

The next step is to examine the designated agency tasked with fighting corruption to assess its effectiveness. One common method is the use of the Seven S model, i.e. you examine the agency's Structure, System, Style, Staff, Skill, Strategy and its Shared Values, so as to analyze its respective Strengths, Weaknesses, Opportunities and Threat (SWOT analysis). The followings are some of the areas you can go through in this analysis:

1. System

- Is the system conducive to efficiency, value for money and accountability?
- Is there a review mechanism to review enforcement decisions and results?
- Are there adequate operational guidelines for staff?
- Is there a strict confidentiality rule to protect the integrity of the corruption investigation?

2. Staff

- Are the human resources management, i.e. recruitment, promotion, termination built on the emphasis of staff integrity and professionalism?
- Is there an internal monitoring system to ensure staff integrity?

3. Skill

- Is there a comprehensive skill list?
- Is there adequate training and refresher training to ensure the professionalism of staff?
- Is there adequate professional support service?

4. Structure

- Is the structure based on priority targets in fighting corruption?
- Is the structure built on professionalism?
- Does the structure ensure supervisory accountability?

5. Style

- What is the management style?
- Is there effective communication and staff consultation?

6. Strategy

- Is there a comprehensive corporate plan?

- Is the fight against corruption based on a reactive or proactive approach?
- Is there a clear strategy in formulating partnerships with outside agencies in fighting corruption?
- Is there a strategy in dealing with the media?

#### 7. Shared Values

- Is the leadership setting a good example?
- Does the staff have a passion and sense of mission to fight corruption?
- Is there a code of ethics for staff? With adequate training?
- Is there a fair reward and sanction system?

#### **C. Step 3 – Identify the Major Problems**

Having scanned through the external and internal environment, it should not be difficult to identify the major problems or barriers in effectively fighting corruption. In most of the corruption-prevalent countries, they usually share the following major problems:

- Lack of or inadequate top political will to fight corruption.
- Lack of independence in investigating corruption. Investigations are often subject to political interference.
- The law is inadequate in dealing with corruption.
- There are inadequate resources in fighting corruption.
- There is public apathy to corruption.
- Low salary of public servants.
- Widespread corruption in law enforcement agencies and judiciary seen as a mockery of the law.
- Anti-corruption agency is ineffective, lack of professionalism and determination.
- Lack of strategic partnership in fighting corruption.
- Lack of international assistance in tackling extra-territorial corruption offences and tracing of corrupt assets.

#### **D. Step 4 – Formulation of Strategy and Strategic Plans**

Having identified the major problems, it would be up to the country to come up with a comprehensive anti-corruption strategy, and then to translate the strategy into an action plan for implementation.

### **III. WHAT IS THE HONG KONG ICAC STRATEGY**

As a result of the success of the Hong Kong model in fighting corruption, many countries followed Hong Kong's example in setting up a dedicated anti-corruption agency. However, many of them are not effective and hence there are queries as to whether the Hong Kong model can be successfully applied to other countries. The point is whether there is a thorough understanding of the working of the Hong Kong model. In my view, it consists of the following eleven components

#### **A. Three Pronged Strategy**

As stated earlier, there is no single solution in fighting corruption. Hong Kong ICAC adopts a three pronged approach: deterrence, prevention and education. As a result, the Commission consists of three separate departments: the Operations Department to investigate corruption; the Corruption Prevention Department to examine the systems and procedures in the public sector, to identify corruption opportunities and to make recommendations to plug the loopholes; and the Community Relations Department to educate the public against the evil of corruption and to enlist their support and partnership in fighting corruption.

#### **B. Enforcement Led**

The three prongs are equally important, but ICAC devotes over 70% of its resources to the Operations Department. The reasons are that any successful fight against corruption must start with effective enforcement on major targets, so as to demonstrate to the public the government's determination to fight corruption at all costs, as well as to demonstrate the effectiveness of the anti-corruption agencies. Without that, the public would be reluctant to come forward to report corruption. Successful enforcement assists in identifying problem areas for corruption prevention review and can clear any human obstacle in the review. The successful enforcement stories also provide a basis for public education and act as deterrence for the other corrupt officials.



### **C. Professional Staff**

Fighting corruption is a very difficult task, because you are confronting people who are probably very intelligent, knowledgeable and powerful. Thus the corruption fighters must be very professional in their jobs. The ICAC ensures that their staff are professionals in their diverse responsibilities – the Operations Department has professional investigators, intelligence experts, computer experts, accountants and lawyers on their staff. The Corruption Prevention Department has management/technical experts and the Community Relations Department pools together education, ethics and public relations experts. Apart from professionalism, all ICAC staff are expected to uphold a high level of integrity and to possess a passion and sense of mission in carrying out their duties. The ICAC strives to be highly professional in their investigations. The ICAC is one of the first agencies in the world to videotape interviews of all suspects; they have a dedicated surveillance team with over 120 specially trained agents for whom surveillance is their life-long career. They also have a number of specialized units such as witness protection, computer forensics and financial investigation.

### **D. Effective Deterrence Strategy**

The ICAC's strategy to ensure effective enforcement consists of the following components:

- An effective public complaint system to encourage reporting of corruption by members of the public and referrals from other institutions. The ICAC has a report centre manned on a 24 hours basis and there is a highly publicized telephone hotline to facilitate public reporting.
- A quick response system to deal with complaints that require prompt action. At any time, there is an investigation team standing by, ready to be called into action.
- The ICAC adopts a zero tolerance policy. So long as there is reasonable suspicion, all reports of corruption, irrespective of whether it is serious or relatively minor in nature, will be properly investigated.
- There is a review system to ensure all investigations are professionally and promptly investigated.
- Any successful enforcement will be publicized in the media to demonstrate effectiveness and to deter the corrupt.

### **E. Effective Prevention Strategy**

The corruption prevention strategy aims at reducing the corruption opportunities in government departments and public institutions, through the following methodology:

- Enhance system control
- Enhance staff integrity
- Streamline procedures
- Ensure proper supervisory checks and control
- Ensure efficiency, transparency and accountability
- Promote a staff code of ethics

### **F. Effective Education Strategy**

The ICAC has a very wide range of education strategies, in order to enlist the support of the entire community in a partnership to fight corruption. It includes:

- Media publicity to ensure effective enforcement cases are well publicized, through press releases, media conferences and interviews, as well as the making of a TV drama series based on successful cases.
- Media education – use of mass media commercials to encourage the public to report corruption; promote public awareness of the evils of corruption and the need for a fair and just society, and as a deterrence to the corrupt.
- School ethics education programme, starting in kindergarten up to the universities.
- Establish an ICAC Club to accept members who wish to perform voluntary work for the ICAC in community education.
- Corruption prevention talks and ethics development seminars for public servants and business sectors.
- Issue corruption prevention best practices and guidelines.
- In partnership with the business sector, set up an Ethics Development Centre as a resource centre for the promotion of a staff code of ethics.
- Organize exhibitions, fairs, television variety shows to spread the message of a clean society.

- Wide use of websites for publicity and reference, youth education and ethics development

### **G. Adequate Law**

Hong Kong has comprehensive legislation to deal with corruption. In terms of offences, apart from the normal bribery offences, it created two unique offences:

1. Offence for any civil servant to accept gifts, loans, discounts and passage, even if there is no related corrupt dealings, unless specific permission is given.
2. Offence for any civil servant to be in possession of assets disproportionate to his official income; or living above means.

On investigative power, apart from the normal police power of search, arrest and detention, the ICAC has the power to check bank accounts, require witnesses to answer questions on oath, restrain properties suspected to be derived from corruption, and hold the suspects' travel documents to prevent them from fleeing the jurisdiction. Not only are they empowered to investigate corruption offences, both in the Government and private sectors, they can investigate all crimes which are connected with corruption.

### **H. Review Mechanism**

With the provision of wide investigative power, there is an elaborate check and balance system to prevent abuse of such wide power. One unique feature is the Operations Review Committee. It is a high powered committee, with the majority of its members coming from the private sector, appointed by the Chief Executive. The committee reviews each and every report of corruption and investigation, to ensure all complaints are properly dealt with and there is no "whitewashing". It publishes an annual report, to be tabled before the Legislature for debate, thus ensuring public transparency and accountability. In addition, there is an independent Complaint Committee where members of the public can lodge any complaint against the ICAC and/or its officers and there will be an independent investigation. It also publishes an annual report to be tabled before the Legislature.

### **I. Equal Emphasis on Public & Private Sector Corruption**

Hong Kong is amongst one of the earliest jurisdictions to criminalize private sector corruption. The ICAC places equal emphasis on public and private sector corruption. The rationale is that there should not be double standards in society. Private sector corruption can cause as much damage to society, if not more so than public sector corruption. Serious corruption in financial institutions can cause market instability; corruption in the construction sector can result in dangerous structures. Effective enforcement against private sector corruption can be seen as a safeguard for foreign investment and ensures Hong Kong maintains a level playing field in its business environment.

### **J. Partnership Approach**

You cannot rely on one single agency to fight corruption. Every one in the community and every institution has a role to play. The ICAC adopts a partnership approach to mobilize all sectors to fight corruption together. The key strategic partners of ICAC include:

1. Civil Service Commission
2. All government departments
3. Business community
4. Professional bodies
5. Civic societies & community organizations
6. Educational institutions
7. Mass media
8. International networking

### **K. Top political Will, Independence and Adequate Resources**

In Hong Kong, there is clearly a top political will to eradicate corruption, which enables the ICAC to be a truly independent agency. The ICAC is directly responsible to the very top, the Chief Executive of Hong Kong. This ensures that the ICAC is free from any interference in conducting their investigations. The strong political support was translated into financial support. The ICAC is probably one of the most expensive anti-corruption agencies in the world! In 2002, its annual budget amounted to US\$90M, about US\$15 per capita. You may wish to multiply this figure with your own country's population and work out the

anti-corruption budget that needs to be given to the equivalent of Hong Kong's! However, looking at the ICAC budget from another angle – it represents only 0.3% of the entire Government budget or 0.05% of Hong Kong Gross Domestic Product (GDP). I think you will agree that such a small “premium” is a most worthwhile investment for a clean society.

#### **IV. CONCLUSION**

There is no single solution in fighting corruption. Every country has to examine its unique circumstances and come up with a comprehensive strategy, which should embrace the three pronged approach - deterrence, prevention and education. Ideally there should be a dedicated and independent anti-corruption agency tasked to co-ordinate and implement such strategy, and to mobilize support from the community.

The Hong Kong experience offers hope to countries which have a serious corruption problem which appears to be insurmountable. Hong Kong's experience proved that given a top political will, a dedicated anti-corruption agency and a correct strategy, even the most corrupt place like Hong Kong can be transformed into a clean society.