

**2017 SENATE SUB COMMITTEE INQUIRY INTO
ESTABLISHMENT OF A NATIONAL INTEGRITY COMMISSION
2nd Submission by ex-Major Allan Warren**

Committee Secretary
Senate Sub Committee o National Integrity Commission
Parliament House
CANBERRA
ACT 2600

Dear Secretary,

Thank you for granting me the extension of time to make submission to your National Integrity Commission (NIC) inquiry. My first 10 page submission dated 31 March 2017 gave outline case evidence why an independent NIC needs to be established. This second submission is more general with focus on how corruption can threaten our federal government institutions and why existing anti-corruption mechanism and agencies are inadequate. I have also attempted to put the issues and subject matter in context of global trends and events because what happens overseas affects us here. What we do here can also be seen by the rest of the world, be it good or evil.

There is current and historical global evidence that democracies are in decline in respect to their governance. Governments' ethics, competence, professionalism of public officials and integrity of elected representatives are all questionable and must be challenged. Australia is not immune from these problematic trends. We are multicultural with cultural baggage from the four corners of the globe. Our Parliamentary Standards come from the U.K Westminster System. We learn from and copy anti-corruption agencies from around the world - the Scandinavian Ombudsman System and the Independent Commission Against Corruption (ICAC) from Hong Kong come to mind. Our politicians travel the world on "educational" to study these systems. The taxpayer expects value in return. And we expect our parliamentarians to take corruption problems seriously. Currently, they do not as evidence in my first submission.

Public trust in Australian politicians is in 'red alarm' territory and for justified reasons. Surveys reveal 85% of Australians now believe corruption exists with the Australian Government. They are seeking solutions at the voting booths by putting minor party and independents into parliament. Many people perceive that there is no longer a Liberal/National Party or Labor Party. All they see is two branches of a 'Corporate Party' controlled by big business and lobbyists that have no interest in the "public interest".

A recent Sydney Morning Herald (SMH) opinion article (13 Apr'17) by Tony Fitzgerald, the former judge who led the Royal Commission into corruption in Queensland, is disquieted of the collapse in ethics of our federally elected representatives. He crystallised the problems that need o be addressed by this committee. I can only hope that he has made a submission to this Inquiry. In the event that he has not, I reiterate some points from the article. It is titled, 'Political ethics in an oxymoron for self-interested politicians.' He points out that many of our politicians regard ethics

and empathy as barriers to success and they are addicted to vested interests. Compare this to my first submission wherein I reported that Lord Justice Salmon (UK-1966) Royal Commission found that anti-corruption success very much depends on the personal integrity of portfolio responsible ministers.

Tony Fitzgerald recommends not only the establishment of an effective national anti-corruption organisation but also calls for an independent parliamentary integrity commissioner to penalise breaches of fidelity to duty by our elected officials. He states that politicians will find it impossible to regain public trust unless they behave like normal, honourable people. I certainly endorse his position and recommendations. My submission of 31 March gives ample evidence of the corruption and breach of trust that I continue to endure at the hands of key officials. Most of that information is already on Hansard based on previous submissions by me to past Senate inquiries.

In your committee deliberation on the need to establish an independent NIC significant factors that ought to be considered are, "What or who is currently preventing adequate detection and correction of abuse of power?" Only then can effective anti-corruption agencies and mechanisms be put in place to target the origins of corruption. My first submission clearly identifies answers to these questions.

If so many Australians perceive our federal politicians believe that their integrity is just a joke - that they can lie and deceive at will; put personal careerism and personal interests about duty; rort travel expenses and otherwise spend public monies irresponsible - then it stands that they also hold the rule of law in contempt; that it too is a joke. If so, this is a very dangerous premise for the near future of Australian democracy.

Global trends clearly evidence the virulence of corruption. We need to heed these as the 'macro drivers' against democracy and how it comes about. Brazil was a vibrant democracy. Today it is in the grip of its biggest political corruption scandal involving financial malversations running into untold \$millions. Eight of the President's ministers and dozens of sitting law makers (read parliamentarians) are involved. These scores of politicians care nothing for the 200m plus Brazilians that they represent and whose civil society depends on the rule of law. "Brazil is on the cusp of institutional paralysis. It's entire political system is now flawed."¹ There were no effective mechanisms or agencies to check and balance the integrity of the elected parliamentarians. These law makers betrayed the people, the nation, to become pawns to the corporate overlords so as to fill their pockets. They acted as terrorists against the people who elected them. Anti corruption agencies failed to detect them or were themselves on the take. Again, these legislators had no interest in the 'public interest'.

The USA is of greater concern than Brazil. People around the world are starting to understand just how corrupt is the national politics in Washington DC. Anti-corruption agencies failed to effectively constrain abuse of power that brought on "the great recession" (or global financial crisis, GFC). Rich lobbyists controlled Washington politicians. The GFC would not have happened but for these

¹ SMH 13.4.17

lobbyists. The anti-corruption agencies in Washington are so weak that there is a high probability that these lobbyists are again in the process of bringing about yet another but a far greater GFC than that of 2008. Their purpose is no more than excessive greed. They will further strip the wealth of the middle class and transfer it to themselves and cronies. They will do this globally. It is fair comment to state that perhaps a few hundred politicians in Washington DC are potentially poised to destroy the lives of millions of people around the world in what later might be described as the 'Great Bond Bubble' or the 'Stimulus Bubble'. If this does happen it will be because these politicians are still in the pockets of the lobbyists. And the anti-corruption agencies will again have turned a blind eye. Again, there is no interest in the 'public interest'.

Our near neighbour, Indonesia is severely corrupted. 230m plus Indonesians are forced to live under a rule of law in which it is reported that 80% of the judiciary is corrupt. So would we consider ourselves lucky to have a healthy democracy if only 10% of our judiciary were corrupt? I don't think so, and to be sure the real figures is much lower than that.

India is a huge democracy. It too is highly corrupted. Another democracy, the Philippines, has a President who has instigated and sanctioned extrajudicial killings and there is no end of human rights violations as a consequence.

Turkey was a liberal democracy with a separation of powers, rule of law and a free media. Its President Erdoan and four of his ministers were caught out in mass corruption in 2013. To prevent charges against himself going to court he purged police and judges from office. He then purged or arrested opposition politicians that opposed his presidency. He then galvanised the full power of the state machinery to force an orchestrated constitutional referendum that he dubiously won. Now he can abolish the post of Prime Minister to centralise all power to himself with no separation of power. He will appoint his own ministers from outside the parliaments. His decrees can replace the legislation of parliament. He will have 100% control over the appointment of judges. He intends to re-introduce the death penalty. Turkey's once shining democracy is now deeply wounded by a corrupt politician who purged the anti-corruption agencies and mechanisms so that he couldn't be held accountable. Turkey is beset with huge regional and complex problems. Its people didn't deserve this but Turkey demonstrates how fragile democracy can be.

I have described above only a few examples of democracies under subversive attack from within. There are many more. Democracies are not rocks of Gibraltar and can be easily be subverted by elected representatives if the people are not constantly vigilant. Lack of ethics and integrity in parliamentarians is the greatest threat to democracies anywhere in the world. Hence anti-corruption mechanisms and agencies must be totally independent and free from manipulation by them. All history has shown that without independent scrutiny, officials will seek to abuse power to its limits. And those that seek to abuse power will always argue that the existing safeguards are adequate. My first submission gives the lie to any such claim as it relates to Australia to-day. It also demonstrates how cover ups become greater crimes than the original wrongdoing.

Lord Justice Salmon's Royal Commission, UK 1966 totally discredited the record of Select Parliamentary Committees of Inquiry appointed to investigate allegations of public misconduct. The

same can be said of the equivalent committees of inquiry in the USA. There too, there is too much political interference and manipulation in the investigations.

Investigations of alleged public misconduct must be totally free of political influence. Australia's current anti-corruption agencies and mechanisms do not provide sufficient independent autonomy for such investigation and are not free from political manipulation.

It is interesting to note that Turkey's President Erdoan can now vastly expand his power by amending the constitution to allow himself to control disciplinary inquiries into Turkey's 3.5m civil servants. Hence, totally corrupt cronies could do anything and ethical public servants could be fired or jailed based on weak and fabricated accusations against them - all based on a nod from the president or his underlings. My first submission details how similar corruption, as in my case has occurred in Australia.

We are not immune from the aforementioned pattern of the global demise of democracy from within. The NSW Independent Commission Against Corruption (ICAC) found ex-government Minister Eddie Obeid (Labor) had acted corruptly. He is now serving 5 years in jail for misconduct in public office. He attempted to appeal his conviction as unlawful. He and his lawyers argued that the NSW Parliament, not the courts, should have passed judgement on his conduct. Obeid wanted to be judged by his mates in the NSW Legislative Council where he had served for over 20years. Fortunately this didn't happen.

Most Australian I believe, readily assess that there is no difference between ethics and mentality of federal politicians and those at the state level. We only have to remember how the Labor Party in office gave whole hearted assurances of confidence and trust in my former Member for Dobell, Craig Thomson. He was then found guilty of credit card fraud for use on prostitutes and other personal expenditures.

There is repetitive evidence of a virulent political culture, un-Australian, undemocratic, that flourishes here because key public officials have in place laws made deliberately weak, allowing them to escape accountability and responsibility. There is an unwillingness of Members of Parliament to impose adequate standards of accountability amongst themselves and an unwillingness to adequately investigate each other, assumable out of fear that they themselves one day will be subject to scrutiny. This failure in the rule of law within government is the door left open for corruption to enter.

People around the world are not winning against the creeping tide of corruption and abuse of power by both elected officials and bureaucrats. Systematic corruption is contagious and hence becomes increasingly difficult to contain. All three levels of government in Australia are under the influence of rising levels of official misconduct and malversations. The two local council's I pay rates to are under investigation for corruption. And they are obviously not the only two.

The experience both here and abroad is that anti-corruption agencies and mechanism are not adequate to deal with the easily identified sources of serious government corruption, namely the abuse of power by elected parliamentarians and collectively their political parties. Craig Thomson

would have been found innocent if it was up to the vote in Parliament. Obeid would be free and innocent if judged by his NSW Government in office.

Political ethics is an oxymoron and the rule of law is reduced to a joke unless our federal politicians start to restore public trust and start behaving like normal honourable people. As this is unlikely to happen, given global trends, the best defence is the establishment of an independent NIC that is fearless, forthright and forceful.

Allan Warren