



# INTERNATIONAL CORRUPTION

Paul H. Cohen  
Arthur Marriott QC

SWEET & MAXWELL

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*GENERAL EDITORS*

PAUL COHEN  
ARTHUR MARRIOTT QC

*CONTRIBUTORS*

*Chapter 1*

Peter Burrell, Herbert Smith LLP  
Susannah Cogman, Herbert Smith LLP  
Paul Cohen

*Chapter 2*

Paul Cohen  
Arthur Marriott QC

*Chapter 3*

Mark Radke, Arent Fox LLP  
Angela Papalaskaris, Dewey & LeBoeuf LLP  
Paul Cohen

*Chapter 4*

Barry O'Keefe QC

*Chapter 5*

Fabiano Robalinho Cavalcanti, Escritorio de Advocacia Sergio Bermudes

*Chapter 6*

Bertrand de Speville

*Chapter 7*

Pallavi Shroff, Amarchand & Mangaldas & Suresh A Shroff & Co  
Nisha Harichandran  
Nishant Joshi

*Chapter 8*

Angela Papalaskaris, Dewey & LeBoeuf LLP  
Paul Cohen  
Mark Radke, Arent Fox LLP

*Chapter 9*

Robert Wilson, PricewaterhouseCoopers LLP  
Fred Miller, PricewaterhouseCoopers LLP  
Will Kenyon, PricewaterhouseCoopers LLP

*Chapter 10*

Mark Radke, Arent Fox LLP  
Paul Cohen

Angela Papalaskaris, Dewey & LeBoeuf LLP

*Chapter 11*

John Tracey, PricewaterhouseCoopers LLP  
Tracey Groves, PricewaterhouseCoopers LLP

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## INTRODUCTION

There is an old story that Alexander Graham Bell dialled the first wrong number the moment he created the third telephone. The story is of course apocryphal, but it makes a serious point: as soon as a system is open to mistake or misuse, the errors and abuses will swiftly follow.

So it has probably been, in reality, with corruption: once a class of public officials was in a position to direct the affairs of state, those people who might benefit from the officials' decisions—anyone with anything to gain or lose thereby—must have been tempted to influence the officials one way or another. Corruption, therefore, is probably as old as government itself.

The problem is ancient but persistent. It is not difficult to find evidence of corruption today across many of the world's jurisdictions. Rarely does a week go by without some mention in the press or the media of a corrupt, dysfunctional, or venal government. The phenomena often go together in mutually reinforcing fashion.

But we should resist being smug. Many functionaries, especially in developing countries, earn a pittance of what most of us would consider a living wage. The rot of corruption, moreover, is anything but limited to the developing world. The recent, well-published budgetary woes of the Greek government owe much, according to many experts, to the willingness of bureaucrats to accept personal bribes in lieu of due tax payments. And this is hardly an idiosyncrasy among the developed economies of the West and Far East.

The problem with corruption, therefore, is that it is personally beneficial (to the payer and the recipient of the bribe) but collectively detrimental to the health and integrity of the larger political system. It is anything but a victimless crime; to the contrary, the victim is the polity and its members as a whole. As former President Clinton said at a private gathering which one of the authors attended, "corruption makes governments incompetent."

The focus of this book, however, is a related but somewhat different phenomenon: what people (and corporations) do to influence public officials of governments not their own, and what their home jurisdictions try to do about it.

International corporations had long—and successfully—argued that what they did abroad was no great concern to their home government. If a foreign official controlled access to goods, services or resources, why not let the company ensure that the official was favourably disposed to it? A small payment, a first-class plane ticket for the official's spouse, tuition fees for their child; these were a trivial and—as far as the company was concerned—eminently worthwhile price to pay for access to substantial and often vastly lucrative markets.