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19th July 2017

Select Committee on a National Integrity Commission
Department of the Senate
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Secretary,

Submission of book – Changing Face of Corruption in the Asia-Pacific

Please find attached a copy of my book, *The Changing Face of Corruption in the Asia-Pacific*, published in May this year by Elsevier Books of London.

It is a book comprised of contributors from eminent academics and practitioners on the topic of corruption in the region. I submit this book as it is timely that the committee is considering on whether to establish a National Integrity Commission (NIC) or Federal ICAC.

I am in support of the proposed NIC. Australia has some of the most robust institutions in the world including regulatory institutions that have the full weight and force of the law once they have been established. It is only right and just that a federal scrutiny of potential corrupt practices must be established.

In my book, there are plenty of country case studies that show the deficit and the detrimental impact once corruption takes hold on the executive and institutional level especially when the former starts politicising the latter. Countries such as East Timor (executive), PNG (executive), India (systemic), China (judicial) and South Korea (executive) show the distortions corruption's hold creates. Corrupt practices - in a democracy - on a federal level, does and will erode people's trust and integrity in the very institutions (and people that represent those institutions) that they believe underpin and are a hallmark of their nation and its democratic principles.

However, not all is a gloom and doom story in the region. The case study of Indonesia shows the importance of 'people power' to strengthen and make robust institutions in the aftermath of the Soeharto years. The use of social media to uncover corruption in Indonesia's institutions and prevent further undermining of its anti-corruption body shows how dear and close to heart it is for citizens to believe that their country's institutions are right and just. The case of New Zealand alerts us to the dangers of complacency which, I believe, is an Achilles heel of any economically-advanced nation. Indeed, we only need to look across the Pacific and the current experience of our powerful friend, the USA, under its current president to see how their institutions are trying to hold against the rampant exercise of executive power. In Australia's case, corruption is intricately linked to terrorism financing and money laundering.

A NIC must have the mandate to overlook areas of political corruption, bureaucratic corruption, judicial corruption, private sector-to-public sector corruption and even private-to-private corruption. In the past year alone, we have seen so many cases of foreign influences on the federal level (such as Chinese donor financing), instances of inappropriate bureaucratic exercise of power (such as the former ATO's Deputy Commissioner involvement with his family members' business interests), parachuted employment of former politicians and former bureaucrats in private sector businesses that they used to oversee and regulate, numerous scandals, and influence peddling (such as private sector players using informal channels to influence policy decisions on the federal level). There remains distrust over decisions that are made that cover infrastructure projects across the country and the opacity on the federal level is disheartening.

A NIC is long overdue and needed. Corruption distorts the level playing field and abuses the 'fair go.' Corruption penalises the private sector players who observe the rule of law in this country.

A NIC will provide hope to those who feel disempowered in this country when the existing channels whether through politics or the government bureaucracy are not adequate enough for them to raise their concerns. This is not to say that all petty complaints and grudges must be overseen by the NIC. However, a NIC will directly reflect and allow people's concerns to be aired over the lack of transparency and accountability in their taxpayer-funded institutions and taxpayer-funded representatives.

A NIC ought to have the statutory mandate to decide which concerns are best heard for the greater good – without fear or favour, and without reference to who has the most power both in economic and political influence. State ICACs have shown time and time again that in an era of concentrated media ownership, the fundamental and necessary role they play in exposing and reforming state institutions and corrupt players.

The NIC's role will ensure that Australia's institutions will remain efficient, just and not be conflicted by self-interests of a few. Corruption creates an additional cost to citizens, government and the private sector. It introduces a layer of patronage and cronyism that is neither necessary nor integral to the functioning of healthy societies (as it only benefits rent-seeking players). Ultimately, corruption undermines democracy.

To ensure that Australia continues to have robust, democratic institutions fit to face its future domestic and international challenges in the 21st century, a National Integrity Commission must be established.

I trust that my book may contribute to the Select Committee's wider understanding of how corruption affects people in Australia, and in the region.

Kind regards,

Marie dela Rama

P.S. I have also attached a program of the forthcoming Australia Institute conference on "Accountability and the Law" which will look at the case for a Federal ICAC (I have no affiliation with the Institute but thought it timely for this Committee).