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EDC
Chair Report
Published on:
16/11/2020





VIMUN 3.0 ECONOMIC DEVELOPMENT COUNCIL

Chair Report

“Corruption and Embezzlement in Africa”

Meet the Secretariat

President of EDC- Abdul Baasit Abdul Razique

Hi! My name is Abdul Baasit Abdul Razique and I will be the Secretary-General of the VIMUN Economic Development Council Conference. I am from India and study at British International School Riyadh. I have attended many conferences before. I have a passion for MUN and love discussing politics, economics etc. It helps us develop leadership qualities and gain confidence. It makes us strong diplomatic students. I hope we have a fruitful debate!

Under-Secretary-General for Economical and Business Affairs- Sebastian Smith

Hello all. My name is Sebastian Smith. I am the creator of the EDC committee within VIMUN and I also had the pleasure of choosing our topic for this conference. Despite being from the UK with a British passport, I have had wonderful experiences living in the UK, China, South Africa, and now Saudi Arabia, where I attend the American International School of Riyadh. Personally, I love to debate, and when I heard that MUN entails proper debates about real-world issues, I became hooked. I initially joined MUN in 8th grade, and since then I have attended several conferences, earned awards for top delegates, written tons of position papers, and helped write many resolutions. Now I sit on

the Secretariat team of VIMUN as the Head of Economic and Business Affairs and I also hold the position of Deputy Secretary-General at AIS-R MUN. Besides MUN, I love mathematics, physics, philosophy, finance and stock-market investing. I look forward to talking to all of you at our biggest conference yet!

Warm regards,
Sebastian

Chairperson- Aisha Siddiqi

Hi Everyone! My name is Aisha Siddiqi and I am so delighted to chair your conference this year. I am from Toronto, Canada but currently living in Saudi Arabia. I am a junior at the American International School of Riyadh and have been a part of MUN for three years. The reason why I joined this club is that I wanted to develop a deeper understanding of the political and environmental world. I've learnt so much from this club and have grown as a leader, as a speaker, as well as a writer. Apart from MUN, I have a great passion for travelling and am a huge ocean-lover. Anyways, I can't wait to see the fabulous things you all will bring to the table during the conference!

Chairperson- Sulaiman Bhatti

Hello Everyone! My name is Sulaiman Bhatti and I will be chairing alongside Chair Aisha, Chair Sebastian and President Abdul-Baasit. Being a British-Pakistani, I had a somewhat culturally different upbringing. Having an aspect of both European and Asian culture, my feelings towards situations between the two countries have always mixed, whether it was political or even a cricket match. This mixed view only recently built a desire in me to know more about not only countries I associate to, but also other countries that may be experiencing something similar. Luckily for my first conference, I had the privilege to

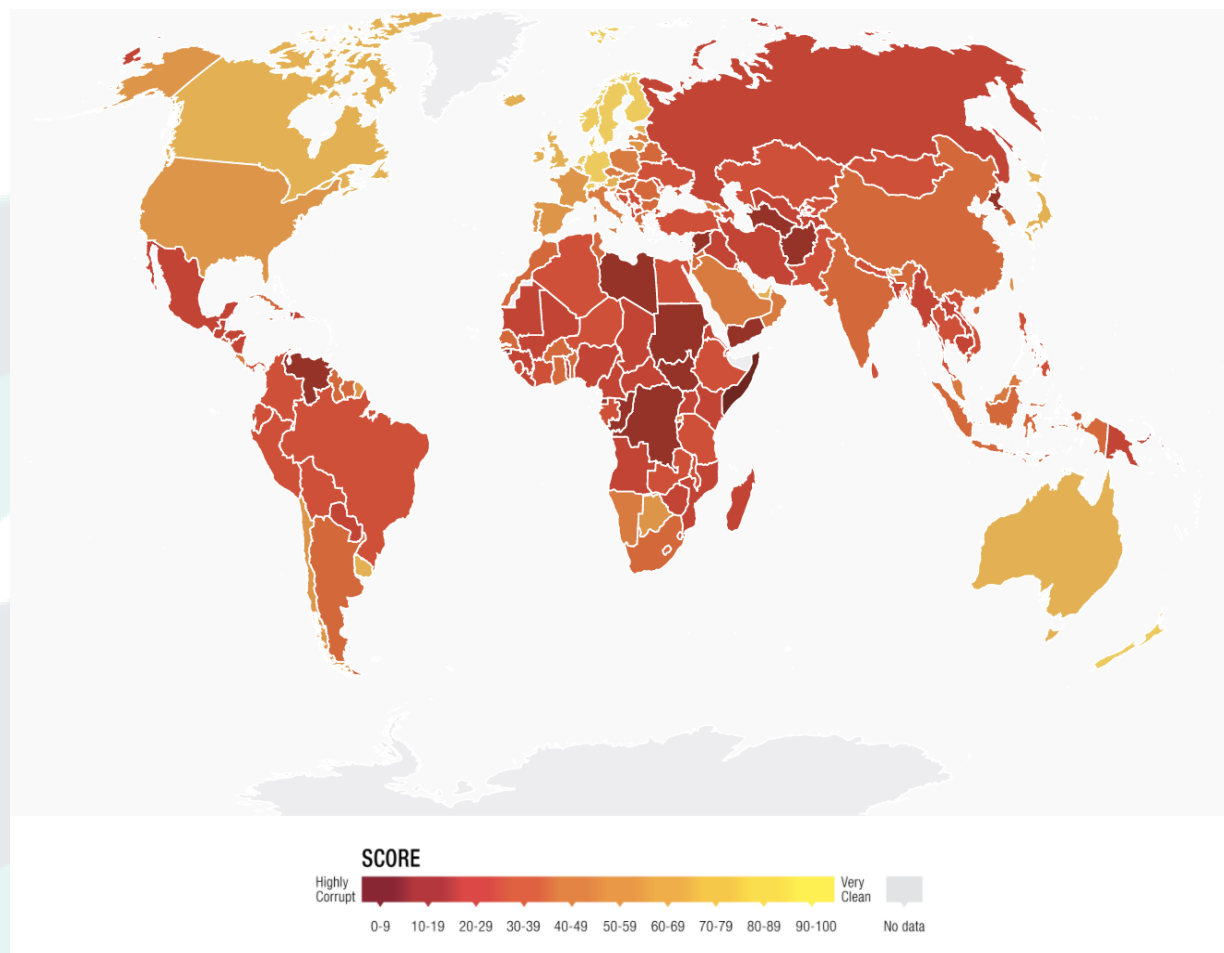
debate about the Situation in Palestine where there were factors of the issue that were somewhat related to me. I wish everyone the best of luck in the upcoming debates.

What is the Economic Development Council?

Hello distinguished delegates and welcome to the Economic Development Council (EDC) of VIMUN. EDC is one of the major committees that make up our VIMUN and in this committee, we promote higher standards of living, full employment, and economic stability. EDC includes the countries that are members of the G20 and the European Union. The delegates of this council are required to identify solutions for international economic issues and encourage universal respect for human rights and fundamental freedoms.

I. Statement of the Problem

Let it be stated that in no way does the topic of this conference make any kind of suggestion to the notion that corruption is in and of itself something intrinsically rooted in Africa, nor does it suggest that Africa is predisposed to corruption more than any other region/nation. The matter at hand, however, is the prolific corruption that exists all across the continent, and it must be addressed. Transparency International's Corruption Perceptions Index ranks countries/territories based on how corrupt each public sector is deemed to be by experts and business leaders. According to their organisation, it is the most widely used indicator of corruption worldwide.



A graphical representation of 2019's CPI results. *CPI is calculated through a composite of 13 different surveys, the data of which are collected by reputable institutions.

Notice in the figure above the abundance of corrupt and highly corrupt countries present in Africa. The reason this topic is such an important one lies in the state of African nation's development. Africa is a region home to many less economically developed countries (LEDCs) which have comparatively poor standards of living and low GDPs. The topic of corruption in Africa specifically is an important issue on its own is that this continent, in particular, contains many LEDCs, and therefore state embezzlement of large funds, for example, has more of an impact on the

citizens of that country than if the government of a more economically developed country (MEDC) were to embezzlement that same amount of funds. The same goes for cronyism, kleptocracy, bribery, nepotism, and so on. Not only that, but every single one of the bottom 20 countries in the UN's Development Programme's Human Development Index Ranking (HDI) is an African nation with the exception of Yemen and Afghanistan (hdr.undp.org). Ensuring that the economic and human developmental growth of the delicate continent of Africa is not inhibited or hampered by state-level 'mismanagement' or embezzlement of funds is paramount to ensuring a stable and prosperous Africa.

II. Definition of Key Terms

Key Term: Corruption

“A form of dishonesty or criminal offense undertaken by a person or organization entrusted with a position of authority, to acquire illicit benefit or abuse power for one's private gain.” There are many different types of corruption and knowing what these different types are will help you as a delegate understand which types are applicable to your delegation. Some types of corruption may be more prevalent than others in certain parts of Africa, or some types may be doing more social and economic harm. Most corruption within the context of this conference will be political corruption, though corruption by large conglomerates or business monopolies are not uncommon. (See below!)

Key Term: Extortion

Extortion is when individuals or firms are forced/threatened by an entity into providing assets, especially money. For example, robbery/mugging is the most basic form of extortion: an individual is forced to give another individual their possessions since they are being held at

knife/gun point. However, at the corporate/government level, extortion might be found in the form of blackmail or economic/business related threats.

Key Term: Bribery

“Bribery is defined by Black's Law Dictionary as the offering, giving, receiving, or soliciting of any item of value to influence the actions of an official, or other person, in charge of a public or legal duty.” Essentially, you are asking someone to act dishonestly so that their actions personally benefit you in some way and in exchange for this you provide them with money or some other type of valuable asset. Large corporations, and especially governments that are often prone to accept bribes are usually considered corrupt.

Key Term: Cronyism

“The appointment of friends and associates to positions of authority, without proper regard to their qualifications.” Additionally, cronyism can also come in the form of contracts, money, or business opportunities. For example, a recent case of cronyism would be leaders of the UK government handing contracts worth millions of pounds to their close friends and associates for no other reason than doing them a favour because they're buddies.

Key Term: Kleptocracy

“Kleptocracy is a government whose corrupt leaders use political power to appropriate the wealth of their nation, typically by embezzling or misappropriating government funds at the expense of the wider population. Kleptocracy is different from plutocracy and oligarchy.”

This term is only applicable to the context of government, and a kleptocratic government has members that seek personal gain at the expense of their citizens.

Key Term: Nepotism

Nepotism is “the practice among those with power or influence of favouring relatives or friends, especially by giving them jobs.” This term is very similar to cronyism with an extra emphasis on those in power appointing jobs in particular.

Key Term: Slush Fund

“A slush fund is a fund or account that is not properly accounted, such as money used for corrupt or illegal purposes, especially in the political sphere. Such funds may be kept hidden and maintained separately from money that is used for legitimate purposes.” In your research, if you find history of slush funds in other delegations that will be present at the conference, you might want to present this as evidence for reasonable concern that slush funds may still exist in that delegation. You could then work to add an amendment that will counter this issue, for example.

IMPORTANT: These terms are not here to only help your understanding; they are also here to help guide your research. These terms may fall under the umbrella of “corruption”, but many of them are completely different issues from one another. Use these terms in your research and analyse them to better understand what specific issues of corruption can be tackled in a resolution. Also, since a lot of these terms are different, they will require different means of solving them. Please keep this in mind throughout your research process.

***If you have any questions about this see our contact information further on.**

III. History of the Problem

Corruption in and of itself is something that is not new. It is as old as civilization itself and it doesn't align itself to any particular geographical region. As we know it today though, corruption seems to have emerged from the economics of the slave trade and the industrial revolution of the 19th century. According to a source cited on page 27 of Globethics.net - Corruption in Africa, the massive expansion of business that came with the industrial revolution resulted in a far more financially complex economy that was more dependent on finance management, investment, and professionals who work within the sector (financiers, lawyers), ultimately facilitating "the expansion and potential for white collar crime." All of this and the potential corruption that comes with it was introduced to Africa through colonialism. This same economic system survived the period of transition where many African nations fought for their own independence and corruption has since been allowed to thrive due to the new, weak governments and leadership that were installed after the colonists left said African nations. This same source highlights some of the identifiable causes of corruption as at a surface level, rather than the deep underlying causes, which are:

- Negative colonial legacy (as previously discussed)
- Poor leadership
- Politics of the belly - "an expression that refers not only to the necessities of survival but also to a complex array of cultural representations, notably those of the 'invisible' world of sorcery. The 'politics of the belly' attests to a distinctively African

trajectory of power that we need to understand as part of a long-term historical development.” (wiley.com) We highly suggest looking this term up.

- Omnipotent state
 - Greed and selfishness
 - Clientelism and patronage nepotism
 - Absence of popular participation of the public in government
 - Weak institutions of governance as previously discussed
 - Lack of accountability and transparency
 - Lack of political will
 - Weak ethical values
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Centralist nature of the state and concentration of state power

Weak judicial system and constant insecurity and conflicts

While these problems are what we can attribute corruption to at the surface level, it must be maintained that the underlying problem of corruption in Africa is the result of its deeply rooted governance problem. Once independent, a large amount of African states found themselves concerned with “politics of survival”, using military coups, uprisings, brute force, and the like to take institute one-party states which not only ensure they will hold their position for years to come but also allow them to implement their plans for the nation. Such plans, in line with a lot of one-party states, often involved the squashing of dissenting voices and exploitation of the people, not to mention nepotism and the like - classic corruption. (Rwekaza M., Fox L and Liebenthal R, World Bank 2006) Understanding the gist of the history of governance in Africa is key to solving this problem as it is the root of the prolific corruption that can be seen all across the continent. Moving on, there are some key nations you will want to pay close attention to, especially if you represent said nation in the conference.

South Africa

In September 1999, an investigating agency called the Scorpions Investigating Unit was created to prevent and investigate the cases of corruption. But it was later disbanded in 2009 due to political interference and inefficiency in tackling corruption. The political interference is touted as the main reason for the downfall of the agency and increased corruption.

Nigeria

A total of 13 laws have been enacted in the National Assembly of Nigeria against corruption and several agencies such as the Economic and Financial Crimes Commission (EFCC), Code of Conduct Bureau (CCB) etc have made in order to combat corruption. But due to bad political interference and nepotism, all these laws and agencies have failed to minimise corruption in the country.

Kenya/Uganda/other

In 2002, an anti-corruption commission was given charge with the prevention and investigation (though not the prosecution) of corruption cases. Most of those efforts, however, had fallen prey to the overwhelming power of the executive branch. Forty-five constitutional amendments have strengthened the executive's power since independence in 1963; the judiciary is effectively controlled by the president which makes it really inefficient to control corruption.

IV. Previous Attempts at Solutions

Treaty/Law 1

The African Union Convention on Preventing and Combating Corruption (AUCPCC) established on 11 July 2003.

Treaty/Law 2

The United Nations Convention against Corruption signed on 9 December 2003 and effective on 14 December 2005.

V. Possible Solutions

- Encourage countries who have signed the AUCPCC Treaty to publicly report their progress and hold their leaders accountable to enforce laws that address the proceeds of corruption, crime and money laundering.
- Urge the remaining nations to ratify the AUCPCC Treaty immediately.
- Nations of the African Union (AU) should form an independent investigation that looks into the allegations of corruption at the African Union Advisory Board on Corruption (AUABC).
- Implement appropriate institutional sanctions on those who were found culpable
- In multiple African countries, the procurement of goods and services lead to countries losing money due to the misappropriation of funds and corruption. To prevent this from recurring, the nations of the AU must endorse ethical and minimum guidelines for transparent and accountable procurement.
- The AU must build a strong procurement practice throughout the continent by funding for heavy training, monitoring, and research.

- Open contracting must be adopted by the AU as it stimulates economic growth and strengthens procurement systems. Open contracting practices facilitate the standardised disclosure of data, clarify documents applicable to the contracting process, and allow for deeper analysis of data. Introduce open contracting as the default procurement process of the AU.
- Private companies sometimes keep their owners' names secret, allowing for criminal activities and dirty money to go untraced. AU countries should establish public registers that name these individuals and thoroughly assess bidders for public contracts.

VI. Research Tips

When researching, one useful tip would be to group your research into 5 categories: a) your delegation/country's history with the issue, b) what relationship your delegation currently has to the issue and what is currently being done in terms of a solution that your delegation is involved with, and c) what your delegation would like to see in the future and some proposed solutions that would achieve that.

- What is the source of the problem?
- Your delegation/country's history with the issue
- What relationship your delegation currently has to the issue and what is currently being done in terms of a solution that your delegation is involved with
- What your delegation would like to see in the future and some proposed solutions that would achieve that
- What resources may your nation require in order to help the situation?

By no means does your research have to contain every aspect of this, nor does it have to follow this guideline. It is just a recommendation.

Remember, always make sure that when you summarize your country's stance on the issue in your opening speech, it **MUST** be consistent with what that country actually wants/believes, and your behaviour throughout the entire conference must be consistent with this - there is no room for personal opinion.

If you have any more questions or require any further assistance, do not hesitate to contact any of the committee's chairs or president:

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Aisha Siddiqi: aisiddqi@aisr.org

Sulaiman Bhatti: Sulaimanbhatti235@gmail.com

Abdul Baasit: abdulbaasitar02@gmail.com

VII. References - See these for further reading!

Globethics.net - Corruption in Africa

([https://www.globethics.net/documents/4289936/13403252/GE Focus_14_web.pdf](https://www.globethics.net/documents/4289936/13403252/GE_Focus_14_web.pdf))

Politics of the Belly (<https://www.wiley.com/en-us/The+State+in+Africa%3A+The+Politics+of+the+Belly%2C+2nd+Edition-p-9780745644370>)

Transparency International's Corruption Perceptions Index and further specific information (<https://www.transparency.org/en/cpi#>)

Rwekaza M., Fox L and Liebenthal R, the Political Economy of Pro-Poor Policies in Africa: Lessons from Shanghai Conference Case Studies in Attacking Africa's poverty: experiences from the ground/ edited by Louise Fox, Robert Liebentahl, World Bank 2006.

(<http://documents1.worldbank.org/curated/en/301951468004214528/pdf/355220Attacking0poverty01OFFICIAL0USE1.pdf>)



VIII. MUN Procedure Reminder

Many resources will have already been sent you, but here is quick recap of some of the information that has been covered in the training sessions

- Every delegate will join their assigned committee on discord and rename themselves to: Delegate of [insert nation name]
- Each delegate will then give their small opening speech, which should be no longer than 2 minutes:
 - This should be a brief summary of your country's stance on the topic that is being discussed (corruption and embezzlement in Africa),
 - This will be important for other delegates to determine if you will be a potential ally for the time in the conference and who will be signatories/co-submitters on which resolution.
- Discussion of the resolution will then begin
 - The resolution will be presented by the main submitters (South Africa will present one resolution and Nigeria will present another) who will then read out the operative clauses of the resolution and entertain questions from other delegations,
 - Amendments may be sent in and entertained during this time to resolve conflicts or make the resolution better,
 - These amendments will be voted on, and eventually the resolution as a whole will be voted on.