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Abstract | This paper examines the nature of serious and organised crime group (SOCG) involvement in public sector corruption, associated risk factors and best-practice responses and prevention strategies.

The paper draws on an environmental scan of international literature on the corruption of public sector officials by SOCGs to determine how corruption occurs and how it can best be prevented. The approaches of other countries were analysed to identify which initiatives can most effectively be applied to problems within Australia. Although the scale of the threat is less in Australia than in other countries, we can learn from overseas experiences how best to minimise this threat in future.

Understanding and responding to serious and organised crime involvement in public sector corruption

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According to Transparency International, Australia is perceived to be one of the least corrupt countries in the world, although Australia's ranking in the latest Corruption Perceptions Index (Transparency International 2018) has recently declined. Public servants are particularly at risk of being invited to act corruptly because of their access to confidential and personal information and because they can provide benefits to, or discount the liabilities of, members of the public. Corruption affecting the public sector is a covert and pernicious criminal activity that has been defined as:

...[a] public official...acting for personal gain, [violating] the norms of public office and [harming] the interests of the public to benefit a third party who rewards [the public official] for access to goods or services which [they] would not otherwise obtain (Philip 2006: 45).

Because corruption is a much smaller problem in Australia than in many other countries, fewer resources have been devoted to detecting 'hard-to-find' corruption, such as where serious and organised crime groups (SOCG) target public officials.

Recent investigations by anti-corruption bodies, however, have highlighted how SOCGs have used public sector employees to facilitate crime, although the full extent of their involvement remains unknown.

The relationship between organised crime and corruption

There are a number of dimensions to SOCG involvement in public sector corruption. Key among these are the pattern of the relationship, or its continuity over time, and whether corruption is sporadic or systemic. Sporadic or isolated incidents of corruption are usually carried out by individuals when an opportunity arises and can be made use of. Sporadic or isolated instances of corruption usually target lower-level actors, and SOCG participation in these is less sophisticated than in longer-running cases. Systemic—or what has been called symbiotic—corruption is usually ongoing and forms part of a pattern of offending by SOCGs. It involves collective action by group members seeking to minimise the risk of detection by acting in a planned and coordinated way.

Another dimension of the relationship between organised crime and corruption is the level of the public sector targeted. Buscaglia and van Dijk (2003) identified five levels of public sector infiltration by organised crime groups:

The first level involves sporadic acts of bribery or abuse of public office at low levels of government agencies by organized crime. The second level involves acts of corruption occurring on a frequent basis by having low-ranking state officials on the organized criminal payroll. The third level occurs when organized crime infiltrates the managerial domain of public agencies in an attempt, for example, to bias the hiring of state personnel in order to favour the operations of criminal groups. The fourth level of infiltration compromises the heads of agencies responsible directly or indirectly for fighting organized crime-related activities (e.g. drug enforcement agencies) or may involve cases of agencies providing potential long-term benefits to a criminal group (e.g. customs). This fourth level represents an increased perniciousness with long-term negative effects on the capacity of the State to eradicate corruption and organized crime. Finally, the fifth level of infiltration by organized crime encompasses the capture of the State's policies by criminal groups who are then able to bias law making, law enforcement and judicial decisions themselves. This fifth type of state infiltration involves high-level officials such as senators, ministers or even presidents...At this fifth level of infiltration, organized crime is involved in the campaign financing of politicians or through other more common types of extortion and family links to high-level officials. Such state capture represents the highest level of corruption in the public sector, which paves the way for the expansion and consolidation of transnational organized crime. (Buscaglia & van Dijk 2003: 23–24)

Corruption at the fourth and fifth levels invariably involves more sophisticated SOCG groups like the European mafias. These groups use less violence and intimidation, instead making use of high-level bribery and direct access to political leaders; they exploit elite networks, lobby officials, make political investments and donations, and rig votes. Such corruption is more common overseas than in Australia, although there are some notable, historical local examples (eg Criminal Justice Commission Queensland 2001).

Australian corruption is most often observed at the first and second levels, and targets junior public servants with less authority and limited delegated authority. Examples of this kind of corruption include:

- low-value bribery;
- indirect access by SOCG leadership (usually, the leader of the SOCG employs an agent to deal with public officials);
- ‘pantouflage’, in which corrupt public officials are rewarded by gaining a position in the private sector;
- promises of jobs;
- offers of houses and properties for advantageous prices;
- support for lifestyle weaknesses identified while observing the targeted public servants;
- the exploitation of family ties; and
- threats of violence intended to intimidate those who have been corrupted.

One complex issue that arose during research undertaken for the European Commission in 2010 was how to treat the direct participation of public officials in criminal activities—particularly when they had not simply abused their public powers but instead engaged in a range of criminal activities or managed a criminal enterprise themselves. Examples include police officers who ran their own prostitution rings or drug-distribution networks, politicians who covertly controlled companies engaged in criminal behaviour, and cases where criminals had accumulated sufficient legitimate power to participate directly in local politics, known as state capture (Gounev & Bezlov 2010).

Investigations by Australian anti-corruption bodies have highlighted how SOCGs use public sector employees to facilitate crime. For example, in June 2013 the Australian Commission for Law Enforcement Integrity (ACLEI) found three Australian Customs and Border Protection officials had been involved in the importation of illicit drugs and precursors, by ensuring that drug couriers were not intercepted or screened on arrival at Sydney International Airport and manipulating rosters so that other corrupt officials were present at specific times (ACLEI 2013). In 2009, a NSW police analyst was found guilty of passing confidential information to associates who were members of an outlaw motorcycle gang or OMCG (Arlington 2010).

Very little research has examined the nature and extent of SOCG involvement in public sector corruption in Australia. The reason for this, as Graycar (2016: np) observed, is that ‘most corrupt activity takes place in secret, and what comes to light does not reflect the full extent’. Although there is extensive academic and policy literature dealing with both corruption (Graycar & Smith 2011) and organised crime (Paoli 2014), there are few resources that address how serious and organised crime groups seek to infiltrate the public sector and corrupt public servants to facilitate crime. Exceptions include a study conducted by the Australian Institute of Criminology (AIC) that explored the problem using a crime scripts approach (Rowe et al. 2013), and an examination of the recruitment methods used by organised crime to target public servants (Smith 2014). In 2015, the Victorian Independent Broad-based Anti-corruption Commission (IBAC) published an intelligence report that explored the risks of SOCG involvement in public sector corruption in Victoria. Although IBAC (2015: 11) concluded that ‘the full extent of organised crime involvement in public sector corruption in Australia remains unknown’, it nonetheless observed ‘it is likely that crime groups will continue to target public sector bodies to access these information systems and commodities’ (2015: 11).

Most recently, the Victorian Law Reform Commission (2016) reviewed the use of regulatory regimes to help prevent organised crime and criminal organisations infiltrating lawful occupations and industries. The Commission reviewed available evidence of infiltration and, although its focus was infiltration in the private sector, many of its recommendations for preventing this apply equally well to public sector infiltration.

The relationship between public sector corruption and organised crime has received greater attention overseas than in Australia (Buscaglia & van Dijk 2003; Gounev & Bezlov 2010; Holmes 2008; Muravska, Hughes & Pyman 2011; Savona & Berlusconi 2015; Transparency International 2010; Wang 2013). This enhanced attention is largely due to the much more profound problem of organised crime in Europe and the Americas, and the lengthy history of interventions that have led to the discovery of much greater SOCG involvement in corruption. Australia can learn important lessons about how best to respond to the problem from the approaches taken by overseas anti-corruption and anti-organised crime groups, taking due account of differences between the social and political circumstances of individual countries. For example, reducing incentives to and opportunities for corruption has been found to be more effective than simply raising awareness and increasing recruitment controls, while improved accountability, transparency and oversight make SOCG corruption more difficult.

Perceptions of organised crime-related corruption

International research

In 2002, the UNODC commissioned a pilot study of 40 organised criminal groups across 16 countries and one region, including Australia. The study was conducted by the Centre for International Crime Prevention in an attempt to both build the knowledge base on organised crime groups and develop a comparative framework for studying the phenomenon.

The use of corruption by the groups studied and the degree of political influence they exerted were two of the relevant variables examined. Regarding corruption, it was found that:

In just under half of the groups (18 cases), corruption was essential to the primary activity of the criminal group. In just under one third of the groups (12 cases), the groups made use of corruption occasionally. In the remaining instances (10 cases), there was evidence of little or no corruption. Perhaps most significant is the degree to which, in the overall majority of cases, corruption is a key element for the undertaking of organized crime activities and that three quarters of the groups use corruption occasionally or regularly (UNODC 2002: 25).

In 2003, the UNODC conducted another study to identify and isolate the factors influencing the growth of public sector corruption involving organised crime (Buscaglia & van Dijk 2003). Qualitative and quantitative information was obtained for a large sample of countries and territories, representing worldwide diversity stratified by levels of socio-economic development. Data on corruption mostly related to the street- and medium-level corruption an average citizen faces in his or her dealings with public agencies, excluding high-level or 'grand' corruption. Data on organised crime included indicators of five core activities (trafficking in persons, firearms, stolen cars and cigarettes, as well as fraud) and four secondary factors (costs for business, extent of the informal economy as a proportion of gross domestic product, violence and money laundering).

Statistical analysis confirmed a very strong association between the index for levels of organised crime and the index for public sector corruption.

The results indicated that independence and integrity of the judiciary was the most important predictor of the extent of organized crime. Independently of this, the extent of organized crime was higher in countries where the police were less effective. Finally, organized crime was more prevalent in less affluent countries, independently of the two other factors (Buscaglia & van Dijk 2003: 13).

Based on the evidence examined, the study found that organised crime and corruption prosper in an environment of bad governance. It was observed that 'Rampant corruption offers opportunities for organized crime that are readily exploited by emerging criminal groups. When organized crime acquires a dominant position, corruption within the public sector is bound to grow' (Buscaglia & van Dijk 2003: 22–23). The study also argued that 'insufficiencies in the area of economic and financial regulation and poor legal-judicial infrastructures are among the many aspects of governance that appear to be relevant to crime control' (Buscaglia & van Dijk 2003: 32).

European Commission research

In 2006, the European Commission conducted a study that explored the opinions of EU citizens on organised, cross-border crime and corruption. More than half of the citizens who responded believed that most corruption in their country was caused by organised crime (54%). Italy had the highest percentage (70%) followed by two-thirds of citizens in Lithuania (67%) and Slovenia (67%). In the case of the Republic of Cyprus (54%), the Czech Republic (52%) and Finland (51%), the majority of citizens did not agree there was a link between corruption and organised crime in their country (European Commission 2006).

In 2010, the European Commission contracted the Center for the Study of Democracy to analyse the links between organised crime and corruption in much greater depth (Gounev & Bezlov 2010). The study involved statistical and literary analysis, as well as interviews and fieldwork in six countries: the Netherlands, Greece, Italy, Bulgaria, France and Spain.

The analysis confirmed there was a statistically strong relationship between organised crime and corruption. Further analysis revealed that effective government and institutions had an even stronger impact on corruption than on organised crime; effective government institutions also had a strong impact on organised crime levels. The model also found a statistically significant relationship between general economic indicators (GDP per capita in Purchasing Power Standards), corruption and organised crime. In addition, the analysis showed that the relationship between money laundering and most types of institutional corruption was very strong. Law-enforcement institutions were most directly affected, while the customs agencies of most EU countries were seriously affected, particularly involving human trafficking. The EU institution least affected by organised crime was the judiciary (Gounev & Bezlov 2010).

Risk factors for Australia

What then are the factors that might make Australian public officials vulnerable to corruption by SOCGs?

Motivations and benefits

Financial benefit is clearly one of the most common motivations for public sector corruption (ACLEI 2011). A survey by KPMG (2013) analysed responses from 281 organisations in Australia and New Zealand about their experiences of fraud, bribery and corruption. Their data showed that between 2004 and 2012, the motivations of corrupt public sector employees included gambling debts, greed and financial pressures. According to the data, 36 percent of the incidents of fraud, bribery and corruption that occurred in 2012 were motivated by financial pressure, followed by greed (31%) and other motivations (31%; KPMG 2013).

Non-financial benefits of corruption include receiving sexual services and increasing one's sense of status or power (Grabosky & Larmour 2000). ACLEI also reports that corruption may be motivated by conflicts of obligation or misplaced loyalty (ACLEI 2011).

Demographics

Very little research has focused on the demographic characteristics of individuals who engage in corrupt behaviour. Swamy, Knack, Lee and Azfar (2001) found men were more likely than women to engage in, or with, bribery. Similarly, over the eight years of data collected by KPMG, men were responsible for, on average, 68 percent of reported frauds (including corruption and bribery; KPMG 2013). On the other hand, men may have greater opportunities to offend than women (Torgler & Valev 2004), with more men occupying positions of power in organisations where their influence is sought after by SOCGs. Members of SOCGs may also seek to target lower-level public officers with decision-making powers; in Commonwealth entities such as the Department of Human Services or the Australian Taxation Office, these are often women.

Although research has found that older populations (those aged 35 years and above) were least likely to condone bribery (Torgler & Valev 2004), KPMG's 2013 survey found fraudulent behaviour was more common among individuals aged between 25 and 44 years.

Aside from age and gender, IBAC (2015) has identified other personal characteristics associated with public sector employees targeted by SOCGs. These include:

- immaturity;
- low self-esteem;
- amorality and unethical behaviour;
- being prone to fantasising, impulsiveness;
- lacking conscientiousness; and
- manipulative behaviour (IBAC 2015).

In addition, IBAC (2015) drew attention to environmental and lifestyle factors, including loss of employment, accidents, personal injury and loneliness, that may leave someone vulnerable to the advances of SOCGs.

Lifestyle

Lifestyle factors such as drug use by public sector employees are a particular risk for involvement in corruption. Data from the Australian Public Service Commission's *State of the service* report, however, show very few public officers are investigated for misconduct involving the misuse of drugs or alcohol each year, with fewer than 10 individuals investigated in 2011–12 and 2012–13. However, the allegations investigated are often substantiated—over half of these investigations in 2011–12, and 71 percent in 2012–13, were found to be valid (APSC 2013).

IBAC (2015) identified a number of ways in which social drug use can leave an employee vulnerable to corruption by SOCGs. These include:

- an increased likelihood that an employee will come in contact with members of an SOCG, thereby allowing themselves to be identified as a target for corruption;
- increased susceptibility to blackmail. Illicit drug use is illegal and is also a breach of most state and federal government agency codes of conduct, and employees are at risk of dismissal if their drug use is discovered; and
- increased receptiveness to advances from SOCGs. The use of illicit drugs may reflect a tendency towards short-term, high-risk behaviour, which may make offers of corruption more attractive (IBAC 2015).

Investigations by ACLEI, including Operation Myrrh, found public officials may view casual drug use as part of their private life, separate from their employment. The three customs employees who were the subject of Operation Myrrh appeared to be unaware of the extent to which their illicit drug use could compromise their work, which supports this position (ACLEI 2014). There are increasing concerns around the use of steroids by public officials. ACLEI (2011) noted this was of particular concern in organisations like the police, where physical fitness is an integral component of the job. IBAC (2015) also observed a rise in the number of investigations of corruption by SOCGs facilitated by, or linked to, a public sector employee's involvement with gyms and steroid use.

Relationships

At its heart, the corruption of public sector employees by SOCGs involves creating and compromising relationships (IBAC 2015). Corrupt relationships can be viewed from the perspective of those who seek to corrupt public officials (SOCG), as well as that of public officers who receive corrupt invitations (Smith 2014: 4). The relationship between public officials and members of an SOCG may be opportunistic or longer-term, and can be formed through associations with family members, peers or colleagues. IBAC noted that pre-existing relationships may carry a particular risk of public sector corruption. The strong bonds between family members, friends and members of some communities are ripe for exploitation because employees may feel loyal to, or responsible for, the wellbeing of these individuals (IBAC 2015).

Relationships with SOCGs can also be attractive to former Defence personnel, particularly those with mental health problems caused by their military service. An Australian media investigation found evidence that former high-ranking Defence personnel were joining OMCGs for social and emotional support from other gang members (Willacy 2016).

In its review of the procurement sector, the NSW Independent Commission Against Corruption (ICAC) provided an example of a conflict of interest related to a tender where an official improperly favoured a stakeholder as a result of a pre-existing relationship (NSW ICAC 2010b). Rowe et al. (2014) cited a case in which a NSW Police intelligence analyst passed confidential intelligence to a known drug distributor. This relationship was facilitated through the analyst's cousin, who was an associate of an OMCG (Arlington 2010; Rowe et al. 2014).

Social media

Intelligence assessments have identified the risk of SOCGs using information posted on social media to identify suitable public officials as targets for corruption. ACLEI's Operation Heritage found that public officials share 'common demographics, including school links, age and community ties' with those involved in criminal activity, thus providing opportunities for corruption (ACLEI 2013: 8).

The NSW Police Force *Personal Use of Social Media Policy and Guidelines* refer to a MySpace search conducted by a Professional Standards Command researcher in 2009, which found:

...the social media sites of many members of the NSW Police Force who had identified themselves as police officers by rank, name, work location and photographs. Some of these sites included their home addresses and the names and photographs of their children, as well as accessible links to friends who were also clearly identified as police officers. By maintaining such sites these officers are unnecessarily exposing themselves, their family and other police officers to risk of harm (NSW Police Force 2011: 10).

In its 2014–15 Annual Report, IBAC raised concerns about the potential for social media to be used as a tool to identify and target public sector employees for corruption. Individuals who use social media or networking sites like Facebook or LinkedIn routinely post information about their employment, interests and lifestyle, all of which could be used by SOCGs to form a relationship with the employee. IBAC reported that SOCGs use social media to recruit individuals to act on their behalf as couriers of drugs or precursor chemicals, and it is therefore logical that they would expand their recruitment activities to target public sector employees (IBAC 2015).

NSW ICAC's Operation Cicero provides an example of how attractive social media can be to SOCGs. A senior correctional officer smuggled a mobile phone and SIM cards into the John Morony Correctional Centre. Prisoners used the phones to communicate with the officer, via Facebook and SMS, to arrange meetings and smuggle other contraband into the prison (NSW ICAC 2010a).

Operation Newscaster in the United States also shows how social media can be misused to facilitate public sector corruption. In 2011 NewsOnAir, a fictitious media company, was established, along with 12 fictitious reporters. The 'reporters' created fake Facebook, LinkedIn and Twitter profiles to befriend more than 2,000 senior US defence and diplomatic officials and collect intelligence for use in targeting government officials in the US and Israel. The group behind the activity was thought to be based in Tehran (iSight Partners 2014).

Research conducted for the Canadian Department of Public Safety has explored how SOCGs use social media to communicate and facilitate their activities (Frank, Cheng & Pun 2011). The study found that many SOCGs in Canada maintain an online social media presence, using this for 'intimidation of other gangs and individuals, committing fraud, and gang recruitment. Either by recruitment or gang

subculture promotion, social media can be used by criminal organisations to more effectively recruit and grow their operations by reaching out to a wider audience' (Frank et al. 2011: 17).

Organisational risk factors

Organisational factors also lead to risks of corruption by SOCGs. In one famous case in New York, 18 tax assessors were arrested in connection with a corrupt scheme that cost the city over US\$40m in revenue. The assessors had been charging illegitimate fees and accepting bribes, in return for circumventing controls and reducing property taxes. The investigation found a number of organisational factors that appeared to have contributed to or facilitated the assessors' corruption, including a lack of agency oversight. Individual assessors worked autonomously and, in some instances, managers were involved in the scheme; and the complicated and complex nature of the property assessment process enabled employees to hide their corruption (Lagunes & Huang 2015).

The specific duties public officials perform also give rise to corruption risks. Gorta (2006) identified 15 functions considered high-risk in terms of vulnerability to corruption that included, among others, monitoring the standards of businesses and equipment; providing services to immigrants; issuing qualifications and licences; allocating grants of public funds; administering fines or other sanctions; and receiving cash payments. Individuals with such roles or powers are more likely to have the opportunity for corrupt behaviour.

The level of agency oversight an official is subject to can also indicate vulnerability to corruption. ACLEI listed a high level of discretion, and low or ineffective supervision, as the two visible indicators associated with opportunities for corruption (ACLEI 2011). In its review of corruption in the procurement sector the NSW ICAC (2010b) found that inadequate monitoring and supervision contributed to corruption in 81 percent of investigations. Finally, Goel et al. (2015) noted that increased transparency would make it more likely that offending employees would be caught and sanctioned, and they would therefore be less likely to respond to the overtures of SOCGs.

Finally, organisations may be more vulnerable to approaches by SOCGs if employees are not properly educated on the nature of risk and how to resist corruption. Gorta (2006: 216) found that 'sizeable groups of staff may not be aware of some of the corruption prevention strategies that organisations have in place'.

Best-practice responses

Many of the initiatives developed to minimise the risk of corruption in the public sector generally are applicable to specific risks of corruption initiated by, or involving, SOCGs. Although research evaluating which commonly used strategies are effective in preventing corruption is limited, a number of these strategies appear to be successful (Graycar & Smith 2011; Hatchard 2014; Larmour & Wolanin 2001; McCusker 2006).

The UNODC developed a range of solutions to the problem of SOCG involvement in public sector corruption including enacting legislative reforms, establishing specialised police or judicial units against organised crime, establishing task forces within the criminal justice system, improving resources for criminal justice administration, building public confidence and trust in the criminal

justice system through the involvement of civil society, enhancing judicial independence and implementing economic and financial policies that make corruption less attractive to organised crime (Buscaglia & van Dijk 2003).

North American initiatives have also been examined. In May 2015, officers from ACLEI and the Australian Crime Commission travelled to Canada and the United States to study corruption-enabled border crime, to gain insights into emerging threats to Australia and how these may be addressed. ACLEI found four areas are of particular importance in dealing with SOCG involvement in public sector corruption:

Multi-channel detection methods

[A] proactive and systematic approach to investigations and intelligence gathering is an effective way to deal with criminal exposure at the border. In particular, multiple capabilities and intelligence feeds—such as covert human source management, physical and technical surveillance and interception—appear to be necessary to grasp the corruption picture and to find evidence of corruption when certain indicators are present.

Intelligence and inter-agency cooperation

[Use] the network of agencies that are members of the Integrity Commissioner’s jurisdiction (as well as other partner agencies) to build a rich intelligence picture and inform more-effective responses to corruption enabled border crime...Such a strategy could unlock more access to data, information and intelligence across State and Commonwealth agencies whose investigations may link to the Australian border.

Identification of at-risk employees

[Deploy] advanced analytics and analysis to mitigate...corruption risks, for example by identifying triggers and indicators (including specific behaviours) among staff members.

Working with industry

[Work] collaboratively with industry partners, in the border environment as well as in a range of other key sectors of the economy. This strategy requires agencies with public sector integrity frameworks to work with private sector bodies, which have varying degrees of understanding about the organised crime threat, and in which profit and integrity motives are intertwined (and sometimes in potential conflict). (ACLEI 2015: 90–91)

Generally, research has found macro-level measures that seek to reduce incentives to and opportunities for corruption are those most likely to be effective in reducing the prevalence of corruption (see McCusker 2006).

Other approaches

A number of other approaches to dealing with public sector corruption involving SOCGs that address the risks outlined above are worthy of further consideration.

Crime-proofing legislation

Caneppele and Martocchia (2014) used crime scripts analysis to understand how Italian mafias are involved in corruption related to public procurement in southern Italy. The research was based on an analysis of 18 Italian judicial cases in Sicily, Calabria, Apulia, Basilicata and Campania. The various stages of the contract tendering process were examined to determine how the mafia infiltrated public procurement processes. The mafia infiltrate the preliminary stages of tendering by using apparently 'clean' companies as fronts during the tender process to evade anti-mafia controls. They do this passively through parasitic infiltration, by requiring the payment of a percentage of the contract amount as 'pizzo' (protection money). They also bribe companies to assist them in winning tenders. The authors recommended addressing such risks by crime-proofing legislation.

The assumption is that legislation can be criminogenic: the complexity of rules, the presence of overlapping or gaps in the law, as well as specific provisions of law, can become unintentionally vulnerability factors (Caneppele & Martocchia 2014: 298).

Corruption Vulnerability Assessments

Another innovative response to procurement corruption involves what Ware et al. (2011) call Corruption Vulnerability Assessments (CVA). These are environmental impact assessments that aim to identify risks of corruption prior to the commencement of public works programs. The concept was explained as follows:

Like an environmental impact assessment, a CVA can be conducted prior to the onset of large developmental projects involving public procurement. A CVA is an intelligence driven assessment that would determine the likelihood of corruption occurring in a planned project. It would examine the environment in a particular country in terms of corruption vulnerabilities that might put funds at risk prior to the onset of distribution. Upon its completion, project designers and international financial institutions would have more information upon which to take graduated measures to ensure that public money is used for the intended purposes. For example, if government officials or their families have widespread holdings in private companies, a mandatory financial disclosure programme can be installed to ensure that officials do not steer contracts to their own business entities. If project monitors are active in a project, the results of the CVA will provide critical information for the monitor to use in tailoring their monitoring protocol (Ware et al. 2011: 105).

Employee vetting procedures

The deliberate withholding of information by an employee, which may begin during recruitment or security assessment and continue after the employee is hired, is referred to as 'the enduring lie' that makes an employee vulnerable to blackmail and extortion (ACLEI 2014: 89).

Agencies vet employees to mitigate risk factors arising from inappropriate relationships or lifestyle factors. Screening allows potential employees to declare associations that may leave them vulnerable

to corruption by SOCGs. Unfortunately, security vetting procedures are not an absolute answer to corruption and criminality. In the AIC's annual census of internal fraud within Commonwealth entities, Jorna and Smith 2018 found a number of individuals who perpetrated serious fraud had been security vetted, even to the highest levels.

Enhanced auditing and accountability practices

Recent investigations by ACLEI, IBAC and ICAC have identified accountability, transparency and oversight as key issues in combating the risk of public sector corruption by SOCGs. One way these can be achieved is through more rigorous auditing processes. For example, Operation Heritage (ACLEI 2014) identified a number of systemic organisational factors that contributed to the identified corruption. These included:

- the number of staff who had access to sensitive databases—the greater the number of staff, the higher the level of risk involved;
- reliance on intelligence-led detection, which meant that officials with access to those databases were a more attractive target for SOCGs; and
- the scaling-back of random checks, which resulted in a perceived decrease in the likelihood of detection.

The New South Wales ICAC made similar recommendations in 2010 after its investigation into an officer who was smuggling drugs and other contraband into a NSW prison. The recommendations included improving the quality of gatehouse searches of staff, including more thorough pat-down procedures; better staffing arrangements; and CCTV monitoring (NSW ICAC 2010a).

Financial auditing is another way agencies can improve accountability and employee oversight. Dye (2007) argues that auditing is useful in combating corruption risks within agencies, stating that 'good financial reporting and auditing help reduce the misrepresentation that hides fraudulent operations and misleads the reader' (Dye 2007: 8). Lagunes and Huang (2015) described a case study from New York where improved financial auditing of employees, including the introduction of a requirement to submit bank statements, made it more difficult for employees to receive bribes or other financial benefits (Lagunes & Huang 2015).

Addressing social media risks

The risk of SOCGs using social media to identify and groom public officials for corruption can be addressed in a number of ways. Public officials need to be made aware of the risks they face from social media and educated in how to minimise the specific risks of corruption related to posting personal or strategic information online. Policies on the use of social media, such as that of NSW Police Force (2011), can provide effective models. Arguably, a willingness to adhere to social media policies should be a requirement of obtaining a security clearance. It may also be necessary to continually monitor staff use of social media to detect potential red flags for corruption, and to implement measures to limit the ability of staff to engage in high-risk activities online. Finally, there should be continual focused intelligence assessments of SOCGs, to determine how they use social media and how extensive their links with public officials are. Data matching of public sector and organised crime social media usage could also help identify high-risk individuals.

Conclusions

Although evidence of corruption of public officials by SOCGs in Australia is largely anecdotal, overseas research clearly indicates various kinds of risk. These include:

- risks related to procurement, particularly in defence, construction, planning and development and in the gaming and liquor industries;
- risks to frontline agencies such as police, customs and border protection and other regulatory bodies (notably local councils that administer high-value development or procurement approvals), with extensive personal data holdings and decision-making functions of value to SOCGs;
- risks to those agencies that manage Australia's domestic and international border security (in connection with illegal migration and the movement of illicit substances across borders); and
- risks to new or boutique agencies that have yet to establish, implement or monitor anti-corruption policies and practices.

Public sector corruption by SOCGs is driven by individual demographic and lifestyle factors, as well as by the organisational environment. Particular risks arise from:

- financial strain caused by excessive lifestyle expenses or addictive behaviours like drug abuse or gambling;
- the failure to differentiate between workplace and private activities, particularly through blended recreational activities and the use of social media in both environments;
- individual characteristics including youth and naivety, older age and disenchantment with the workplace, social isolation, and lifestyle interests that coincide with SOCG interests like motorcycles, personal fitness, tattooing, and excessive alcohol and drug use;
- a personal relationship with individuals associated with SOCGs; and
- fiscal demands on the public sector and the economic pressure to reduce government staff numbers, which can give rise to stress, dissatisfaction, disillusionment or resentment among workers that may make them vulnerable to corrupt approaches from SOCGs.

As the boundaries between legitimate and illegitimate business blur with the involvement of SOCGs in laundering the proceeds of crime and the use of legitimate enterprises to influence public sector decision-making (Savona & Berlusconi 2015), so the need arises to understand more how corruption can be used as a vehicle for serious criminality. To date, research and intelligence-gathering has focused mainly on overt forms of infiltration and abuse that have resulted in well-publicised investigations and prosecutions. More covert activities, which may reach the highest levels of the public sector, are yet to be uncovered in Australia. Much can be learnt from overseas approaches that have been shown to be effective in successfully detecting and responding to risks of a similar nature.

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