

DEBATES

Thierry de Montbrial, President and founder of the World Policy Conference

I would like to thank you very much. Let me tell you frankly that you did not disappoint us. When I tried to speak before you, nobody was listening to me, but as soon as you took the floor, there was silence. I think that your contribution and your fight are really remarkable. We should think about tax deductibility and so on. This is the Q&A part.

Mona Makram-Ebeid, Professor at the American University of Cairo

What you are doing is quite original, quite new and greatly appreciated. However, no matter what you say, the African continent is the most corrupt continent today. I speak with knowledge and you know that. You said that leaders should leave if the constitution specifies a particular number of years, but many constitutions do not specify such a duration and they stay there for life. How do you judge this in your indices? That is my first question. I have two questions.

Mo Ibrahim, Founder of the Mo Ibrahim Foundation

It is the most corrupt?

Mona Makram-Ebeid, Professor at the American University of Cairo

It absolutely is. I will leave it at two questions; that is enough.

From the floor

You mentioned the Huger Bill, that any company must encourage contracts and be transparent. If I am not mistaken, PetroChina is listed in the US as well. PetroChina is basically running the oil sector in the country where you come from. That will totally change the governance in Sudan. I would like you to elaborate a little bit on the role of PetroChina in Sudan and other countries.

Abdesselam Aboudrar, President of the Moroccan Central Authority for the Prevention of Corruption

I have an announcement and a comment. First is the announcement. You know that there is a United Nations Convention on fighting corruption, and 130-140 countries are part of this Convention. Morocco is going to host this and all these countries will be there, in Marrakesh, in the year 2011, one year from now. We will be discussing ways and means to implement this Convention. I want your foundation to be a partner of this event, a partner from civil society. This is the first announcement.

The second point is about fighting corruption in Africa. You know that there is something you did not address in your speech, the issue of protecting victims, witnesses, informers, experts etc. This is a key issue. Anyone who tries to fight corruption in Africa ends up in jail or killed etc. As long as we do not provide protection to these persons, we cannot fight corruption in our countries.

Mo Ibrahim, Founder of the Mo Ibrahim Foundation

Let me answer these questions quickly. Concerning the question from Professor Nadia, corruption is a zero-sum game. Nobody corrupts himself. If I am a corrupt leader, there is at least one or more business people somewhere, or

Governments somewhere else. Otherwise, there is no crime, no corruption. What does it mean? We say Africa is very corrupt. Where are those partners? Europeans, Americans etc are equally corrupt. I reject your statement. We are all corrupt together, unfortunately. That is a scourge, something we really need to tackle.

Let me tell you something else. There is a myth about doing business in Africa. When we started to do our mobile operations in Africa, on the first day we had a Board meeting and we had a very powerful Board. We started as a very small company, but we had people like Sir Gerry Whent, who was the founder of Vodafone, one of the biggest mobile-phone companies in the world. I had Sir Alan Rudge, who is Deputy Chief Executive of British Telecom and who is the most senior engineer in the UK, in the Royal Society etc. I had Dr Salim Salim, who was the Secretary General of the African Union for 12 years. I had a lot of senior people.

At the first Board meeting, we said we would not pay a single dollar to corruption. I ask the question; how did we do that? Any company in the world can make a statement like that: 'We will not pay a single dollar to corruption.' Then they go and pay, because they have not put the policies and procedures in place that will not stop corruption. If you speak to the Board of Siemens, they say, 'Oh, we would never do this; we are fighting corruption.' However, I would say that everybody knows what Siemens has been doing.

What we have done is different. The Board said, 'The only way to stop this and help your people is, you have to support your Chief Executives with intent. Those are the people who come under pressure, not you over here in Headquarters.' How did we support the people on the ground? We said that the whole Board must sign for any payment or cheque of USD30,000 and above.' It is a simple device. The Board is so committed. They are willing to work on Saturdays, Sundays and Christmas Day. They say, 'Here is my home phone number, the number for my boat and plane, my mistress's phone number. Whatever number you want, here it is and you contact us if you need anything.' That is the kind of support we have from a wonderful Board.

Nobody dare ask us for a bribe. It is finished. We managed to build 15 operations in 15 countries and we are the largest tax payers in 10 countries in Africa, without paying a dollar in bribes. It works. It can be done. That is what we did to build our business. That is the question about corruption.

I will deal with the question on Chinese companies. The law in America applies to all legal companies in the US. I am not one of the people who believe in demonising China, saying that China is evil. I do not think so. I love Chinese food; I have many Chinese friends. I did business in Hong Kong some time ago. Africans have no problem with the Chinese or anybody else. Also, note that China was not involved in slavery and was not involved in colonialism, so we do not have a bad history with China. They are welcome to come and do anything.

However, we also have expectations from China and I asked the Deputy Prime Minister yesterday to really enforce similar laws on Chinese companies, regarding transparency. It is not good to say it is a private or Government-controlled company. The country has laws; we have to respect it. Because of that, we need transparency. That is the way to stop everybody from running amok. We have the spotlight on the Chinese, but we are not asking the Chinese to do anything different from what we ask the Europeans to do. Actually, I love the Americans; they have done it. Somebody said the other day that they trusted the Americans; they will always do the right thing, after they have tried everything else.

Stuart Eizenstat, Partner, Covington & Burley LLP

I really applaud the emphasis on corruption as a matter of governance and I want to tell you some personal experiences and then give a recommendation. In 1977, when I was President Carter's Chief Domestic Advisor in the White House, I drafted and negotiated the Foreign & Corrupt Practices Act. 25 years later, when I was in the Clinton administration as Under-Secretary of State, I negotiated the OECD Anti-Corruption Convention.

I have a couple of comments. First of all, one of the things that has begun to make the OECD Convention somewhat meaningful – and I underscore somewhat - is peer review. We ask the countries that have committed to the OECD Convention to subject themselves to peer review in terms of global implementation. I have to tell you that not all countries have been willing to subject themselves to peer review and that implementation is very uneven. It is less

than uneven with respect to emerging countries. There are two sides to every bribe: the recipient and the donor. If the laws are tough in the donor countries, it is much more difficult and this will help Africa greatly.

I want to give one concrete example of what companies can do. I am on the Board of Alcatel Lucent. When he came in, Ben Verwaayen was faced with a major anti-corruption charge, which preceded him and which is public. It was by the US Government under the Foreign & Corrupt Practices Act. What he did was great; it relates to the USD30,000 limit you were talking about. He eliminated all agents dealing in developing countries, including Africa, because it is the so-called commissions by agents that really lead to the corrupt payments. This is something that I would also urge you to do. Again, I applaud your emphasis on this and the foundation, but this is a very concrete step, to urge companies to do this.

Mo Ibrahim, Founder of the Mo Ibrahim Foundation

Thank you very much. I think this is a wonderful contribution and again, it offers some tips for all the Chief Executives sitting here on how to fight corruption, if they are serious. In answer to your question about the victims, the whistle-blowers, I am actually going to describe what is happening to us in a wider context. The world around us is changing. The role of non-state actors is really growing now. The world is no longer really run by Governments. Yes, they play an important role etc, but we have discovered that the non-state actors are very powerful. The people who are really lobbying Governments, creating mass movements and dealing with others is amazing. This is of course because of communications, the Internet etc. We need to get out of this box of thinking that policies are made in Whitehall, the Elysées or somewhere else. Those people are susceptible to tabloid headlines, what is in the nine o'clock news and what people are demonstrating about in the streets. I was talking to a British Minister and he said, 'You know, Mo, our power is shrinking; I sit there, I see our power shrinking day after day after day.'

I am coming to the issue of what is happening. There is an informal network, with all these non-Government players. What we do is, in a situation like this, we offer situations. There is a Kenyan guy, for example, who is a famous whistle-blower. We took him to Oxford University and offered him a scholarship to study there, so he would be a bit safer. If somebody really did raise an issue, we will all come to help these people. We all work together. We work with Bill Gates, Agric and the Green Revolution. We do different things, but we all come and support each other. You would be surprised; I am having dinner tomorrow with those guys. It is how we all work together to support each other through this informal network.

We prefer to support those people through informal networks. The problem is, if it is someone like Mugabe, for example, who is a dissident and the British Government refuses to help, he will immediately secure a British agent. People are labelled as French agents, British agents and Russian agents. We do not want that. The informal network, civil society, have a role to play. I do not have the resources to do it. If you look at the people giving aid around the world, we are doing more among ourselves than all the development budgets of all these great countries.

The whole emphasis is now moving towards this. The rise of civil society is a very important phenomenon. Many people do not know that. This is changing. Communication is changing Africa. Civil society is very strong and growing. That is what we say; please, if you want the friendship of African people, respect the African civil society, the African people. Do not build friendships with the actors who are here today, gone tomorrow and leave you high and dry. Be careful of the Mobutus, of the Idi Amins, Abachas and all those criminals. They will go and then you will be held responsible for their actions.

Thierry de Montbrial, President and founder of the World Policy Conference

I think it would be very helpful if you could give us your definition of corruption. Most of us, if not all of us, admire you very much for everything you have said and also what you have done, which is more important. Where does corruption start? A world without corruption, with a zero level of corruption, would be like the French Revolution without Robespierre, if you see what I mean. It is a little provocative, but I think it is an important question.

Anil Razdan, former Power Secretary, Government of India

It is a very laudable objective and a very laudable scheme. I see that you are supporting transparency and fair play. However, I find that there is one inherent contradiction in the selection of the awardee. You yourself mentioned that the whole process is going to be very secret. The other relates to one of the criteria for selecting the awardee. This is that you would be monitoring the cases of injustice, crime, rape, maladministration. What is your system of reporting? What is the authenticity of the statistics that you are drawing up and from whom? In most countries in the region, it is that basic system that is lacking. How will the jury assess the data correctly?

Fu Ying, Chinese Vice-Minister of Foreign Affairs

I want to reciprocate your kindness in asking me a question last night. We had a discussion at the table about the role of your organisation and after your speech, I understand it better. While admiring the important contribution you have made to make Africa cleaner, I am a bit worried as well. The assumption is that the African Governments are not doing their job and you need organisations like this to do the job for them.

Some of the questioners, though I do not remember all of them, even expect Chinese companies to play the role of the Governments of the countries they work in. I understand that most of the African countries have adopted the Western system, but the fact that there are still such serious problems in corruption is giving less incentive to China. China has always been reluctant to follow the Western system and the African experience is making it clearer for China that we should always try to build our own system. My question for you is; how do you see the future for African Governments? Some of them are strong; some of them are not strong, as you mentioned. What do you think the future is?

Mo Ibrahim, Founder of the Mo Ibrahim Foundation

Vice-Minister, we are not taking over the role of Government, but you will agree that as citizens, we have the right to observe and to comment on what our Governments are doing. That is exactly what we are doing. We are not putting a gun to the head of the Government and saying, 'Do this, do not do this.'

Actually, we have no comment in our index and policy. We do not discuss policy; we do not discuss ideology. We do not care, as long as the food is at the table. We want to know how many roads have been built, how many schools, how many jobs and what the level of inflation is. We are interested in the facts and in what you were talking about yesterday, the quality of life of people. What are people living by? How many hungry people do we have? That is what we are interested in.

We produce a record of this information. That is all we do. There is no recommendation here to do this or do that. That is beyond our capacity and we cannot pretend we are a Government; we are not. We are helping all African people to have the facts. When you have facts, we all behave better. Is that correct? We need to have the truth. Truth is beautiful. Let us have the truth. We publish this; every number in our documents is referenced, with regard to where it comes from.

No single African President, except the Prime Minister of Mauritius, is happy about this. Everybody calls me and says, 'Mo, we are Number 10 or 11 here; we should have been Number Eight, not Number 10.' If you think so, okay; we are happy to sit with your people and go through any numbers here.' We sit with those people and not a single number is changed. We have no problem; if any number is wrong we will correct it.' These numbers are scrubbed. They have come from institutions and the data is open and referenced. I have no interest; my own country is Number 48. I do not go to the ENDUS Committee and say, 'How do you dare put Sudan at Number 48?' I cannot do that. 48 is 48: hard luck.

That is what we are trying to do. It is our right as citizens to do this. We are not pretending to be big Governments or anything, not at all. That is what we are trying to do, Madame. We are not interested in ideology. We are not interested; we are citizens. You have heard African leaders say, 'What about the Chinese models of government?' You and I know who says that and how many of them say that.

Our answer is simple. That is fine with us, wonderful, but if you really want to follow the Chinese Government bus, you have to be consistent. According to my knowledge, from my childhood, I have seen Chinese leaders wearing cotton

pyjamas and sandals, riding a bicycle to work. I say, 'Please take off your Brioni suit, leave your big limousine behind and get a bicycle.' Do as the Chinese do. The country is poor; we cannot afford these limousines, so do that.

By the way, I remember that every year, the Chinese grab some mayors and leaders, put them against a wall and shoot them, because they are corrupt. Mr. President, what about starting with your inner circle? Get a few of those guys and maybe some people from your family and shoot them every year, to show us you are serious about corruption. That is what the Chinese do. What is the Chinese model? That is part of the Chinese model. If you want to do this, operate the whole Chinese model and we are happy with that; we have no problem. Produce another China. Regional economic integration is a big issue for us in Africa, with regard to producing another China, but hopefully this can be achieved. That is the question about the Chinese.

The gentleman asked about the numbers. All the numbers are coming from these sources. It is absolutely open, above board and referenced. We invite anybody to come and check it. If anybody has an issue, we are happy to respond to it. The decision of the awarding does not depend on this index. That is only one input of the index. Chissano was selected to have an award. Why was Chissano selected? In this citation, he gave a comment. Mozambique is quite low on the index; I am not sure. It is probably 30-somehting. IT is quite low. However, the President wanted to have a prize.

Here is a President who had come to power when there was a savage civil war in the country and he stopped that. He extended his hand to his enemies. Renamo was a very savage organisation, funded by the racist regime in South Africa, if you remember that. He said, 'Please come and fight us in the ballot box. Stop the killing. You are destroying the country.' Those guys came and fought. He introduced democracy and invited the enemy. Conflict and wars are killing us. See what is happening in Darfur, what is happening in Somalia. We want to end those conflicts, destroy Governments. He did not even finish his term; he left.

That is a great act of leadership. Look at Mandela. I do not need to tell you what Mandela did to transform his country peacefully etc. There is the President of Botswana. This is one country that shows that you can use your resources to benefit your own people, not you personally. I have a short story that Kofi Annan told me the other day. When they started the African Union and Haile Selassie was meeting people at the airport, the President of Botswana arrived. This guy was waiting at the gate. They blanked him; people coming from first class said there was no President Masire. They rolled up the red carpet and went. The Emperor left.

Then at the end, this guy came. He was actually flying economy; he was sitting in the back of the plane. When he came, there was no reception; there was no party, there were no official cars. They said, 'Shall we call you a taxi?' When I asked why he did that, he said, 'We took a decision that this is a poor country; we will fly economy class.' We will have to live like our people. It does not matter if you are President or Vice-President. That is astute. Botswana is no longer a poor country. Those people changed their country; we need to celebrate that.

That is the criteria we are choosing. With regard to secrecy, this is a committee. You have to understand that people need to debate among themselves. We are talking about people; this President acted cleanly, that one did not. Those people, as human beings, need to be free to say what they think. If we publish the minutes and in these minutes, somebody is accusing President X of taking bribes, or somebody says, 'I heard this guy is doing this,' those guys will be sued. You cannot make a committee like that work unless you have to respect the committee charity.

What we need to do is we have to make up the right committee. As I said, our committee has Mohamed ElBaradei, an African and a fantastic guy. He is the Head of the Atomic Energy Commission; he is from Egypt and is an African. There is Kofi Annan from Ghana, Secretary General of the United Nations. It has Mary Robinson, ex-President of Ireland. It has Graça Machel, a wonderful woman from Mozambique and wife of Mandela. These are the kinds of wonderful people who are on it. There is no committee in the world that has more credible people than this group of people. Then we put it to our processes people and we make the decision. That is how we work.

Thierry de Montbrial, President and founder of the World Policy Conference

I will repeat my question. What is your definition of corruption? I would like to add a footnote. These sorts of meetings are not fun if you are not a little bit provocative, so I will be a little bit provocative, if you allow me. In this meeting, someone told me that one problem with governance is that it is often the very rich people who tell the poor people how to restrain themselves. You may be a bright CEO earning tens of millions of dollars per year, plus golden parachutes and all these things, which are totally legal, so they are totally transparent. It is very easy for them to explain to someone who earns USD10,000 or EUR10,000 per year, or USD20,000.

Mo Ibrahim, Founder of the Mo Ibrahim Foundation

That is a lot in Africa.

Thierry de Montbrial, President and founder of the World Policy Conference

I go beyond Africa. It takes us back to the very definition of corruption. It is very easy for rich people. I have often observed in my life that it is often the rich people who tell the poor people how they should behave. That is why it is so important to have your comments. I will take two more questions. They are from Ambassador Park from Korea, Philippe Moreau Defarges from Ifri. Then there will be a last comment from Mr. Kerdoudi and that finishes it.

Ambassador Park Heung-Shin, Korean Ambassador to France

First of all, I would like to pay my greatest respects to Mr. Mo Ibrahim. This is for your noble effort to change Africa from top to bottom and to improve the governance to facilitate development in Africa. I actually share your point of view about changing the governance from top to bottom, but there is another way. There is change from bottom to top.

I think Korea was lucky to have a dictator with vision. He was a dictator in the 1960s and 1970s, but he was less corrupt compared to other leaders in developing countries. He had a vision. You are lucky to have a good and enlightened dictator. However, at the last moment, he wanted to continue his dictatorship, so unfortunately, he was assassinated by the people. The simplest thing is change from the bottom.

Korea has no natural resources, so I think the asset for Korean development was human resources. The point was education. While you emphasize the change from top to bottom, there is a need for parallel assets to make people more educated and more prepared for development. Do you have any projects to provoke change from the bottom?

Philippe Moreau Defarges, Ifri

Mr. Ibrahim, you mentioned two names, Mr. Mandela and Mr. Kofi Annan. These are remarkable men, but they are not very good managers. What did you do with these guys, especially Mr. Kofi Annan, who was a failure concerning the management of UN affairs?

Jawad Kerdoudi, President of IMRI

I would first like to tell you that I am very happy with the efforts you are making, because corruption in Africa is a disease, a very major disease. Do you think that education can help? I think if we improve education in Africa, then perhaps corruption will be less? In Morocco, the law is corrupt. When people are not educated, they pay to have papers etc, but when they are educated, they do not pay. What do you do in your foundation for education? Thank you.

Stella Mabudra, Head of Anti-Corruption Agency, Morocco

I am Stella Mabudra. I am Head of the Anti-Corruption Agency in Morocco. First, regarding the definition, the international definition, is that corruption is the misuse of power or of a mandate, for private gains. Secondly, I want to respond to the comment from the gentleman about peer review. In the mechanisms of the United Nations, there are two mechanisms for the implementation of this. One is assessment by experts and the second is the peer review. In 2-3 weeks, Morocco will be subject to an assessment by experts coming from South Africa and from Slovakia. We are

not in good shape with South Africa. Morocco is very poorly-ranked in all the indices, but is willing to make progress and is ready to be assessed by peers and by experts.

Mo Ibrahim, Founder of the Mo Ibrahim Foundation

I will look at all these questions. To start with, there was a little bit of confusion about corruption and governance. Corruption is not governance. As I said, it is one element out of 88 elements, so we must deal with it in the right way. Education is an issue; health is an issue. What about management of the economy? What about what is happening in the economy? What is happening with regard to human rights? What is happening with regard to gender issues? How long do girls stay in school? How many cases of rape are there?

All these are important issues of governance. Somehow, there is always this tendency, when we speak about governance, to only speak about corruption. We spent 30% of the time at this meeting talking about corruption. Actually, it is one of 88 parameters, so let us deal with the whole situation.

There is the question of benevolent dictators. What if you have a benevolent dictator who is a very good man, who is dedicated to the people and does this and that for them? That is fine; this country will score very well in education, health etc. Look, Cuba has one of the best health systems in the world. That is correct. If we are marking Cuba, we will say that they have one of the best health systems in South America.

That is fine. However, if you mark them on human rights and democracy, they will have a very low score. It is about balances and checks and people judge, as to whether they are better at doing this or that. Is Singapore a full-fledged democracy or not? This is question for people. However, they have been very successful economically; it is a safe place etc. We present the whole picture, but we do not judge; we are in Africa.

However, you have to look at the whole picture and then pass your judgement. What is more important for me is fine, but we need to be open and honest about measuring. It is not one area; it is not just democracy, it is not just corruption. It is not just human rights; it is not just economic development. It is not just education. It is all of these things. I think this is the right way to approach the issue of judgement.

The question of education raises a number of things. I will tell you exactly what we are doing in that area. We have a number of scholarships. We have a full MBA at London Business School, which as you know is Number One in the world. I am biased because I am a member of the Board of Trustees at London Business School, but we score Number One. We are Number One. Check the *Financial Times* (FT). We have a full MBA at the School, at the School of Oriental and African Studies (SOAS). We have a big programme; it is all for Africans. People look at doing big programmes at the relationship between the rule of law government and government. They consider which comes first, what effects what etc., using all this information and this data. We have summer schools given by SOAS staff in Africa.

In Egypt, in the American University, where Nadia works, we have four scholarships. In Sudan, we have 120 women, from Darfur and from the South, not from the North, where I come from. They are from the South and from Darfur, the areas where there are conflict. They are going to universities and the Foundation deals with all their costs, fees, food, housing etc. We are doing that as well.

This year, there have been no prizes, as you are probably aware. What we have done is, we have negotiated senior fellowships, some kind of mentorship programme. I agreed to work with Pascal Lamy, Head of the World Trade Organisation (WTO) and Donald Kaberuka, the Head of the African Development Bank. There is also Abdul Ajani, the Head of the UN Economic Commission. They will personally mentor promising young African leaders.

We are looking at people who are certified, 40 years old and very successful, with leadership material. We are going to put them working with those leaders for one year, working with those leaders in their fields 24 hours a day. They will be sitting in their laps. They need to attend all the meetings and to know everything that is going on to acquire all these skills. We are funding 40 fellowships over the next 10 years, though we did not give an award this year. That programme will continue and we will add to it.

We are doing something in education and training, but you need to understand that I am not the Government of the United States etc. We are doing our bit with the resources we have. I hope that if each of you do a little bit, with what you have, we can really move forward in this area.

Thierry de Montbrial, President and founder of the World Policy Conference

I would like to end by congratulating Mo Ibrahim at least twice, because of what he said, his message and what he is. That is point number one. The second point is that it is remarkable, after such long days, to have been able to keep the audience under your spell. We had a very long day yesterday, with a long morning and beautiful weather outside. That is also a great achievement, so there are at least two reasons. Thank you very much again, Mo and we applaud you.