

AFRICAN UNION ADVISORY BOARD ON  
CORRUPTION

المجلس الاستشاري للإتحاد الإفريقي  
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CONSEIL CONSULTATIF DE L'UNION  
AFRICAINNE SUR LA CORRUPTION

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## **Open Session on the Nexus between Corruption and Conflict Resolution: The Importance of Promoting Good Economic Governance in Africa**

Briefing Notes by Hon. Paulus Noa

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### **Introduction**

1. On behalf of the African Union Advisory Board on Corruption, let me take this opportunity to thank you Honourable Chairperson, Amb. Bankole Adeoye, Ambassador of the Federal Republic of Nigeria and Honourable members of the Council for extending the invitation to the Board to make a presentation at this open session.
2. As distinguished members know, 2018 has been declared the African Anti-Corruption Year under the theme **"Winning the Fight Against Corruption: A Sustainable Path To Africa's Transformation."** The theme resonates so well

with the aspirations articulated in Agenda 2063 of the African union, particularly on good governance, democracy, respect for human rights, justice and the rule of law. The theme carries the spirit of Africa where development is people driven and full potential of women and youth are realized.

3. This year therefore provides an opportune moment for serious reflection across all sectors about the impact, challenges and solutions to tackling corruption on the continent. There is need to promote good economic governance for Africa to achieve the desired aspirations.

### **The Relationship between Corruption and Conflict**

4. Corruption is one of the greatest evils of our time and a key driver of conflict. It perpetuates conflict and prevents the resolution of conflicts. It poses real threat to national security, unity and survival of the African States and people. Corruption engenders conflicts which have forced millions of our people into unstable life as refugees. Many of the causes of conflict are rooted in corruption. These are social, political and economic inequality among others. The high level of unemployment, economic decline and lack of education are other factors fostered by corruption. Given the scenario, one hardly succeeds in conflict resolution without tackling the vices of corruption, because there is a relation between the two evils. Corruption breeds a culture of survival for the fittest, hence the battle for the control of the resources. Such unstable socio-economic situation give birth to the mushrooming of conflicts.

5. While we acknowledge that each conflict may have its own unique set of circumstances, the reality is that at most, corruption features in those circumstances.
  
6. Corruption has a devastating impact on communities especially the youth, women and children. It is especially impactful on the youth as it deprives future generations of opportunities to develop meaningful livelihoods and it is a cause for violation of human dignity. Corruption compounded with conflict distorts the distribution of social services such as health, water, sanitation and education. Corruption breeds unequal societies, renders vulnerable groups prone to human trafficking, irregular migration, recruitment into armed groups and militia as well as other forms of violent extremism.
  
7. Today, the proliferation of weapons and military materials on the continent may be partly linked to corrupt deals by the armed groups and commercial companies who financially benefits from such illicit deals. Some of these entities appear to be operating as proxy beneficiaries. Because Africa is endowed with wealth, especially mineral resources, the continent has become the focus of theses proxies, not because they want to develop the continent but rather to exploit for their own benefit. African states with abundant natural resources like oil, diamonds, copper, cobalt, gold, uranium just to mention some become a centre of attraction, hence armed conflicts prevail in some of these states. Because of political instability, the exploitation of the resources fail to benefit the ordinary citizens. Corruption permeates most where there is political instability. Warring groups exploit the resources to finance their military

materials and consolidate themselves. Lack of transparency in the management of national wealth exacerbates corruption.

8. Corruption also has a corrosive effect on governance and state institutions eroding public trust in established redress systems. Emerging forms of corruption such as state capture can lead to illiberal democracies where citizens are cut off from knowledge about the activities of those who exercise real power because of lack of civil liberties. If perpetuated over time, it can lead to structural governance deficit which in turn can weaken the state fabric and give rise to social tensions and violent conflict.
9. Corruption is also a facilitator of electoral disputes which in turn are a key flashpoint for conflict on the continent. The absence of transparency with respect to political party financing, the corruption of electoral officials and voters and the resultant illicit relationships between big businesses and political elites create a continuous loop of flawed electoral processes that all too often give rise to electoral conflict and strife.

### **Promoting Good Economic Governance and Anti-Corruption Measures as a means to prevent conflict**

10. Given these devastating impacts, anti-corruption measures are usually a first-order priority in most post-conflict situations. In countries emerging from conflict, it is quickly understood that proper management of resources are required for state building and reconstruction efforts. Additionally, because political and economic environments

are largely shaky, shifting alliances may create opportunities to disrupt entrenched corruption networks.

11. Some good practices that have been noted in enhancing good economic governance as a measure to prevent conflict have included empowering existing oversight mechanisms such as parliament, revenue authorities and national audit offices. Police and other investigative bodies can undergo specialized training including fraud and forensic investigation techniques. Where they do not exist, states can establish specialized mechanisms such as anti-corruption agencies and financial intelligence units as a targeted measure to tackle financial and economic crime. It should however be noted that the establishment or reform of financial institutions should be done after a careful analysis of the existing context.
12. Other measures that could be taken to enhance good economic governance include enhancing citizen participation in resource and financial management. Citizen participation can be enhanced through encouraging open and transparent contracting processes, moving towards decentralized and devolved systems of governance where citizens participate in budgeting and oversight processes and promoting access to information and freedom of information laws. Rebuilding citizen trust in governance institutions is often key to ensuring the conflict does not recur and this is best done by giving citizen a stake in the governance process. Governance entails values of inclusiveness and accountability. All citizens deserve equal treatment for them to have trust in the governance.

## Recommendations

13. Based on the above, we would wish to submit the following recommendations for your consideration;
  - I. We wish to request the Peace and Security Council to increase the attention paid to the socio-economic factor as a conflict prevention measure. We suggest this is done by strengthening the linkage between the African Governance Architecture (AGA) and African Peace and Security Architecture (APSA) frameworks through regular briefings and investigation/ observation and mediation missions.
  - II.

We also encourage the rapid operationalization of the PRC Sub-Committee on Governance following the recommendations of the AGA-PRC retreat in 2015 in Arusha, Tanzania as a specialized port of call for situation monitoring and rapid engagement with policy organs on governance challenges. On this point we recommend that specific metrics may be added to the Continental Early Warning System to capture data on increasing societal inequality, incidences of grand corruption as well as state capture as these are some of the socio-economic precursors to conflict.
  - III. To this end, the Advisory Board advises that there is a need to conduct a comprehensive empirical study that addresses and develops data on the relationship between corruption and conflicts. In this regard, the Advisory Board is willing to work together with the Council in conducting such a study.

- IV. We wish to also urge the Peace and Security Council to support the urgent operationalisation of the Draft Transitional Justice Policy Framework as a framework to guide states in transition to address socio-economic governance challenges. The policy framework recommends among others the investigation and prosecution of economic crimes as well as putting in place legal and policy measures to ensure resources are managed for the benefit of citizens.
  
- V. We also wish to urge the Council to support the ratification of the Protocol to the Statute of the African Court vesting the Court with jurisdiction over international crimes. The Protocol proposes vesting the Court with jurisdiction over the economic crimes of corruption, money laundering and illicit exploitation of natural resources. It would also have jurisdiction over corporate entities such as multinational entities that engage in destabilizing business practises that are facilitated by corruption. Under the Protocol, the Peace and Security Council would have the mandate to refer to the Court the investigation of economic crimes. Such a measure would provide the Council with additional tools to engage on the destabilizing effects of corruption.

## **Conclusion**

14. We wish to thank the Council for the opportunity to engage on this important topic and we hope that it shall not be the last engagement.
  
15. On behalf of the Advisory Board, let me conclude by reiterating our willingness to be at the disposal of the

Council to work together and advise on any matter relevant to our mandate. Finally, let us all make 2018 an effective year against corruption in Africa.

**I thank you.**