



The International Dimension of the U.S. Strategy on Countering Corruption

Mateusz Piotrowski

The first Strategy on Countering Corruption, adopted on 6 December 2021, assumes that by making better use of existing international regulations and organisations, as well as by establishing new mechanisms, the U.S. will tighten global anti-corruption cooperation. The American goal is to limit the freedom to conduct financial operations by authoritarian states, mainly China and Russia, and at the same time to strengthen democratic countries and promote democracy. For Poland, this is an opportunity to tighten bilateral and multilateral cooperation with the United States.

The Road Towards the Strategy. The adoption of the first Strategy on Countering Corruption was the result of a review of the competences and anti-corruption activities within the U.S. administration commissioned by President Joe Biden in June 2021. General recommendations were prepared based on the findings of individual agencies, including the departments of Justice, State, Treasury, and Commerce, and the intelligence community. However, the fight against corruption is not a new area for the U.S. government. The basis for preventing foreign corruption in the U.S. is the Foreign Corrupt and Practices Act of 1977 (amended twice). It enables authorities such as the Treasury and Justice and the Securities and Exchange Commission to track and prevent corruption. The Agency for International Development (USAID) and State are mandated to control and prevent corruption in connection with ongoing aid programmes, and at the same time implement programmes to support anti-corruption reforms in third countries. The George W. Bush administration in 2006 introduced a National Strategy Against High-Level Corruption with the primary goal of coordinating the international fight against kleptocracy. Actions to combat corruption were also carried out by the Barack Obama administration, however, they were based on the intensification of activities of U.S. agencies and departments.

The Biden administration's strategy heralds a comprehensive U.S. approach to fighting corruption. It

assumes not only the coordination of cooperation between agencies and departments dealing with combating corruption but also draws greater attention to the transnational dimension of such crimes. The strategy concerns corruption as broadly understood and repeatedly refers to combating related money-laundering practices. These procedures interact in two ways. Profits from corrupt offenses, such as bribery or the appropriation of property, require subsequent laundering in order to appear legal. Bribes, on the other hand, can be used to bypass inspections and facilitate money laundering from illegal sources, such as financial crimes or drug trafficking. The fight against money laundering is recognised in the Strategy as equally important and complementary to the fight against corruption.

The intensification of the fight against these two practices is to be another element of the U.S. rivalry with China and Russia, because, as stated in the Strategy, corruption and money laundering are the foundations of power in authoritarian countries. Thanks to corruption, their leaders consolidate power, but also implement foreign policy, strengthening their influence in countries susceptible to this type of crime. The intensification of U.S. activities will also be detrimental to other non-democratic countries, including Iran and North Korea, as well as countries and territories that are financial safe havens. They are characterised by low taxes and legal regulations allowing for high anonymity in the financial system, with wide access to offshore banking.

These include Belize, the Cayman Islands, and Switzerland. While the strategy does not explicitly mention the fight against tax havens, in many cases they are included in the definition of safe havens.

Key Areas and Goals of the Strategy. The Biden administration has identified five pillars for U.S. anti-corruption efforts. The first concerns the reorganisation of governmental mechanisms to combat corruption. It involves an increase in the number of studies and analyses, along with the collection of data (including intelligence) on corruption, improvement of information exchange between government entities, private and non-governmental entities, and with foreign partners, remodelling of existing anti-corruption mechanisms, and integrating the fight against corruption into regional and sectoral policy. The second pillar includes limiting the flow of illegal funds by eliminating gaps in international anti-money laundering regulations, coordinating activities with partners, and putting pressure on states with regulations that facilitate corruption or financial crime. The third pillar focuses on the action of the judiciary against the corrupted. It assumes more effectiveness in cases related to money laundering and countering the use of cryptocurrencies for corruption, foreign bribery, and kleptocracy. It also calls for strengthening tools enabling accountability, improving international investigative and prosecution cooperation, and increasing the awareness of society and media about corruption and its prevention. The fourth pillar is related to the international anti-corruption mechanisms and assumes strengthening the existing structures and institutions dealing with counteracting corruption, as well as increasing pressure on combating it in other international forums. The fifth concerns the use of diplomacy and foreign aid to combat this practice. The strategy also envisages enhancing the protection of activists and whistleblowers abroad, improving the assessment of corruption risks in foreign aid programs and including them in military planning.

International Dimension of the U.S. Approach to Countering Corruption. The U.S. announced that State and USAID activities will be more focused on counteracting corruption and that development aid programmes will be strengthened in terms of preventing corruption in recipient countries. They also plan to increase the interstate exchange of information and deepen investigative and prosecutor cooperation. The Biden administration wants to become more involved in cooperation within the framework of international anti-corruption institutions—the Camden Asset Recovery Inter-Agency Network (CARIN), the Financial Action Task Force (FATF) and the International Anti-

Corruption Coordination Center (IACCC). It will also deepen cooperation with partner institutions of law enforcement and financial analytics, such as Interpol, the European Anti-Fraud Office (OLAF), and the EGMONT group. It also wants to establish a new initiative—Democracies Against Safe Havens (DASH)—the aim of which will be to counteract, together with foreign partners, the emergence of financial safe havens. The U.S. will also urge other countries to ratify the 1997 OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (44 countries are parties, including Poland), as well as to implement other anti-corruption reforms proposed by the OECD Working Group on Bribery. The U.S. will also promote other international regulations, including the 2005 UN Convention against Corruption, and coordinate anti-corruption efforts with other G7 and G20 countries. It is also possible that, due to the appointment of Michael Carpenter (Biden's chief advisor in the field of combating corruption and financial crimes and their impact on democratic and authoritarian governance) as the U.S. ambassador to the OSCE, counteracting corruption will also become an important element of U.S. policy in this organisation. The strategy does not mention the EU, which, however, does not exclude cooperation with EU institutions in this area.

Conclusions and Perspectives. The Strategy on Countering Corruption is another instrument used by the U.S. to strengthen democracy in the world. It is also a signal of expanding the policy of opposing authoritarianism, especially in the face of the unclear perspectives and the limited importance of the [Summit for Democracy](#) and the wider agenda of cooperation with the EU, G7, or within the QUAD group.

Increased involvement in combating money laundering will also allow limiting the influence and possibilities of terrorist and criminal groups. This could allow the U.S. and partners to fight terrorism, drug trafficking, and human trafficking more effectively.

The wide range of activities planned by the U.S. will allow a large group of countries to join, both with experience in the fight against corruption and those willing to introduce more transparent regulations or to fight international money laundering. For Poland, this is an opportunity to tighten institutional cooperation between the CBA and the FBI, as well as to increase involvement within the OECD Working Group on Bribery and the CARIN network. Poland, which has just begun its OSCE presidency, may, in cooperation with the U.S. representation, consider raising the topic of increasing efforts to counteract corruption through this forum.