





# **Corruption and security**



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"Corruption plays a critical role in undermining stability, global governance and international law. We need to understand and acknowledge the connections and to act accordingly."

Gretta Fenner (1975–2024) at the Munich Security Conference 2024 (paraphrased)

How does corruption threaten national and international security? Can viewing it through the lens of power offer deeper insights? And what might we achieve by framing corruption as a security concern?

This Quick Guide gives a short introduction to this complex issue as part of a two-part series on corruption, security and strategic corruption.

# How corruption directly weakens security

Corruption and a <u>lack of transparency</u> can directly undermine a country's military and defence infrastructure.

Embezzlement and corrupt procurement deals can impact defence budgets and capabilities. Since the 2022 invasion, Ukraine has been struggling to prevent corruption in its massive military procurement needs, spanning everything from <u>food supplies</u> to <u>lethal equipment</u>. South Africa's <u>purchase of expensive and</u> <u>unnecessary military equipment</u> diverted resources from the country's more pressing security needs. Military equipment may be purchased but never delivered, or essential maintenance may be ignored – <u>bad news for states' military readiness</u>.

Over time, these corrupt practices leave defence and security institutions with underpaid, underequipped personnel, insufficient equipment and drained budgets.

Nepotism and cronyism can also compromise defence. Individuals appointed to key leadership positions who are incompetent or have conflicts of interest cannot make impartial and needs-based decisions.

High corruption risks and poor governance structures also make it easy for external actors to <u>gain undue influence over institutions</u> critical to national security, like defence, energy and natural resources. Bulgaria's former Prime Minister <u>says</u> that Russian energy deals in the country have wasted more than a billion euros and resulted in energy dependence on the autocratic and aggressive state – a direct security risk.

# Indirect impacts: from organised crime to peace and stability

Corruption also undermines security in less obvious but equally damaging ways.

### **Crime and migration**

First, corruption can fuel <u>terrorism</u> and <u>organised crime</u>, including <u>arms trafficking</u>. It shields criminals from justice, enables illegal weapons to flow freely and provides terrorists with resources and sensitive information.

The effects can be tangible. In Nigeria, for example, corruption in the military has <u>weakened responses to Boko Haram</u>, jeopardising the state's most basic responsibility to protect its citizens.

The consequences of corruption-fuelled crime extend beyond borders. Guatemala's President Arévalo <u>explains</u> that:

"When you have corrupt officials, they are quite open to the type of big-money incentives that transnational organised crime can put on the table. On the other hand, transnational organised crime is interested in pushing politicians into office."

Spiralling crime and violence drive internal displacement and high rates of emigration, creating security challenges for origin, transit and destination countries alike.

### Inequality, mistrust and civil unrest

Second, corruption worsens inequality and <u>erodes trust in</u> <u>institutions</u>. This can lead to radicalisation, civil unrest and conflict.

Relatedly, in war-torn regions and countries or those <u>suffering from</u> <u>natural disasters</u>, corruption disrupts efforts of international actors to distribute humanitarian aid, promote peace and stability, and build strong governance structures.

#### Shrinking civic space

Third, corruption stifles the transparency and accountability that are critical to good governance and stability.

Civil society and media freedom are often suppressed in countries suffering from state capture, where elites systematically instrumentalise laws, institutions and enforcement capacities for their own gain. Those who benefit from a corrupt system may instigate <u>disinformation campaigns</u> or so-called strategic lawsuits against public participation (<u>SLAPPs</u>) – lawsuits aimed at intimidating, censoring or silencing critics.

## Power at the root of the issue

To understand how corruption affects security in a deeper sense, it's important to examine how it affects power dynamics and how it serves as a functional tool for those seeking to benefit their own narrow interests.

Some of the above examples showed how endemic corruption can weaken state power. But the opposite happens too. Corruption can concentrate power in the hands of a few individuals or groups, who then use it systemically to maintain control and influence in their countries – what we often call <u>state capture</u>. This comes at the expense of stability, good governance and development.

Beyond borders, <u>strategic corruption</u> refers to how powerful actors in one country use corruption to help achieve their foreign policy or geopolitical goals. This may include gaining covert control and influence over political decision-making in the targeted countries or destabilising and weakening entire countries and regions.

# Is it useful to consider corruption as a security issue?

The short answer is yes, as long as we don't neglect other important values that should always be linked to fighting corruption, such as justice, poverty reduction and respect for human rights.

### For strategic planning

Examining the links between security and corruption can deepen our understanding of the political nature of corruption, the role of power and the transnational implications.

This is especially important for governments when analysing threats like organised crime and terrorism, or when planning humanitarian and development assistance.

The security angle also supports the argument that fighting corruption and <u>financial crime</u> should be central to domestic security and foreign policy, and not treated simply as a side issue for NGOs or a single government department to take responsibility for.

### For attention and investment

Framing corruption as a security issue also raises the profile and urgency of anti-corruption, which is needed to attract attention and incentivise more investment.

In the public sector, this might include investment in corruption risk assessments for security-critical institutions and agencies. It might also mean an increase in resources for anti-corruption research and initiatives that delve into the roots and motivations behind corrupt behaviours.

## To catalyse reforms

Relatedly, we hope connecting corruption and security will open up fresh opportunities to implement anti-corruption reforms, even in countries where corruption is perceived as low. This includes under-funded priorities such as:

- boosting anti-corruption compliance among private contractors and state-owned enterprises in relevant sectors;
- **tackling loopholes in governance**, including those involving the professionals who enable corruption and other financial crimes;
- strengthening the capacity of civil society and the media to initiate or sustain anti-corruption reforms and fight back against corrupt powers and disinformation.

#### To boost collaboration

Progress is already being made in terms of understanding and addressing the links between security and corruption or financial crime – for example by Transparency International through its <u>defence programme</u> and individual chapters such as <u>TI-Ukraine</u>, by the Center for Strategic and International Studies on the risks posed by the <u>Kremlin's "playbook"</u> and by the Centre for Finance and Security at RUSI on <u>tackling illicit finance</u>.

But more research and collaborations between the anti-corruption and security communities are needed to truly catalyse tangible progress.

## **Read more**

See related Quick Guide to strategic corruption.

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