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Regaining U.S. Global Leadership on Anticorruption

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Summary

U.S. security, economic, and political interests demand a greater focus on countering corruption internationally. The next administration could substantially increase U.S. impact on anticorruption through taking the following measures:

Defending against the weaponization of corruption

- Expose the ways foreign powers are deploying “strategic corruption” to buy influence and undermine sovereignty
- Bolster vulnerable allies by encouraging transparency measures, sanctioning corrupt actors, and amplifying pro-reform narratives
- Within multilateral bodies, defend anticorruption standards when they are under attack
- Reinvigorate international cooperation via the Open Government Partnership (OGP) and institutionalize OGP implementation domestically

Providing politically responsive anticorruption assistance

- Prioritize support to countries experiencing a window of opportunity for governance reform, including through a new Anti-Corruption Action Fund
- Help societies at risk of backsliding on governance and democracy resist the pull of authoritarian kleptocracy
- Establish a governance-themed public-private partnership to strengthen the business climate in strategic markets

Mainstreaming anticorruption

- Direct a greater share of global health assistance to strengthening the governance of health systems
- Develop and adopt a global standard for corruption risk mitigation in disaster assistance
- Weigh corruption risks as part of security assistance and defense export decisions
- Prioritize corruption considerations in intelligence collection, analysis, and operations

Enabling U.S. leadership

- Empower a senior representative to elevate anticorruption issues among relevant agencies and to develop U.S. action plans for priority countries
- Build a cadre of in-house experts who can assist U.S. embassies in addressing corruption locally
- Elevate the interagency anticorruption agenda at the National Security Council
- Address gaps in campaign finance and anti-money laundering legislation that undermine U.S. credibility and enable stolen assets to be harbored in the United States
- Enhance global enforcement of U.S. anticorruption laws in order to level the playing field for U.S. businesses and prompt greater enforcement by other jurisdictions

Introduction

U.S. policymakers used to view international corruption largely as an issue relating to economic development. However, in recent years, they have come to recognize that it in fact affects a much wider set of U.S. interests. The United States' main geopolitical competitors are deploying corruption as a hybrid weapon: China seeks to win influence in Africa and other parts of the world dealing with weak governance, and Russia aims to undermine its neighbors' sovereignty. Globally, corruption-riddled governance drives migration and drug trafficking, while hindering the ability of border officials to enforce the law. Violent extremists exploit grievances around corruption to fuel recruitment and enable operations, while counterterrorism units are undermined by self-dealing. Corruption also slows progress on climate change: regulations can be bypassed through bribery, and massive energy projects are vulnerable to leakage.

Economically, 25 percent of firms worldwide expect they will need to pay a bribe in order to secure government contracts. In such markets, U.S. businesses that abide by antibribery standards are at a competitive disadvantage. Corruption also perpetuates low tax collection, which deepens dependence on foreign assistance in the Global South. The World Bank estimates that, globally, \$1.5 trillion in bribes are paid each year, which amounts to ten times the value of total official development assistance.

In the political domain, corruption scandals have sparked mass protests in thirty-two countries over the past three years. This turbulence has had an effect: 10 percent of all countries experienced a corruption-fueled political change between 2013 and 2018. The overall surge in global protests, which have increased by 11.5 percent every year since 2010, indicates that governments are ignoring—or perpetuating—corruption at their own peril. For the United States, this is a particular concern because international partners that lack domestic legitimacy are less stable and less reliable.

Pandemic Implications

The coronavirus and its associated disease, COVID-19, have only heightened the centrality of anticorruption to U.S. interests overseas. In countries where graft is rampant, citizens who cannot pay bribes likely will be locked out of treatment—accelerating the virus's spread and duration. The flood of pandemic-related spending, currently estimated at \$9 trillion, is at serious risk of theft and misuse, which has already been reported in countries ranging from Slovenia to Ecuador. If corruption in domestic procurement increases over the long term, it will further disadvantage U.S. companies and lower the quality of supplies procured. On its current trajectory, corruption could cause thousands of unnecessary deaths globally—and we can expect similarly dire effects when the next crisis hits.

In addition, public anger at government malfeasance in the face of COVID-19 could topple regimes, weaken multilateral alliances, and embolden authoritarian populists. The extent to which democracies will be able to fend off the [rise](#) of authoritarianism depends in part on their ability to deliver the services and safety that their citizens seek. Rampant corruption impedes that ability to deliver and undermines government credibility, as seen in the early days of the [Ebola](#) epidemic in West Africa. Bolstering democracy globally requires fighting corruption.

U.S. Posture

Historically, under both political parties, the United States has shown its capacity to lead on anticorruption. The groundbreaking passage of the U.S. Foreign Corrupt Practices Act (FCPA) in 1977 and the Dodd-Frank Act in 2010 inspired similar legislation in other countries. The United States boldly promoted strong international norms, including via the Organisation for Economic Co-operation and Development (OECD) Anti-Bribery Convention in 1999, the United Nations Convention Against Corruption (UNCAC) in 2005, and the OGP, a government–civil society partnership that the United States cofounded in 2011. Since 2010, the U.S. Kleptocracy Asset Recovery Initiative has frozen more than [\\$3.2 billion](#) in stolen funds. Through it all, bilateral diplomacy and foreign assistance to countries around the world have tilted governance equilibria in favor of reform.

Yet U.S. leadership on anticorruption has declined in recent years. The administration of President Donald Trump has repeatedly [attempted](#) to slash foreign aid, including programs focused on anticorruption. Although Congress has held budgets steady, these attempts signal to frontline officers a shift in priorities. In 2017, Congress voted to scrap regulations implementing [Dodd-Frank](#)'s provisions on transparency in oil, gas, and mining; and the Trump administration's 2020 [replacement rule](#) fell well below global standards. The United States has failed to prioritize anticorruption during its chairmanship of the [G7](#). Senior U.S. engagement in anticorruption multilateral forums has faded, as reflected in the United States' [lackluster](#) OGP plan in 2019—and has dropped off more [dramatically](#) in the case of the Extractive Industries Transparency Initiative. The beneficiaries of this withdrawal have been China, Russia, and others who want to weaken governance norms in order to legitimize their own form of crony authoritarianism.

In addition, U.S. credibility on corruption has been damaged by domestic allegations of self-dealing at the [White House](#) and throughout the [administration](#), by major gaps in the U.S. anti–money laundering architecture, and by attacks on independent media and the judiciary. More broadly, free-wheeling politicized rhetoric around corruption in the United States, where the term is invoked to describe bureaucracy or deride opposition politicians, distracts from actual abuses of power. When everything is “corruption,” nothing is “corruption.”

The bright spot has been the persistent efforts of career officials—at the working levels of the Department of State, the Department of Justice, the U.S. Agency for International Development (USAID), and elsewhere—who have sustained anticorruption technical assistance, [visa sanctions](#), law enforcement, and educational exchanges. Nevertheless, these efforts may have been dampened by hesitation to press diplomatically on corruption overseas in light of the administration’s repudiation of former U.S. ambassador Marie Yovanovitch, after she and her colleagues raised hard-hitting corruption concerns with their Ukrainian counterparts.

The next administration will have the opportunity to significantly ramp up U.S. anticorruption efforts and make them proportionate to U.S. interests. This paper provides a blueprint for seizing that opportunity. It specifies how U.S. leadership could be reasserted to defend against the weaponization of corruption for geopolitical purposes, reshape anticorruption assistance to better adapt to a politically volatile world, and incorporate corruption considerations into international health, economic, security, and intelligence decisions. It concludes with recommendations for strengthening U.S. leadership on anticorruption at home, a vital part of a larger strategy. The proposals in this blueprint would all require serious political muscle and focus to be fully implemented. But they have the potential to achieve significant positive impacts across a wide range of U.S. foreign policy interests.

Defending Against the Geopolitical Weaponization of Corruption

In a growing number of countries in Africa, Asia, Europe, and Latin America, powers like Russia and China are exploiting and exacerbating homegrown corruption, intent on buying influence as a means of advancing their foreign policy. As they do so, these powers propagate a model of [authoritarian kleptocracy](#), in which officials capture and then disburse state resources to a small circle of elites, whose allegiance helps keep the regime in control in spite of its lack of public accountability. This model, while disastrous domestically, becomes even more dangerous when harnessed for geopolitical ends by a malign foreign state. As the National Endowment for Democracy [explains](#), “corrosive capital and strategic corruption differ from other forms of corruption in that they are backed, and sometimes orchestrated, by a state power for political rather than economic goals—or to advance a comprehensive authoritarian agenda with inseparable political and economic objectives.”

In this way, illicit finance can be a tool of hybrid warfare. As the State Department has [acknowledged](#) for years, “our adversaries increasingly intertwine criminal and political ends, and exercise coercive power without resorting to overt, traditional military action.” In a prescient warning about this rising threat, a 2009 [open letter](#) from a group of central and eastern European leaders to president Barack Obama reported that Russia was conducting “overt and covert means of economic warfare, ranging

from energy blockades and politically motivated investments to bribery and media manipulation in order to advance its interests.” In countries such as Bulgaria, Hungary, Latvia, Serbia, Slovakia, and Ukraine, the [cycle](#) often unfolds as follows: Russia bankrolls the candidacy of rising politicians; once in office, these chosen individuals advance pro-Russia policies, undermine oversight, and direct lucrative contracts to Russia’s preferred partners; and Russia then “reinvests” some of the profits from these contracts as bribes and campaign contributions to secure further political and economic influence. The openness of [democratic societies](#)—including Australia, the United Kingdom, and the United States—can be exploited by malign actors who use political donations, lobbyists, and well-connected lawyers to worm their way into the policy process.

The countries most vulnerable to such tactics are places where corruption has become so prevalent that it reflects not a proverbial bad apple but a plagued orchard. In these settings, a foreign power has its pick of soft targets. For instance, in strategically located [Kenya](#), officials overseeing construction of a major railway rejected several lower-cost options in favor of the most expensive bid—the Chinese proposal—which raised suspicions of kickbacks. Now the project’s massive cost overruns have produced soaring debt (to China), while the railway remains [incomplete](#). Eventually, officials from both China and Kenya were prosecuted for corruption. Meanwhile, in Greece, China was [awarded](#) a massive contract to develop the strategic port of Piraeus—at a price apparently five times above the market value. If evidence from [Malaysia](#) is any indication, the bid may have been inflated deliberately to pay for kickbacks to Greek politicians, who simultaneously started assertively [defending](#) Chinese interests in the European Union. These interventions build a new international network of oligarchs, all beholden to China.

Whatever the operating environment, corruption is the lubricant that enables Russia and China to amass foreign influence. The U.S. government could take several steps to respond to this challenge:

- **Expose the threat:** support independent researchers and journalists in documenting the methods of strategic corruption and publicizing results locally in targeted countries. These reports can activate domestic civil society and patriotic forces within a government intent on protecting national sovereignty against attempts at economic and political capture. An influx of U.S. support to investigative groups could accelerate the impact of a sector already leveraging cutting-edge technology and international networks to uncover grand corruption. For example, the International Consortium of Investigative Journalists’ [Panama Papers](#), published in 2016, triggered investigations in eighty-two countries. Likewise, [the Sentry](#) and [C4ADS](#) have conducted groundbreaking exposés on kleptocratic corruption in the security sectors of several African countries. Additional support for investigative journalism, especially in environments where corruption has geopolitical implications, could be transformative.

- **Target the corrupt:** maximize the use of U.S. visa restrictions and asset freezes as powerful means of punishing and deterring corruption. In addition to sanctioning Russian and Chinese officials engaged in corruption, the United States should also target oligarchs and officials in third countries who accept Russian or Chinese bribes. Such actions show Russia and China that the United States is watching and show others that there is a price to selling off sovereignty. In countries like [Georgia](#), where Russian-backed oligarchs are currently gaining ground, corruption-related sanctions could have a powerful impact.
- **Bolster vulnerable allies:** increase the resiliency of partners, including those in the [western Balkans](#) and the [Caucasus](#), whose fragile gains have been threatened by weaponized corruption. U.S. diplomats could urge countries to reduce their vulnerability to strategic corruption through campaign finance transparency, asset disclosure and conflict-of-interest rules, and procurement reform.
- **Strengthen countervailing forces:** amplify locally led narratives that champion the value of sovereignty as a rationale for countering corruption. Such work should elevate the voices of domestic actors, rather than the U.S. government directly, in order to maintain credibility and increase domestic demand for reform.

In addition to supporting countries targeted by strategic corruption, the United States could multiply its impact by joining with other willing partners. For example, it could partner with the United Kingdom and Canada on their recently launched [fund](#) to protect investigative journalists who expose corruption and other wrongdoing. Within the North Atlantic Treaty Organization, the United States could work with other members to expand the organization's ability to track nontraditional corruption threats, in partnership with civilian institutions. In addition, to have greater collective impact, the United States could press the European Union and Australia to pass [Global Magnitsky-style](#) visa sanction laws that include corruption (not just human rights violations) as grounds for sanctions.

Leveraging Multilateral Mechanisms for Anticorruption Impact

Another important means of pushing back against weaponized corruption and protecting democratic values is to compete in the arena of anticorruption norms. In bodies like the UNCAC [Conference of the States Parties](#) (COSP), U.S. diplomats face strong headwinds from China, Nigeria, and Russia, which are attempting new treaties on asset recovery and return that would undermine existing standards and ongoing asset recovery efforts, and from Iran, which is raising sovereignty objections over the FCPA's broad jurisdiction. China, Pakistan, Russia, and Turkey have objected to the participation of civil society observers in the COSP, and countries such as the United Arab Emirates have

been granted the privilege of hosting recent COSP meetings in spite of a track record of civil society [repression](#). These sort of efforts to decrease UNCAC transparency and roll back standards aim to legitimize corrupt practices and distract from governance failures. Junior U.S. staffers have been working diligently to fend off such attacks but lack sufficient authority to fully rebut the opposition and shift the conversation. Senior-level public leadership from the United States would help protect vital anticorruption norms.

A future administration should also signal at the highest levels that [OGP](#) is again a policy priority. This effort must start with strengthening the institutionalization of OGP domestically, including more effectively insulating it from political transitions. Internationally, the administration could integrate OGP country priorities into senior diplomatic engagements—both to cultivate a circle of high performers and to push laggards to deliver on their OGP National Action Plans. USAID could sustain technical assistance to help countries deliver on their commitments and leverage OGP as a vehicle for exchanging lessons learned internationally. And as part of OGP’s subnational program, the United States could launch an Integrity Cities Initiative, a race-to-the-top effort for municipal leaders where they commit to more rigorous standards for open contracting and oversight. Such an initiative could give U.S. businesses attractive new venues for investment while improving local procurement and service delivery.

To further strengthen international cooperation on anticorruption, the United States should push for the reestablishment of internationally supported anticorruption commissions such as the UN-authorized [International Commission Against Impunity in Guatemala](#) and the Organization of American States-backed [Mission to Support the Fight Against Corruption and Impunity in Honduras](#). The United States could also provide expert assistance to countries interested in developing such institutions to maximize their potential for success.

Providing Politically Responsive Anticorruption Assistance

The recent rise in protests against corruption has produced political transitions in many countries. Yet the optimism that protesters, and the international community as a whole, felt in the wake of those transitions has now been tempered by realism, as transitions from Guatemala to Tanzania fail to deliver. That can mean the United States is left with the downsides of political instability—market volatility, disrupted development, unchecked criminality—without the upside of anticorruption reform. [Window-of-opportunity](#) moments still provide the best chance for significant governance reform, but progress is far from guaranteed.

At the same time, backsliding on governance and democracy in places like Brazil, Hungary, and the Philippines is continuing at a dizzying rate. In some cases, illiberal populists claim to be advancing anticorruption, promising clean government in exchange for civil liberties. Yet in practice, authoritarians often depend on the capture of state resources to sustain their grip on power, leaving their citizens deprived of both democracy and governance. When [populists](#) co-opt the language of anticorruption to advance their own cynical agendas, they make it harder to build momentum for genuine reform campaigns in the future.

The United States must play both offense (catalyzing reform in window-of-opportunity environments) and defense (lessening the pull of authoritarian kleptocracy in places at risk of backsliding). U.S. assistance is still most likely to have an impact in environments where there is already political will for reform, so positive openings deserve the bulk of assistance, but playing defense in strategic locations is also vital—especially when done in partnership with allies.

Across both kinds of work, the common thread is a politically responsive approach to anticorruption, where resources are directed toward places at a critical juncture on governance. These are moments of elasticity, where the governance equilibrium is being contested and renegotiated. Sometimes, it is not entirely clear whether a critical juncture will be positive or negative—such as in the election of an antiestablishment candidate promising to clean up government—and the United States may be able to tilt the trajectory in a constructive direction. During these brief, precarious moments, it is vital for the United States to:

- [surge](#) technical and political support to new or embattled government reformers;
- help sustain [civic unity](#) and journalistic capability to bolster bottom-up pressure for reform;
- encourage other diplomatic and multilateral actors to reinforce these efforts; and
- support donor coordination to ensure international efforts are effective and synergistic.

Adapting U.S. assistance to a politically turbulent world would be a significant departure from the status quo. The U.S. anticorruption budget is currently modest (at \$115 million [annually](#)), static (with assistance planned two years in advance), and geographically rigid (with most funds preassigned to country accounts). As a result, attempts to cobble together new assistance in response to a political opening require bureaucratic gymnastics if they happen at all. Constraints on flexible resources mean that substantial new funding is only likely for exceptionally important bilateral partners. This risks limiting the horizon of U.S. ambitions to what is administratively feasible and explicitly requested, rather than looking proactively at how the United States can maximize governance opportunities in a wide range of strategic locations.

Take the example of Malaysia, where the long-time ruling party was driven from office in 2018 in the wake of a massive corruption scandal. After the transition, governance-related [U.S. assistance](#) seems to have been limited to one USAID program, in spite of [calls](#) from leading U.S. analysts to more holistically redeploy resources to “ensure that the first democratic political transition in modern Malaysia’s history succeeds.” Thin U.S. support led Anwar Ibrahim, a leading Malaysian politician, to [wonder](#) publicly why the fledging new government was not receiving more U.S. aid, especially as Malaysia sought to free itself from China’s dominance: “We are democrats, we are true to the ideals of the United States...Now having achieved some measure of success, you should support that.”

Even standard foreign assistance is not necessarily aligned with governance priorities following a political opening. In South Africa, the largest U.S. trading partner in Africa, President Cyril Ramaphosa took office in early 2018 on [bold promises](#) to root out state capture. Instead of expanding anticorruption support during this historic moment, the Trump administration entirely cut assistance for the International Narcotics Control & Law Enforcement and Democracy Assistance accounts in its Fiscal Year 2019 and 2020 [budget requests](#).

Legislation pending in Congress would help address these gaps. The Countering Russian and Other Overseas Kleptocracy (CROOK) Act ([H.R.3843/S.3026](#)) would establish an Anti-Corruption Action Fund to rapidly deploy support to countries experiencing a historic opening to tackle corruption. By providing dedicated resources for this purpose, the Fund would empower U.S. officials to act externally during the precious months following a transition, rather than spending that time in an ad hoc bureaucratic scramble for limited resources. The executive branch could support this bipartisan, budget-neutral bill and implement it vigorously, drawing on lessons from USAID’s Office of Transition Initiatives. The Act, which has been [endorsed](#) by leading anticorruption advocates, could strengthen the [legitimacy](#) of FCPA enforcement and reduce [pressure](#) on U.S. companies to pay bribes overseas. Complementary actions could be taken to allocate more funds toward global accounts that can respond flexibly to places at risk of backsliding, drawing on new [data tools](#).

Alongside the Anti-Corruption Action Fund, the U.S. government could establish a governance-themed public-private partnership (PPP). As previously [discussed](#), U.S. companies bear the brunt of corruption in terms of lost bids and inhospitable markets and have a vested interest in reducing corruption. A new PPP would strengthen the business climate in strategic markets experiencing a window of opportunity for anticorruption reform, helping the country transition from a reliance on crony capitalists to more partnerships with clean investors.

In some places, [COVID-19](#) may trigger substantial shifts in governance conditions, whether in a positive direction (such as by prompting reforms to procurement systems or generating new civil society coalitions) or in a negative direction (such as emboldening autocrats to further restrict civic space in the name of disaster response). Either way, the pandemic has only reinforced the need for U.S. anticorruption assistance that is better equipped for a volatile world.

Mainstreaming Anticorruption

The impact of U.S. anticorruption activities depends on its ability to break free from the democracy and law enforcement siloes and be mainstreamed across other U.S. priorities—namely, global health, economic relief, security assistance, and intelligence.

Global Health

Entrenched corruption is like a preexisting condition that worsens the severity of a pandemic. Health systems hollowed out by years of graft are ill-equipped to mobilize for an emergency. New aid flows are highly vulnerable to [diversion](#) in settings with even less transparency and accountability than usual. Government attempts to convey public health messages ring hollow when corruption has destroyed [trust](#) in the state.

Sadly, many of these lessons about corruption risk surfaced during the [Ebola](#) crisis but were not internalized. Now they are reappearing in the COVID-19 crisis, with even graver consequences. The United States dedicates a whopping [\\$9.5 billion](#) to global health assistance annually, yet the vast majority goes to treating specific diseases rather than strengthening the transparency, accountability, and resilience of local health systems. USAID has long [acknowledged](#) the need to address the root causes of health failures rather than just chasing symptoms, yet its 2015 [guiding document](#) on health systems strengthening contains few specifics on the topic and is now out of date. USAID recently [released](#) a list of illustrative programmatic approaches for how corruption could be dealt with as part of the pandemic response, but it is short on specifics.

This pandemic should be the impetus for the U.S. government to finally rebalance its health assistance toward a more politically sensitive, financially efficient approach. The next administration should direct a meaningful share of health assistance—perhaps 25 percent—toward health systems strengthening, in line with [calls](#) from Senate Democrats. The cost-savings generated by reforming

local logistics and procurement practices and improving oversight can save lives and move aid recipients toward self-reliance. This shift in resources could be complemented by more bureaucratic cooperation between U.S. officials working on health and those working on governance.

Economic Relief

As the United States applies an anticorruption lens to its pandemic assistance, it should urge international financial institutions to do the same in their stimulus packages. Unconditional budgetary support for corrupt governments subsidizes corruption. A recent World Bank [paper](#) found that approximately 7.5 percent of international aid is subject to “elite capture,” with the funds largely being diverted to offshore bank accounts.

Risks associated with corruption are only heightened during a pandemic, when protocols are lax and oversight is weak. Recommendations for increasing corruption controls in assistance have been put forward by [U4 and Transparency International](#), [Human Rights Watch](#), [Freedom House](#), the [United Nations Office on Drugs and Crime](#), and others, but the next U.S. administration could work with partners to develop, adopt, and secure international support for a global standard on corruption risk mitigation in disaster assistance. Such a standard could consolidate good practices and help donors prioritize the kinds of reforms they need to make, while retaining context-specific flexibility.

Security Assistance

Countries with endemic corruption lack domestic legitimacy and therefore are inherently unstable partners. Providing weapons, defense articles, and training to these countries poses serious risks—not just of wasting taxpayer dollars but also of endangering U.S. security (for example, if the weapons are sold on the black market and later used against the United States).

As detailed [elsewhere](#), the United States can mitigate these threats by instituting mandatory [corruption risk assessments](#), conducted by independent experts, akin to those required by the [Leahy Law](#). Problems discovered in these assessments could be addressed through assistance to improve military budgeting, contracting, logistics, and personnel systems—work that deserves at least 1 percent of total U.S. security assistance for a given country, as referenced in the draft [2019 State Authorization bill](#). Integrating anticorruption practices into defense institution building in this manner would help avoid situations such as that encountered by Iraqi prime minister Haider al-Abadi in 2015: as he prepared to take on the self-proclaimed Islamic State, he “[discovered](#) 50,000 ghost soldiers on the government payroll costing Iraqis \$380 million a year.”

Yet capacity building is only as good as the political will behind it. Thus, a future administration should use the “carrot” of security assistance to incentivize the kind of anticorruption reforms needed for that assistance to be effective. In particular, the United States could condition the provision of train-and-equip support and [arms exports](#) on governments undertaking security governance reforms, including greater transparency in military budgets, whistleblower protections, and oversight of the security sector by parliaments and civil society. This sort of conditionality, which has been [recommended](#) by counterterrorism experts, could build on lessons from the U.S.-Africa [Security Governance Initiative](#). Such an approach may require withstanding [pressure](#) from the defense industry, especially during an [economic downturn](#), in order to ensure that U.S. assistance effectively advances joint security goals rather than enriches criminal entities.

Intelligence

In some [instances](#), “governing is not the government’s objective.” Instead, governing is a front for criminal activity in which state coffers are a key source of private revenue for leaders and their elite supporters. When intelligence gaps fail to expose these cases of state capture, U.S. diplomats and those making assistance decisions are flying blind. In the absence of contrary information, these officials will likely assume that public servants are genuinely committed to serving the public rather than their own personal interests. This can lead the United States to inadvertently enable corruption through its assistance, diplomatic interactions, or rhetorical support, thereby undermining U.S. interests and increasing public hostility toward America. Furthermore, a lack of attention from the intelligence community toward corruption issues, and the popular grievances associated with it, can lead to blind spots in U.S. political analysis, as occurred with the [Arab Spring](#) in 2011.

While some improvements have been made, U.S. officials can do more to elevate corruption in the National Intelligence Priorities Framework and reflect that prioritization in collection, analysis, and operations. This includes incorporating corruption information into profiles of foreign officials and mapping foreign “networks of corruption,” as Congress has required in the last three [appropriations](#) bills.

The National Security Council should also assist with overcoming a major interagency gap whereby intelligence agencies rarely use their tools to vet prospective recipients of USAID funding, while USAID often makes decisions on aid allocation without consulting classified information on foreign counterparts. This gap could be overcome by increasing intelligence vetting of assistance recipients over a certain monetary threshold. Interagency consensus should also be reached before [funds](#) from

the intelligence community are provided directly to foreign officials, with particular scrutiny in highly corrupt settings. These steps would reduce the risk that the United States will again be implicated, as in [Afghanistan](#), in fueling corruption while simultaneously attempting to fight it.

Enabling U.S. Leadership

The ability of the United States to lead on anticorruption internationally depends on the extent to which it gets its own house in order, in terms of both internal organization and domestic policy.

Bureaucratic Innovation

To give anticorruption the prominence it deserves in U.S. foreign policy, internal structures would need to be updated. Three components are essential: increased prioritization of the issue, capability to support a more robust scope of work, and enhanced coordination of the many bureaus and agencies with anticorruption equities.

- **Prioritization.** To begin with, the next administration should rapidly fill existing senior-level positions, including the relevant [under secretary](#) role at the State Department, which still lacks a confirmed appointment. More ambitiously, a future administration could designate a special representative or senior adviser on anticorruption, as the [United Kingdom](#) established in 2004. Ideally a former ambassador, this individual and their staff could rally high-level attention and drive collaboration across bureaus and agencies. In addition, the secretary of state could ask regional bureaus to each identify a deputy assistant secretary to oversee the development of country-level anticorruption strategies, building off previous efforts in the [Europe bureau](#). Together, these senior champions would signal to the diplomatic corps that the administration has their back and realizes that, ultimately, you cannot fight kleptocracy without upsetting kleptocrats. In the course of doing so, diplomats may lose some access to counterparts—normally a prized currency—but that should be expected and not seen as a demerit. This new norm can be reinforced through messages from senior leadership and performance metrics, as well as through incorporating anticorruption modules into pre-deployment training for ambassadors and USAID mission directors. The special representative could even convene regional “ambassador circles,” in which chiefs of mission can compare notes and share lessons on elevating governance and democracy issues at their posts. At the country level, ambassadors could host private quarterly anticorruption advisory meetings involving civil society and investigative journalists.

- **Bandwidth.** Staffing on anticorruption across the U.S. government would need to be scaled up to execute a more ambitious agenda. In particular, the State Department currently lacks a centralized team of subject matter experts with the mandate and resources to assist embassies in strengthening their anticorruption efforts. In the future, a cadre of experts from across the State Department and USAID could serve as in-house consultants who deploy to conduct anticorruption assessments, support embassy strategy development, and assist with implementation—especially for bilateral priority countries. These officers would engage proactively with designated anticorruption points of contact at each embassy.
- **Coordination.** Although the 2015 establishment of a Working Group on Anti-Corruption at the State Department was a sign of progress, cross-bureau coordination is frequently still ad hoc. One remedy would be for the anticorruption special representative to start convening these working group gatherings with a focused agenda. In addition, to achieve the mainstreaming goals referenced above and respond to windows of opportunity in strategic locations, the national security adviser should identify a senior White House official with the mandate and bandwidth to drive this agenda forward. This individual could sit in either the international economics or democracy directorates, as long as they would be on equal footing with regional senior directors and be able to raise key issues at deputies’ meetings. Their staff could facilitate development of whole-of-government approaches to priority countries—addressing a gap named in a recent Congressional Research Service [report](#). The National Security Council could formalize commitments via a Presidential Policy Directive and coordinate regular briefings with the Hill and with the advocacy community, which would help sustain this agenda.

Leading by Example

U.S. credibility on anticorruption falters when counterparts point to the rampant opportunities for self-enrichment in the U.S. financial and political systems. Some of these gaps relate to the lack of transparency and influence of foreign contributors in the U.S. campaign finance system. Others involve the protection of inspectors general and ethics considerations outlined in the For the People Act of 2019 ([H.R.1](#)). The next administration would do well to address these concerns, as well as robustly implement Dodd-Frank’s [requirements](#) on transparency in oil and mining payments.

An even greater credibility problem stems from the role of the United States in directly enabling foreign corruption. The level of [financial secrecy](#) in the United States is on par with the Cayman Islands, allowing kleptocrats, terrorists, and criminals to stash their funds stateside with relative ease.

To start with, the next administration could push forward pending congressional [legislation](#) that would curb the formation of anonymous shell companies, as done by Argentina, Nigeria, Slovakia, the United Kingdom, and [others](#). The next step would be to close loopholes that exempt lawyers, accountants, and real estate agents from the know-your-customer regulations applied to banks. The United States can also deploy powerful financial tools, such as the [USA PATRIOT Act](#), to isolate corrupt officials or jurisdictions.

Finally, the United States could significantly deter foreign corruption by enforcing U.S. anticorruption laws even more vigorously. Given the broad jurisdiction of the FCPA, the [majority](#) of large enforcement actions to date have actually been against foreign-registered companies. The United States certainly should continue [encouraging](#) other countries to implement their FCPA equivalents, but success depends on the political will of foreign actors. Unilaterally, the U.S. government could expand the Federal Bureau of Investigation and Department of Justice units that handle FCPA and asset recovery cases, which would help U.S. businesses compete internationally and potentially shame other countries into enforcing their own laws. Shifts in this direction should be taken in a transparent and equitable manner, objectively targeting the [biggest offenders](#) regardless of nationality. Expanded cooperation with the [Global Anti-Corruption Consortium](#) could funnel tips from civil society into law enforcement channels (in cases where the United States has extraterritorial jurisdiction), increasing the prospects that corrupt actors will face legal accountability.

Conclusion

The next administration has an opening to advance the anticorruption agenda at a time of profound importance for global health, politics, economics, and security. Although corruption poses grave risks and has been appropriated for geopolitical ends by foreign competitors, a new wave of civic mobilization presents opportunities. Dynamic U.S. assistance could amplify the voices of reformers and increase their effectiveness during critical junctures. With a whole-of-government approach that mainstreams and elevates anticorruption across foreign policy, and domestic reforms that bolster U.S. credibility, the next administration could play a transformative role in curbing corruption and advancing U.S. interests.

About the Author

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