REDUCING CORRUPTION & ACHIEVING ETHICS REFORM IN NEW YORK

Dick Dadey
Executive Director, Citizens Union
NEW YORK’S HISTORY WITH CORRUPTION AND CITIZENS FIGHTING BACK

• Tammany Hall – Political Machine That Fueled Graft and Corruption in New York
  o Boss Tweed
  o George Plunkett – honest “graft”

• Tammany Hall Helped
  o Immigrants Assimilating in NYC
  o Businesses in Dealing With Government

• Source of Power – Immigrants’ Votes and Businesses’ Money

• Citizens Union founded in 1897 to Fight Tammany Hall Corruption
  o Elected First Reform Mayor in 1901 – Seth Low

• Rise of Citizens Reform Movement Led to Tammany’s Downfall
CORRUPTION AND ETHICS REFORM IN NEW YORK

• The value of a scandal in changing New York City government’s way of doing business
  o City Parking Violations Scandal
  o Creation of City’s Heralded Public Campaign Finance Program
    o Citizen Outrage and Advocacy
    o Limiting Large Contributions and Creating Public Matching Funds

• The Pay to Play System in New York
  o Permissive State Campaign Finance Laws
  o Legalized “Bribery”
    o Similar to the 1800’s Legalized Graft
  o Self-Policing and Ineffective Enforcement

• Citizens Union’s Corruption Tracker
  o Crime Wave in State Capitol
CITIZENS UNION
CORRUPTION TRACKER
See How the Albany Crime Wave Continues to Rise

NY State Legislators Who Have Left Office
due to Criminal or Ethical Issues

1999-00: 1
2001-02: 0
2003-04: 1
2005-06: 2
2007-08: 5
2009-10: 4
2011-12: 3
2013-14: 8

CLICK ON THE DAY FOR A FULL REPORT ON LEGISLATIVE TURNOVER DUE TO ETHICAL/CRIMINAL ISSUES.

Since 2000, 28 state legislators have left office due to criminal or ethical issues, and this could soon climb to 32.

Pending:
S. Silver (AD-65)
T. Libous (SD-52)
J. Sempson (SD-19)
W. Scarborough (AG-29)

In the 2013-14 legislative session alone, eight legislators have left office.

Assemblymember Gabriela Rosa resigned in a plea deal regarding marriage fraud.
Assemblyman Eric Stevenson was forced to resign after a jury found him guilty of taking $23,000 in bribes.

Three legislators; Assemblymembers Dennis Gabryszak, Phil Lagon and Marcela Gaffney resigned due to ethics and corruption scandals.

Assemblyman William Bonner Jr. formed his own office as a result of his conviction based on 21 counts of fraud, bribery, and extortion.

Assemlbyman Nelson Cunha has resigned as part of a deal to cooperate with federal authorities to help induce other corrupt legislators after he lied under oath in an election fraud investigation.

Sources:
http://www.citizensunion.org/news/12135
http://www.citizensunion.org/news/12136
http://www.citizensunion.org/news/1188571
TODAY’S CITIZENS FIGHTING CORRUPTION

• Recent Arrest of Assembly Speaker Silver Showcases How Reform Efforts Against Corruption in NYS Resulted in Ethics reform Legislation

• Public Interest Journalism and Independent Media Role

• Role of Civic Groups Like Citizens Union
  o Integrity
    o Fair, Accurate, and Tough
  o Effectiveness / Watchdog vs. Attack Dog
  o Stages of Reform Campaign
    i. Identify the Issue
    ii. Report on the Corruption
    iii. Educate the Public
    iv. Engage Civic-Minded New Yorkers
    v. Propose a Solution
    vi. Push for Government Action
    vii. Enact Reform
FIGHTING CORRUPTION INTO THE FUTURE

• Public Money Always Provides Risk of Corruption

• Ending Use of Public Position for Private Gain

• Enacting Campaign Finance Reform and Use of Public Funds

• Making Legal Bribery ➔ Illegal Graft

• Citizens’ Action
  o Continued Persistence
  o Principled but Pragmatic
  o Never letting the Perfect Be the Enemy of the Good
  o Being True and Tireless
Engaging the Public: Mobilizing Citizens, Civil Society, and the Media

Athanasios Tsiouras
Legal Advisor to the Mayor
Office of the Mayor of Athens, Greece

APRIL 24, 2015
Budget transparency in real-time and statistics

ELECTRONIC SERVICE CENTER

Budget

<table>
<thead>
<tr>
<th>Code</th>
<th>Title</th>
<th>Amount</th>
<th>Detailed</th>
<th>Entalshment</th>
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<tr>
<td>6422.003</td>
<td>Payment of travel expenses (air) - Porters for season ticket</td>
<td>1780</td>
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<td>6431.002</td>
<td>Expenditure on information and communication with citizens, institutions etc.</td>
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<td>6463.001</td>
<td>Conference costs, receptions and other events</td>
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<td>Office Subscriptions Health Cities in the World Network of Municipalities and National Intermain</td>
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<td>6473.002</td>
<td>Office running costs Equality</td>
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<td>6473.097</td>
<td>Cost of Repair - Vehicle Maintenance HELP AT HOME</td>
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<tr>
<td>6473.098</td>
<td>Operating Expenses Program &quot;HELP AT HOME&quot; (Yeyionom Ako Material, Stationary etc.)</td>
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<td>6473.099</td>
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<td>6474.002</td>
<td>Operating expenses for the hospital Women Victims of Violence and their children SAE - 455/8 c</td>
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<td>6485.001</td>
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<td>6484.001</td>
<td>Expenditure for the Microbiological Analysis of swimming pools and Biological Analysis</td>
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<td>900</td>
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<td>6492.001</td>
<td>Costs and judgments enforcement costs or compromise operations</td>
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<td>6495.000</td>
<td>Other general expenses</td>
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<td>Other supplies books and printed</td>
<td>500</td>
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</table>

FEES AND STAFF COSTS

TOTALS

Expenditures

Capital

Payments

Glenikia sounlia

12
Online licenses and individual profile

LIST OF URBAN PLANNING LICENSES

ONLINE APPLICATION

1. Αντίκατάσταση άδειας λειτουργίας ημιμηχανής
2. Αντίγραφο έδαφους λειτουργίας ημιμηχανής
3. Αντίγραφο έδαφους τεχνητής μηχανής
4. Αντίγραφο έδαφους ημιμηχανής
5. Αντίγραφο έδαφους λειτουργίας ημιμηχανής
6. Αντίγραφο έδαφους ημιμηχανής
7. Αντίγραφο έδαφους τεχνητής μηχανής
8. Αντίγραφο έδαφους ημιμηχανής
9. Αντίγραφο έδαφους ημιμηχανής
10. Αντίγραφο έδαφους ημιμηχανής
11. Αντίγραφο έδαφους ημιμηχανής
12. Αντίγραφο έδαφους ημιμηχανής
13. Αντίγραφο έδαφους ημιμηχανής
14. Αντίγραφο έδαφους ημιμηχανής

Είσοδος στο ΚΗΕ

Παράτηση:
Η Παράτηση η Απόφαση του Δήμου αποτελεί έδρα η υπογράφεται από τον Υπό Δήμου Α. Π. Πεζούλα.
Corruption scandal shook the Athens Municipality

26 July 2011 / 18:07:31  GRReporter

The saying "no free lunch" especially during the time of crisis proved to be correct after the revelation of the corruption scandal at the Athens Municipality. It all started when a private manufacturer of ready meals announced to the police that the Director of the Center for the care of the homeless in the Athens city hall has requested 10,000 euros bribe. This amount would guarantee him winning the next municipal tender for the supply of food for homeless people in the social center.

"Exerted pressure was put upon me to give a bribe. They came to my company in Avlida and their behavior toward me and my staff was extremely offensive," says the entrepreneur quoted by Vima newspaper and continues: "They told me that if I do not give the amount requested, I have no chance of winning the next tender, which is worth about 600,000 euros for the supply of ready meals in care centers for the homeless at city hall."

Besides the requested bribe, the director of center for homeless asked for 10% of the amount of the previous supply contract that was worth 406,000 euros. The condition was that if the supplier does not give the amount requested, the municipality will not pay their debts to the company, which until yesterday was supplying the home with ready meals for the social activity.

In order to catch the corrupt municipal official, the police organized an action, in which the businessman had to meet the director and give him the requested amount. The meeting was organized on the highway Athens-Lamia, on northern suburb level station of Kifissia. When the briefcase with the money has exchanged hands, the police made the arrest.
GLOBAL CITIES
Joining Forces Against Corruption
Columbia Law School • April 23-25, 2015

@ColumbiaCAPI    #GlobalCities
ENGAGING THE PUBLIC: MOBILIZING CITIZENS, CIVIL SOCIETY, AND THE MEDIA

Fuad Khoury Zarzar
Contralor General de la República del Perú
**PERU – BACKGROUND INFORMATION**

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
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<tbody>
<tr>
<td>Population</td>
<td>30 million</td>
</tr>
<tr>
<td>GDP</td>
<td>US$ 200 billion</td>
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<tr>
<td>Economic growth</td>
<td>5.8%*</td>
</tr>
<tr>
<td>Debt / GDP</td>
<td>17.3%</td>
</tr>
<tr>
<td>National Budget</td>
<td>US$ 60 billion</td>
</tr>
<tr>
<td>Investment Budget</td>
<td>US$ 15 billion</td>
</tr>
<tr>
<td>Infrastructure Gap</td>
<td>US$ 40 billion</td>
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*Last 5 year average*
La Contraloría is a decentralized body of public law that enjoys autonomy in accordance with its organic act. It is the highest body of the National Control System.

Audits the General Account of the Republic and oversees the legalities of:
- The implementation of the national Budget
- Public debts operations
- Activities of subjects to its control
INFOBRAS
INFObras is an online system developed to strengthen the transparency, management and control of public works.
Incomplete and fragmented data

Executor Institution

Physical progress

Complete and Integrated data

Internal Control
External Control

Transparent data

Executor institution
Auditor
Media
General public
YOUNG AUDITORS PROGRAM
**What is the Juvenile Auditors Program?**

It is a program that promotes ethical and civic values for an anticirodruption culture through the participation of school children in the oversight of public activities, encouraging the participation of citizens in the accountability and fight against corruption.

**Auditories Juveniles**

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**What is the Juvenile Auditors Program?**

Programa que promueve valores éticos y cívicos que fomentan una cultura anticorrupción a través de la práctica de veedurías escolares, promoviendo la participación ciudadana en la rendición de cuentas.

**Identificación del Problema y Planificación**

Los alumnos y toda la comunidad escolar identifican sus principales problemas y deciden regular una veeduría escolar. Se forma un equipo veedor (alumnos y docentes quienes son reconocidos por la comunidad, escolares, padres y docentes, planifican y ejecutan la actividad. Ejemplos: Biblioteca escolar desordenada y en constante deterioro, mobiliario desecho.

**Identificación of Problem and Planning**

Students and the school community identify the principal problems and decide to regular a school audit. An audit committee is formed (students and teachers who are recognized by the community, schoolchildren, parents and teachers, plan and execute the activity. Examples: School library disorganized and constantly deteriorated, obsolete furniture.

**Presentación de las recomendaciones de mejora**

El equipo de veedores presenta el informe de veedurías y expone las observaciones en condemnadas al director. Luego toman una acta de compromiso con los plazos de implementación de mejoras.

**Presentation of the Recommendations for Improvement**

The audit committee presents the audit report and exposes the observations condemned to the principal. Then, they take an act of commitment with the implementation deadlines of improvements.

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**Construyendo una nueva ciudadanía**

“Building a new citizenship”
CONCLUSIONS

• Corruption is always looking for new ways to operate and if we do not innovate by developing new anticorruption mechanisms which involve citizens, media and civil society participation, we will not succeed in the fight to insure integrity, efficiency and effectiveness in public expenditure.

• In the Contraloría we are Two Thousand Eight Hundred (2,800) auditors who work against corruption all over the country. With new tools such as INFObras and the Young Auditors Program, we can add Thirty (30) million people to our anti-corruption army.
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LEGAL CERTAINTY IN CDMX
ENGAGING THE PUBLIC: MOBILIZING CITIZENS, CIVIL SOCIETY, AND THE MEDIA
TOWARDS A CUTTING EDGE CAPITAL CITY
CORRUPTION

Complex, delayed, & unnecessary procedures

Poorly trained public servants

Lack of commitment from government officials
CDMX 2012 - 2018

Governance

- Transparency
- Accountability
- Democracy
- Efficiency
- Rights & Liberties
- Active Civil Society
- Legislation
- Institutional Programs
- Rule of Law

Government Project

<table>
<thead>
<tr>
<th>Programs</th>
<th>Plans</th>
<th>Institutional Actions</th>
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</table>

Institutional Framework

<table>
<thead>
<tr>
<th>Federal Government</th>
<th>Local Government</th>
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</thead>
</table>

- Coherent Laws
- Government Actions
- Institutions
Regulatory Reform Agenda

1. Launch of CDMX Procedures & Services Website
   • Reduction of services & procedures

2. Implementation of a Comprehensive Citizen Service Model
   • Human & financial resources

3. Implementation of the Alignment, Control, & Regulatory Framework
   • Inter-institutional Work Groups

4. Use of Information and Communications Technologies
   • Digital Agenda: technology, systems, & accessibility

5. Control & Sanctions
   • Undercover users
New Registry Model

Modernization

Legal Framework
ICT
Digital Archives
Synergy
Tax Collection
Legal Certainty
Administrative Simplification
SOLID PUBLIC FINANCES
QUALITY CITIZEN SERVICE
Public Registry of Property & Commerce

- Simplification and reduction from 38 to 3 procedures
- Reduction of 98% of backlog
- World Bank “Doing Business” report

Pending Procedures

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>April 2014</td>
<td>28,000</td>
</tr>
<tr>
<td>October 2014</td>
<td>1,500</td>
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Transparency & Accountability

- App “Alerta Inmobiliaria” (Property Alert)
- Citizen Complaint Hotline
- E-Government Services
- Online Appointment System
- Citizen Satisfaction Index
Citizen Satisfaction Index
Multivariable Econometric Formula

Equation

- \( NS_i = f(COST_i, TEMP_i, CONF_i) \)
- \( COST_i \rightarrow \) Sum of all variables related to the cost of the procedure or service, expressed in monetary terms
- \( TEMP_i \rightarrow \) Sum of all variables related to the time required to obtain the procedure or service
- \( CONF_i \rightarrow \) Degree of trust and transparency to obtain the procedure or service
- \( i \rightarrow \) Procedure or Service analyzed
- The function can contain as many variable components as needed depending on the specific characteristics and nature of the procedure or service being analyzed

\[
NS_i = \Gamma[\delta COST_i^{-1/\rho} + \beta TEMP_i^{-1/\rho} + (1 - \delta - \beta) CONF_i^{-1/\rho}]^{-1/\rho}
\]
Contact Information

www.consejeria.df.gob.mx

Consejería Jurídica y de Servicios Legales del Distrito Federal

Consejería Jurídica del DF

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