



COMBATING GLOBAL CORRUPTION: A BIPARTISAN PLAN

21 Commitments for 2021

By Transparency International—U.S. Office

Transparency International is a global movement with one vision: a world in which government, business, civil society and the daily lives of people are free of corruption. With more than 100 chapters worldwide and an international secretariat in Berlin, we are leading the fight against corruption to turn this vision into reality.

The U.S. office focuses on stemming the harms caused by illicit finance, strengthening political integrity, and promoting a positive U.S. role in global anti-corruption initiatives. Through a combination of research, advocacy, and policy, we engage with stakeholders to increase public understanding of corruption and hold institutions and individuals accountable.

Gary Kalman, **Director**

Scott Greytak, **Director of Advocacy**

Annalise Burkhart, **Operations Associate**

@TransparencyUSA
Info-us@transparency.org



COMBATING GLOBAL CORRUPTION: A BIPARTISAN PLAN

The U.S. Office of Transparency International is uniquely indebted to **Paul Massaro**, Policy Advisor to the U.S. Commission on Security and Cooperation in Europe (the “Helsinki Commission”), and the Members of the Commission whose commitments to countering kleptocracy and preserving public integrity he champions with persistence, humility, and unrivaled passion.

TI U.S. is also indebted to **Elaine Dezenski** and **Josh Birenbaum** for their excellent and meticulous research and drafting.

We also acknowledge and appreciate the organizations and individuals that contributed expertise and feedback on drafts of this report, including Brad Brooks-Rubin, David Luna, Daniel Weiner, Drago Kos,

Elise Bean, Jen Ahearn, Josh Kirschenbaum, Joe Kraus, Josh Rudolph, Jonathan Rusch, Jodi Vittori, Jim Wasserstrom, Kyle Matous, Louise Shelley, Matthew Stephenson, Nate Sibley, Rob Berschinski, Rick Messick, Tom Cardamone, Trevor Sutton, Sarah Chayes and Zoe Reiter.

We thank the Open Society Policy Center for funding this report.

This report was prepared by Transparency International’s U.S. Office (TI-US). It represents their research and viewpoints, and does not necessarily reflect those of other Transparency International chapters, partners, funders, or board members.

Visit us at [us.transparency.org](https://www.us.transparency.org) and follow us @ [TransparencyUSA](https://twitter.com/TransparencyUSA).

Combating Global Corruption: A Bipartisan Plan, Published February 2021

Design: Mardiyah Alexandra Miller

© 2021. This report is covered by the Creative Commons “Attribution-No Derivs-NonCommercial” license (see <http://creativecommons.org>). It may be reproduced in its entirety as long as Transparency International’s U.S. Office is credited, a link to the organization’s web page is provided, and no charge is imposed. The report may not be reproduced in part or in altered form, or if a fee is charged, without permission from Transparency International’s U.S. Office. Please let the organization know if you reprint.

“ This report identifies practical steps to combat corruption. We know what to do; the question now is whether we have the political will to get the stuff done.

Elise Bean
Anti-Corruption Investigator and Former Staff Director and Chief Counsel to the Senate Permanent Subcommittee on Investigations

“ Systemic corruption is proving to be one of the gravest challenges of our generation. Its influence can be found in almost every international and national security crises of our day. The recommendations in this report should be familiar by now -- they have been discussed, honed, and tested against likely scenarios. They are logical, feasible, and that holy grail, “achievable.” Given the degree of danger, they represent a reasonable, effective and necessary approach.

Sarah Chayes
Author of *On Corruption in America -- And What Is at Stake?* and Former special assistant to the Chairman of the Joint Chiefs of Staff

“ Whether you care about kleptocrats and terrorists or bribery and inequality, this plan addresses countless threats at once with the most comprehensive bipartisan roadmap for what would be the most sweeping U.S.-led anti-corruption policy reform campaign in history.”

Josh Rudolph
Fellow for Malign Finance at the Alliance for Securing Democracy, German Marshall Fund of the United States

“ These recommendations provide a thought provoking, must-do list which will further protect the United States from the scourge of illicit financial flows and money laundering related to transnational crime, kleptocracy, corruption and tax evasion. It is long past the time when the US should be considered the go-to place to launder the proceeds of crime. Implementing these recommendations will underscore the government’s commitment to addressing not only the flow of illicit money but also the underlying criminal activity.

Tom Cardamone
President and CEO of Global Financial Integrity

“ TI U.S.’s 21 commitments for 2021 represent a bold and comprehensive agenda that marks a new phase of anti-corruption legislation and policy action in the U.S., recognizing corruption’s corrosive effects on democracy, security, economic growth, and human rights. By addressing corruption risks and remedies systemically, the TI agenda moves anti-corruption efforts -- once and for all -- from the margins to its rightful place in the mainstream of the U.S policy agenda.

Elaine Dezenski
Managing Partner, LumiRisk, LLC and Senior Advisor, Foundation for Defense of Democracies

“ Government, whether in the United States or elsewhere, should work in the public interest, not for the personal benefit of those in power. These common-sense, bipartisan solutions were crafted in this spirit. They would improve millions of lives, and deserve serious consideration from U.S. policymakers

Daniel I. Weiner
Deputy Director, Election Reform Program at the Brennan Center for Justice

“ The recommendations in this report provide important next steps for our government in addressing the corrosive impact of corruption on our society, political and economic systems. Far-reaching in their scope, they are fundamental building blocks of a more transparent society. They are also key in ensuring that the corruption that is so entrenched in other societies does not continue to undermine the rule of law in the United States. Advocating for these changes is fundamental to our national security and the human security of Americans.

Louise Shelley

Author of *Dark Commerce*, Professor and Director of the Terrorism, Transnational Crime and Corruption Center (TraCCC) at George Mason University

“ Globalized kleptocracy is just as serious and pervasive a threat as communism was in the 20th Century, but the United States is still playing catch-up. The proposals put forward here by Transparency International have been consistently advocated by conservative and progressive experts alike as necessary steps to protect our prosperity and security from the corrosive effects of dirty money from China, Russia and other regimes that disregard the rule of law.

Nate Sibley

Fellow, Hudson Institute's Kleptocracy Initiative

“ President Biden has declared that fighting kleptocracy, corruption, and illicit finance will be a cornerstone of his administration's foreign policy, and an important domestic legislative priority. Transparency International's '21 Commitments for 2021' supplies a valuable blueprint for how the Administration, and Members of Congress from both parties, can move forward in translating this vision into reality. TI's proposals are ambitious but practical, and offer the prospect of genuine near-term progress on a set of issues that often seem intractable. This document will serve as an invaluable foundation for anticorruption reformers both inside and outside the U.S. government.

Matthew C. Stephenson

Eli Goldston Professor of Law, Harvard Law School and Editor-in-Chief, Global Anticorruption Blog

“ This excellent report makes a compelling case for why combating corruption at home and abroad should be an urgent national security priority. Just as importantly, it offers concrete, much-needed recommendations on how the United States can better identify and sanction corrupt actors and those who enable them. By following the roadmap set out in the report, the United States can once again become a global leader in the fight against graft.

Trevor Sutton

Senior Fellow for National Security and International Policy, Center for American Progress

05

Introduction

10

Who are the people?

1. Extend anti-money laundering obligations to those who serve as “gatekeepers” to the U.S. financial and political systems.
2. Root out foreign corruptive influence in the U.S.
3. Prevent “Golden Visa” shopping.
4. Protect American whistleblowers.
5. Provide a safe haven for foreign whistleblowers and anti-corruption advocates.

19

Where is the money?

6. Establish a cross-border payments database.
7. Publicize the repatriation of foreign stolen assets recovered by U.S. law enforcement.
8. Crack down on trade-based money laundering through greater transparency and better information sharing.

9. Require extractive companies to disclose payments to foreign governments.

10. Require that the procurement process for U.S. foreign assistance allocations to third parties be fully transparent.

28

What are the loopholes?

11. Criminalize the demand side of foreign bribery.
12. Extend money laundering predicate offenses to include violations of foreign law that would be predicate offenses in the U.S.
13. Expand, and make permanent, the use of geographic targeting orders.
14. Promote the widespread adoption of Legal Entity Identifiers, a global standard for corporate identification.
15. Actively enforce the existing requirement that money services businesses register at the federal level.

35

How do we strengthen institutions?

16. Strengthen the U.S. Treasury’s tools for combating money laundering.
17. Coordinate, combine, and focus the foreign anti-corruption efforts of federal agencies into a coherent, whole-of-government approach.
18. Establish an Anti-corruption Action Fund to finance U.S. anti-corruption efforts across the world.
19. Mandate the development of a “National Authoritarian Influence Risk Assessment.”
20. Track country progress on freely made anti-corruption commitments.
21. Improve the Mutual Legal Assistance Treaty process.

WHY CORRUPTION?

If you pull on the thread of virtually any global threat, you will find corruption at its source. Corruption funds terrorists¹ and protects drug traffickers.² It erodes basic human rights³ and exacerbates environmental degradation.⁴ It distorts the private sector,⁵ overheats the real estate market,⁶ and poisons the global banking system.⁷ It destabilizes regions and causes wars,⁸ violence,⁹ and repression.¹⁰ It leads to crackdowns on free expression and dissent.¹¹ It causes bridges to collapse¹² and trains to derail.¹³ It steals livelihoods¹⁴ and dignity,¹⁵ and causes poverty on a massive scale.¹⁶ At its worst, corruption affects every institution, undermining our political system¹⁷ and hobbling our economy.¹⁸



Corruption is not merely abstract. Where it is endemic, it wrecks the daily lives of citizens. In Venezuela, for example, government corruption has wreaked such havoc on the economy that one out of every three citizens report skipping meals just to survive.

Corruption is not abstract. Where it is endemic, it wrecks the daily lives of citizens. In Venezuela, for example, government corruption has wreaked so much havoc on the economy that one out of every three citizens report skipping meals just to survive.¹⁹ In countries like the U.S., the facilitation of corruption is rampant. While we assume that systemic corruption is something that happens “somewhere else,” corruption – often assisted by U.S. citizens and U.S. policies – is in fact bringing drugs over our borders,²⁰ aiding terrorists who attack U.S. soldiers overseas,²¹ and assisting corrupt foreign leaders who undermine our democracy.²²

Corruption, defined by Transparency International as the abuse of entrusted power for private gain,²³ occurs whenever someone seeks a personal advantage at the expense of the public good, undermining institutions and destroying trust in the process.

A police officer demanding a bribe, for example, is corruption at its most local level. This simple action can destroy citizens’ trust in government. However, corruption can also take place on a large scale, often referred to as grand corruption²⁴ or kleptocracy, meaning “rule by thieves.” Entire governments can be taken over and run by corrupt politicians, dictators, or kings. When these small groups of powerful individuals treat their governments as their personal bank account, a kleptocracy is born. For example, between 2009 and 2016, former Prime Minister Najib Razak of Malaysia stole as much as \$4.5 billion from his country’s national development fund. When authorities finally raided his house, they found 12,000 pieces of jewelry, including 14 tiaras. As a result, as many as 7 million rural Malaysians stand to lose out on hospitals, roads, and other infrastructure that bring health and prosperity to their communities.

Like a virus that must spread to survive, kleptocrats and dictators have turned to the use of corruption as a strategic weapon of the state. China, for instance, actively fed corruption in Sri Lanka, helping then-president Mahinda Rajapaksa build what has been called the world's emptiest airport, with no daily commercial flights, in exchange for maritime access to the strategically important island along one of the world's busiest shipping lanes. Now there tend to be more birds and elephants in the airport than passengers.²⁵

From Russia and China to North Korea and Iran, corruption has been weaponized to prop

up corrupt regimes, influence elections, attack journalists, and seize strategic infrastructure. In 2016, for example, Russia engaged in a campaign to influence the outcome of the U.S. presidential election that included targeting all 50 states' election systems, compromising government networks, and financing widespread social media disinformation.²⁶ Like Russia, China is using bribes, misinformation, and quid pro quos (Latin for "something for something") to influence global policy throughout Asia, Africa, Latin America, and Europe. European Union (EU) officials, for example, have been accused of passing sensitive information to

China and influencing EU policy in exchange for remuneration in the form of travel and lodging, including a trip to the 2008 Beijing Olympic Games, among other gifts, from the Chinese government.²⁷

This large-scale weaponization of corruption by authoritarian regimes represents an immediate threat to the U.S. and its allies. Not since 9/11 has the United States been so directly under attack.

Combating corruption no longer resides on the fringes of U.S. foreign policy. Nor can it be dismissed as a side business undertaken by a small number



WHO ARE THE PEOPLE?

There are good actors, seeking to report and call out corruption, and there are bad actors, seeking to hide their ill-gotten gains, exploit loopholes, and evade detection. This set of proposals protects the whistleblowers, catches the bad actors, and disables the facilitators of corruption.



WHERE IS THE MONEY?

Corruption is, at its base, about money and influence. Follow the money, and you will find the corruption. This set of proposals strengthens the power of the U.S. government and its allies to follow the stolen money and root out corrupt actors at their source.

The U.S. office of Transparency International, with input from a broad, diverse, and bipartisan range of stakeholders and partners, proposes in this report a concrete and integrated set of actions that the new Congress and new Administration can take. These actions are organized around four fundamental questions:

of nonprofits and activists who operate on the margins. As evidenced recently by the broad coalition that worked to end the abuse of anonymous shell companies by corrupt actors – a coalition that included law enforcement, financial institutions, faith groups, business trade associations, civil rights organizations, environmental groups, and congressional leaders across the political spectrum – the fight against corruption has America behind it.²⁸ Now, more than ever, combating corruption is fundamental to protecting a free, open, and democratic way of life.

Corruption, however, is extraordinarily complex. Its impact on governance is multifaceted, and disentangling it requires an integrated approach. The interdependencies inherent in the global financial system, in cross-border supply chains, and in regional and international political and legal systems, among other variables, demonstrate that corruption cannot be addressed piecemeal or ad hoc. It is a whole-system problem that demands a whole-system solution.

Without a whole-of-government approach to corruption, corrupt actors will find weak points and

exploit them, like the kleptocrats who use existing loopholes in our due diligence rules to stash stolen money in U.S. real estate,²⁹ or the Chinese firms that use bribes to displace Western competition abroad.³⁰ As a new Congress and a new Administration assume office, we have an opportunity to build a new, integrated approach to combating corruption, one that reinforces both the U.S. commitment to the rule of law and U.S. global leadership in the fight to end corruption.

03

WHAT ARE THE LOOPHOLES?

A single corruption loophole is like a single hole in a roof: only one can be enough to compromise the whole system. Corruption thrives because loopholes exist – either in the laws themselves or in the lax enforcement of those laws. Most loopholes are unintended and closing them is often relatively straightforward. Others exist because powerful enablers intentionally inserted them. Either way, loopholes facilitate crime, corruption, terrorism, and dictatorships. Without the systematic closing of these loopholes and the vigorous enforcement of anti-corruption laws, corruption will always find a way.

04

HOW DO WE STRENGTHEN INSTITUTIONS?

To fundamentally address corruption, some institutions must be strengthened, while others must be structurally reformed. This set of proposals aims to build well-resourced, reliable institutions that can work hand-in-glove with anti-corruption allies and watchdogs to stamp out corruption worldwide.

THERE ARE GOOD ACTORS, SEEKING TO REPORT AND CALL OUT CORRUPTION, AND THERE ARE BAD ACTORS, SEEKING TO HIDE THEIR MONEY, EXPLOIT LOOPHOLES, AND EVADE DETECTION.

WHO ARE THE PEOPLE?

There are good actors, seeking to report and call out corruption, and there are bad actors, seeking to hide their money, exploit loopholes, and evade detection. This set of proposals protects the whistleblowers, catches the bad actors, and disables the facilitators of corruption.



01

EXTEND ANTI-MONEY LAUNDERING OBLIGATIONS TO THOSE WHO SERVE AS “GATEKEEPERS” TO THE U.S. FINANCIAL AND POLITICAL SYSTEMS.

Behind every foreign corrupt official is a professional who does the dirty work of moving, disguising, and hiding stolen assets. In 2016, for example, the “Panama Papers” – an enormous leak of financial and

legal records of the now-defunct Panamanian law firm Mossack-Fonseca – exposed the role of professional middlemen who set up thousands of anonymous shell companies that were used by corrupt politicians, celebrities,

and businesses for everything from facilitating fraud to tax evasion.³¹

When kleptocrats wish to move their money to the U.S. or its territories, lawyers, accountants,

and consultants are often the ones who make it happen. These “gatekeepers” regularly take advantage of legal loopholes to ignore with impunity even the most blatant signs that they are assisting corrupt or illicit financial activity. Under existing rules, for example, they can secretly purchase high-value art, real estate, or private equity investments to launder and legitimize corrupt assets. Providing an aura of legitimacy and professional qualifications, these gatekeepers allow corruption to thrive.

While banks, bank holding companies, casinos, mutual funds, and certain other financial services businesses are required to perform due diligence on their customers to establish whether they present corruption risks, other gatekeepers to the U.S. financial and political systems are not required to do so, providing ample room for bad actors to move dirty money

and exert foreign corruptive influence without raising a red flag with U.S. authorities. This leaves a gaping hole in the ability of the U.S. government to track kleptocrats and find stolen funds before they are lost in an opaque web of transactions. And when dirty money finds its way to lobbyists and others who seek to influence our political system, the dangers of lax oversight undermine our very system of government.

Rather than being the first lines of defense in the fight against corruption, these professionals provide, with legally sanctioned deniability, the lubrication that keeps stolen money coursing through the U.S. financial and political systems. The U.S. can – and must – bring professional service providers into the fight against corruption by requiring them to perform client due diligence and flag suspicious behavior.

When kleptocrats wish to move their money to the U.S. or its territories, lawyers, advisors, accountants, and consultants are the ones who make it happen. These “gatekeepers” regularly take advantage of existing legal loopholes to ignore with impunity even the most blatant signs that they are assisting corrupt and illicit financial activity.



WHAT CAN BE DONE?

- + Require lawyers, accountants, art dealers, investment advisers (including private equity advisers, hedge fund and venture capital advisers and managers), lobbyists, real estate professionals, corporate formation agents, and third-party service providers (including money services businesses and other payment processors, as well as check consolidation and cash vault service providers) to conduct due diligence on prospective clients and to establish effective anti-money laundering programs.

ROOT OUT FOREIGN CORRUPTIVE INFLUENCE IN THE U.S.

Foreign corruptive influence is the corrosive attempt to undermine our government by kleptocrats, dictators, and other corrupt regimes. Like physical corrosion, corruptive influence works by weakening the foundation on which our democracy rests.

When we catch foreign enemies infiltrating social media platforms and swaying public opinion with disinformation,³² we see the danger of foreign corruptive influence. When foreign adversaries influence U.S. policy by secretly funding

well-connected Washington lobbyists to advance foreign interests,³³ we see the danger of foreign corruptive influence. When foreign interests spend money to influence U.S. elections, whether through secret political contributions or by exploiting the corporate form, we see foreign corruptive influence undermining American self-government.³⁴

Democracy and the American way of life are contingent upon free and fair elections, transparency in governing, and freedom from corruptive foreign

influence. Russia's interference in the 2016 presidential election, where a Kremlin-backed campaign of misinformation and hacking of election systems sought to sway the outcome, was a sobering reminder that the future stability of the world's democracies depends on taking a forceful stand against foreign corruptive influence in our elections and throughout our digital lives. China, too, has weaponized corruption in both the developed and developing world to mold foreign policies to its liking and steal sensitive national security information.



Together, China and Russia have spent hundreds of millions of dollars to directly interfere with the democratic process in the U.S. and other countries around the world.³⁵ Unfortunately, much of that interference here in the U.S. is funneled through loopholes in our outdated campaign finance, lobbying, and ethics laws.

This is a new Cold War, fought with tweets and retweets, where the dangers lie not in the proliferation of warheads, but in the proliferation of misinformation, and where secret deals bring in foreign money that sells out the American people.

Without concrete steps to address foreign corruptive influence, and proper resources to enforce the law, America's adversaries will continue to subvert our political process, skew traditional and social media content to their interests, and sow divisiveness and discord in the hopes of undermining the United States. Unless the U.S. takes aggressive steps to discover and

stop those who are working to undermine American democracy, we run the risk of losing a new Cold War before most Americans even know we're fighting one.

This is a new Cold War, fought with tweets and retweets, where the dangers are not the proliferation of warheads, but the proliferation of misinformation, and where backroom deals bring in foreign money that sells out the American people.



WHAT CAN BE DONE?

- + Strengthen the enforcement of the Foreign Agents Registration Act, which requires U.S. citizens to disclose lobbying done on behalf of foreign governments, by providing adequate resources for meaningful enforcement and routine auditing;³⁶
- + Require senior-level federal employees to disclose job negotiations and job offers from foreign entities;³⁷
- + Require candidates for federal office to report offers of assistance from foreign entities to law enforcement;³⁸
- + Require nonprofits to publicly disclose their foreign funders;³⁹
- + Ban foreign entities from paying for ads that support or oppose a candidate, or for online or digital ads⁴⁰ that mention a candidate within a certain number of days before an election;
- + Ban foreign governments and foreign political parties from paying for "issue ads" (ads that discuss political issues like the defense budget or taxes rather than specific candidates) during a federal election year;⁴¹ and
- + Ban subsidiaries of foreign companies, and companies with significant foreign ownership, from all non-issue-ad political spending.

PREVENT “GOLDEN VISA” SHOPPING.

For the kleptocrat who already has everything, the ultimate prize is often a ticket to America – and the United States has made it shockingly easy to get one.

Programs that allow wealthy people to invest money in a country’s economy in exchange for a visa or citizenship, known as “golden visa” programs, exist in many countries, and are particularly appealing for people seeking to enter the U.S. or Europe. The golden visa program in the U.S. is known as an EB-5 visa, and can be obtained by investing less than \$1 million in certain areas in the U.S.

Not surprisingly, this is a “golden” opportunity for foreign corrupt officials to launder money by transferring their stolen assets to safe havens where they can “invest” it in real estate and businesses—and get a first-world passport to boot.

In the European Union, golden visas can be particularly problematic. In Cyprus, for example, a 2020 investigation revealed that golden visa programs were widely exploited by convicted corrupt foreign officials and other criminals,

such as Maleksabet Ebrahimi, who is wanted by Iran on numerous charges, including money laundering, fraud, and leading an organized criminal group.⁴² The Cyprus golden visa program, however, turned a blind eye to Ebrahimi, granting him and others like him visa-free travel throughout the twenty-seven EU member countries.⁴³ Such golden visa programs create opportunities for corrupt actors to move their money and their family members out of the reach of their home country’s jurisdiction.

Expedited secondary passports under golden visa programs can also help obscure the identities of criminals and allow them to avoid sanctions. For example, the U.S. Department of Treasury’s Financial Crimes Enforcement Network (or FinCEN) flagged the island nation of St. Kitts’ citizenship-by-investment program as a conduit for illicit financial activity in 2014. Eventually, St. Kitts recalled 16,000 passports, and all St. Kitts citizens lost their visa-free access to Canada as a result.⁴⁴

Golden visas not only raise the risk of kleptocrats flying to

America or Europe with stolen money, they also represent a serious American national security hazard that can be exploited by our adversaries. For example, more than 80 percent of applications to the U.S. EB-5 golden visa program over the past decade were filed on behalf of Chinese citizens.⁴⁵ The EB-5 program has become an avenue through which Chinese state-sponsored individuals can seek U.S. residency as a “means of extending surveillance and intelligence gathering” for the Chinese Communist Party.⁴⁶ The program has similarly drawn criticism for being exploitable by corrupt Russian nationals.⁴⁷

We should not permit investor visas to be abused by foreign corrupt officials or nations to steal money or undermine America’s security. The EU and the countries of the Five Eyes (the U.S., UK, Australia, New Zealand, and Canada) are the countries in which foreign officials most often “shop” for a golden visa. It therefore falls to the U.S. and its allies to stop our immigration systems from being gamed by those who would do us harm.



WHAT CAN BE DONE?

- + Direct the State Department and the Department of Homeland Security to establish and maintain a common, U.S.-led investor visa denials government database to prevent “golden visa” shopping and expose corrupt actors who are denied access to the U.S. By enabling the Five Eyes, the EU, and other allies to both contribute to the database and confirm which individuals have been denied investor visas
- + by other jurisdictions, we can help protect investor visa programs in the U.S. and around the world from abuse;
- + Direct the Department of Homeland Security to develop stronger due diligence procedures for determining whether applicants are state-sponsored, and whether the funds associated with EB-5 applicants originate from a legitimate source; and
- + Temporarily halt the EB-5 program on national and economic security grounds until the program’s well-known vulnerabilities are addressed.



PROTECT AMERICAN WHISTLEBLOWERS.

Uncovering corruption often begins with whistleblowers. Frequently the first to identify wrongdoing, and often those with the most to lose by doing so, whistleblowers are on the front lines of the fight against corruption.⁴⁸ Yet too often they face retaliation and dire consequences as a result. And while existing whistleblower laws provide some degree of protection, many are out of date, allow for retaliation, and fail to cover the full range of whistleblower activities.

For instance, whistleblower statutes often address concrete personnel actions like firings or demotions, but do not

prohibit revealing the identity of the whistleblower, harassing “investigations,” or other covert attacks. Indeed, in 2020 the Federal Circuit Court of Appeals ruled that retaliatory “investigations” are not covered by the Whistleblower Protection Act, concluding that “stigma and fear” are not considered changes in working conditions.⁴⁹ This and similar rulings have opened the door for a flood of retaliations against those upon whom government transparency and accountability depend.

In addition, whistleblowers in the United States too often lack meaningful due process protections, including access

to fair and independent avenues for relief, leaving them vulnerable to harassment, threats, blacklisting, and even violence, while those who retaliate against them too often enjoy impunity. And Congress could do more to encourage legitimate whistleblowing by expanding whistleblower reward programs.

A well-functioning democracy applauds those who hold it to its highest standards. Protected whistleblowers represent America at its best – shining a light on corruption and the abuse of power to make us a better nation.



WHAT CAN BE DONE?

- + Extend appropriate whistleblower protections to all executive branch employees, as many such employees are inadequately covered, or not covered at all, by current protections;
- + Make it a criminal offense for a state or federal employee to reveal the name of a government whistleblower;
- + Protect whistleblowers from retaliations disguised as “investigations”;
- + Give federal whistleblowers the right to a jury trial;
- + Permit whistleblowers to receive a stay of adverse actions (like firings and demotions) from the Merit Systems Protection Board if they can establish a credible case of retaliation; and
- + Expand whistleblower reward programs, and opportunities for redress.

05

PROVIDE A SAFE HAVEN FOR FOREIGN WHISTLEBLOWERS AND ANTI-CORRUPTION ADVOCATES.

On the front lines in the fight against corruption around the world is a cadre of dedicated activists who expose themselves, their families, and their associates to serious, life-threatening consequences as a result.

Lesser known, but equal in effect, are those who blow the whistle because they have witnessed, discovered, or suffered the ill effects of corruption, and cannot acquiesce to a corrupt status quo. Yet in many countries, the legal system is not a viable option for these whistleblowers, as it proves unreliable, excessively costly, corrupt, or slow, often requiring years to reach even an initial judgment. This discourages whistleblowers from coming forward, and adds to corruption's corrosive effect on society.

Judge Claudia Escobar, for example, was a Magistrate Judge on Guatemala's Court of Appeals who sounded the alarm on a judicial selection process orchestrated by corrupt politicians and drug lords, and on attempted bribery schemes by the country's sitting vice president and former leader of the Guatemalan legislature. In her words, such corruption marked "the end of our incipient democracy and the last step to becom[ing] a failed state."⁵⁰ For her whistleblowing, Judge Escobar faced a series of death threats, and ultimately was able to flee to the United States with her family because her husband is a U.S. citizen."

Many other whistleblowers who are just as brave are not as lucky. Alexander Perepilichny, who exposed a \$230 million money laundering scheme by the Russian government and Russian mafia groups, was found dead in

the road with an obscure poison in his system.⁵¹ Poipynhun Majaw, a "Right to Information" activist investigating mining corruption in India, was killed by multiple blows to the head with a wrench.⁵² James Nkambule, a South African politician who exposed corruption in the construction of a World Cup soccer stadium.⁵³

When activists and whistleblowers call out corruption abroad, endangering their lives and livelihoods, they must know that America stands by their side and offers them sanctuary. For generations, the United States has been a beacon of liberty and a refuge from tyranny. If anti-corruption activists and whistleblowers are unable to receive adequate protection at home, they should be able to receive it from an American government that understands their sacrifice, appreciates their courage, and often benefits from what they have risked.



WHAT CAN BE DONE?

- + Establish a first-of-its-kind national center where a limited number of anti-corruption activists and whistleblowers whose lives or livelihoods face impending danger, or who have suffered egregious retaliation, can come with their immediate families to recover and recharge before they resume their work at home. The center would provide housing, health care, and access to the legal, policy, research, organizational, and technical expertise needed for these heroes to return home and advance an in-country anti-corruption agenda.⁵⁴
- + Authorize the State Department to fast-track asylum applications for anti-corruption activists and whistleblowers who face personal risks in their home countries.

**CORRUPTION IS, AT ITS BASE,
ABOUT MONEY AND INFLUENCE.
FOLLOW THE MONEY, AND YOU
WILL FIND THE CORRUPTION.**

**THIS SET OF PROPOSALS
STRENGTHENS THE POWER OF THE
U.S. GOVERNMENT AND ITS ALLIES
TO FOLLOW THE STOLEN MONEY
AND ROOT OUT CORRUPT ACTORS
AT THEIR SOURCE.**

WHERE IS THE MONEY?

Corruption is, at its base, about money and influence. Follow the money, and you will find the corruption. This set of proposals strengthens the power of the U.S. government and its allies to follow the stolen money and root out corrupt actors at their source.

06

ESTABLISH A CROSS-BORDER PAYMENTS DATABASE.

When Malaysian Prime Minister Najib Razak stole \$4.5 billion from his country, JPMorgan Chase lent a hand. As the largest bank in the U.S., it helped move more than \$1 billion of that money despite repeatedly flagging the transfers as suspicious.⁵⁵ In time, these illicit funds were used to buy a

New York penthouse, as well as paintings by Monet and Van Gogh, for those close to Razak.⁵⁶

Billions of dollars in electronic payments “cross” our borders every day. Some are small transfers sent to family members back home. Some are massive payments between multinational

corporations. Others occur wholly outside the U.S. but use American banks or U.S. currency – and even those impact our financial system.

U.S. banks serve a crucial function in these cross-border payments, not only as the facilitator of these transactions,



When Malaysian Prime Minister Najib Razak stole \$4.5 billion from his country, JPMorgan Chase lent a hand. JPMorgan Chase, the largest bank in the U.S., helped move more than \$1 billion of that money despite repeatedly flagging the transfers as suspicious.

but also as the first line of defense against illegal transfers associated with corruption or money laundering. Over the years, the U.S. government has required U.S. banks to take on a greater role in policing cross-border payments by flagging suspicious transactions and reporting them to the Treasury Department's Financial Crimes Enforcement Network (FinCEN). Yet even with the cooperation of banks and the hard work of FinCEN, an unbelievable amount of laundered money and other criminal assets pass through. For example, a 2020 leak known as the "FinCEN Files" showed more than \$2 trillion in "suspicious" transfers from suspected terrorists, drug dealers, and corrupt officials were permitted to proceed, despite being flagged by Western banks.⁵⁷ Among the funds transferred were millions of dollars linked to the Taliban and the North Korean government.

Clearly, more needs to be done.

Congress recognized this challenge more than 15 years ago when it authorized the Treasury Department to develop a cross-border payments database in 2004. Such a database would allow the U.S. government to conduct more targeted anti-corruption investigations and stem the flood of dirty money. Yet despite widely acknowledged feasibility and overwhelming need, the Treasury Department has yet to implement the database.

Not surprisingly, many of our allies are dealing with the same challenges. The "cross-border" nature of the problem means that governments must work together to curb the flow of illicit finance wherever possible.

The U.S. has an opportunity to play a leading role in setting up a cross-border payments database, and through it, to define global standards that will serve the interests of America, its allies, and the global financial system.



WHAT CAN BE DONE?

- + Require the Treasury Department to create a cross-border payments database within two years, and require that any illicit funds that are identified and seized as a result of the database be used to fund programs (including the database itself) that combat illicit finance and other corrupt activities; and
- + Direct the Treasury Department to take a leading role in developing the standards for the database, and in encouraging broader adoption by and interoperability with our allies.

PUBLICIZE THE REPATRIATION OF FOREIGN STOLEN ASSETS RECOVERED BY U.S. LAW ENFORCEMENT.

Developing countries lose between \$20 and \$40 billion a year from bribery, embezzlement, and corruption, according to the Stolen Asset Recovery Initiative, a partnership between the World Bank Group and the United Nations.⁵⁸ And the vast majority of these funds are lost forever: the Organisation for Economic Co-operation and Development (OECD) estimates that less than \$150 million in stolen assets were returned from its member countries to developing nations between 2010-2012.⁵⁹ Money that could be used for infrastructure, health care, and schools, instead ends up in a corrupt official's pocket. When funds are recovered, the challenges and delays in repatriating those funds can be tremendous.⁶⁰

For example, the administration of Peruvian President Alberto Fujimori is believed to have stolen more than \$2 billion from 1990-2000, but only \$185 million was ever recovered and returned.⁶² Former Philippines strongman Ferdinand Marcos stole between \$5 and \$10 billion from his country between 1965-1986. It took 18 years to recover and repatriate the small fraction (less than \$700 million) that was ultimately found.⁶³

We know that corruption further impoverishes the world's most vulnerable people. Corrupt officials and kleptocrats prey on those who can least afford it. And yet returning stolen funds is complex and fraught with moral dilemmas, such as how to make sure that returned funds are not just stolen anew.

We can, and should, do more to build momentum for the efficient and effective recovery and repatriation of stolen assets by corrupt foreign officials.

Bureaucratic logjams should be eased to speed up the process, and safeguards, like post-return auditing and accounting, must be a prerequisite for repatriation. Greater transparency throughout the process will also encourage a more equitable outcome.

America should do more to publicly tie stolen assets to the criminals responsible for their theft, and to make these criminals' identities known to audiences around the world. By shining a light on the seized proceeds of corruption, the U.S. can put additional, productive pressure on corrupt regimes and those that support them.

USD 20-40 BILLION

DEVELOPING COUNTRIES LOSE BETWEEN \$20 AND 40 BILLION A YEAR FROM BRIBERY, EMBEZZLEMENT, AND CORRUPTION.



WHAT CAN BE DONE?

- + Direct the Department of Justice to publicize on a website the funds stolen from citizens of corrupt regimes and recovered by U.S. law enforcement, including status updates on the repatriation of those assets.

CRACK DOWN ON TRADE-BASED MONEY LAUNDERING THROUGH GREATER TRANSPARENCY AND BETTER INFORMATION-SHARING.

Every day, millions of shipments enter the United States – importing goods from abroad, but also, inevitably, importing corruption. Increasingly, sophisticated criminals use global trade shipments to launder money, hide their ill-gotten gains, funnel money to terrorist organizations, and traffic people, wildlife, counterfeit goods, drugs, and weapons.

This is not a marginal problem. From 2008-2017, trade-based money laundering was responsible for potential revenue losses of \$1.5 trillion.⁶⁴

Trade-based money laundering works, in part, by disguising the origins of shipments, concealing their contents, and falsely reporting the value of goods.

To further complicate matters, legitimate and illegitimate goods are often mixed together in a single shipment.⁶⁵

The U.S. currently collects some information about trade shipments, such as their contents, value, the identity of the shipper, the point of origination, and the final destination. This data can help determine whether certain shipments pose a risk of illicit activity. In practice, however, criminals have learned to circumvent those controls. Banks, which process the financial transactions that these shipments are based on, are also responsible for flagging suspicious trade-based transactions, but according to the U.S. Government Accountability Office, it is

“difficult for them to identify suspicious activity.”⁶⁶

Trade-based money laundering is complex in tactics and vast in scale. The solutions to it need to be just as varied. A good starting point is strengthening the government’s ability to detect the problem. The Department of Homeland Security’s Trade Transparency Units (TTUs) have primary responsibility for detecting trade-based money laundering. A TTU is an investigative strike force that is set up by the Department of Homeland Security to work with a specific trading partner in order to analyze both sides of a trade transaction, and to uncover money laundering but there are limitations to the effectiveness of the current program.

We must provide those on the front lines of combating trade-based money laundering with the data they need, including by providing real-time information to customs officials. Use of blockchain and other technology, combined with more and better data sharing, could help us reach a new level of transparency in trade, flushing out the corrupt officials and other criminals that exploit our trading systems.

Each day, millions of shipments enter the United States – importing goods from abroad, but also, inevitably, importing corruption.

\$1.5 TRILLION LOST

FROM 2008-2017, TRADE-BASED
MONEY LAUNDERING WAS
RESPONSIBLE FOR POTENTIAL
REVENUE LOSSES



WHAT CAN BE DONE?

- + Create a system of automatic information exchange with trusted trading partners, including by directing U.S Customs and Border Protection (CBP) to establish agreements in which basic trading data is shared between customs officials;
 - + Direct Customs to explore the implementation of blockchain technology for information sharing
 - + to ensure the integrity of that data and its timely exchange. The relevant data is already collected by the Census Bureau, so no new collection mechanism is needed, and no new private sector reporting or other engagement is required; and
 - + Make additional trade data (minus company identifying information) available and free to the public. This data
- is already collected by the Census Bureau, and the public already has access to the data, but for a fee of thousands of dollars per year. Those fees generate minimal revenue, and create unnecessary obstacles to access, preventing journalists, academics, and civil society from using the data to flag problems that suggest illicit activity.

09

REQUIRE EXTRACTIVES INDUSTRIES TO DISCLOSE PAYMENTS TO FOREIGN GOVERNMENTS.

When multinational oil giant Shell paid over \$1 billion for an oil license in Nigeria, those funds could have been used for the good of the Nigerian people. That should have been especially important, since under the “unprecedented” terms of the contract, Nigeria was giving up nearly \$6 billion in future revenues that it would have received under a standard contract. Instead, it appears that nearly the entire amount from Shell was used to pay bribes.⁶⁷

Many developing countries rely on revenues from oil, gas, mining and other “extractives” to lift their citizens out of poverty. Unfortunately, these revenues also provide a lucrative stream of wealth for corrupt officials to siphon from their countries.

There are also substantial risks for the businesses working in the extractive industry. Companies like Shell are frequently shaken down for bribes in exchange for valuable deals – and exposed to huge fines from the U.S. Department of Justice and U.S. Securities and Exchange Commission if they pay them. While the temptation to pay kickbacks and bribes to advance business interests exists in the short-term, the longer-term urge for a level playing field creates a strong incentive for businesses and regulators to work together to combat corruption and increase transparency in the extractive industry.

One path for improving transparency is requiring extractive companies to provide detailed reports for any substantial payments to foreign governments. Doing so would bring the U.S. into alignment with international standards for the extractive industry: Over 30 countries have similar requirements for payment transparency and adding U.S. leadership in this area would send a strong signal that America stands for an open, clean, and free market.

Many developing countries rely on revenues from oil, gas, and mining and other “extractives” to lift their citizens out of poverty. Unfortunately, these revenues also provide a lucrative stream for corrupt officials to siphon off their country’s wealth.



WHAT CAN BE DONE

- + Adopt a strong implementing rule for Section 1504 of the Dodd-Frank Act that requires all U.S.-listed oil, gas, logging, and mining companies to publicly disclose on a country-by-country and a project-by-project basis all payments above \$100,000 to foreign governments.

10

REQUIRE THAT THE PROCUREMENT PROCESS FOR U.S. FOREIGN ASSISTANCE ALLOCATIONS TO THIRD PARTIES BE FULLY TRANSPARENT.

The United States provides almost \$40 billion in aid to foreign countries every year,⁶⁸ and much more when including aid provided by the Department of Defense. Sometimes, this funding is a lifeline for brave people working to root out corruption in those countries. Other times the aid itself is misappropriated by public officials in the countries we are trying to help. When the U.S. seeks to rebuild countries after wars, such as in Afghanistan and Iraq, those funds may be distributed to a wide range of organizations and stakeholders in the target country. Even when most recipients are honest and trustworthy, a lack of transparency will virtually guarantee that large amounts go missing.⁶⁹ For example, the U.S. government has lost some \$19 billion in Afghanistan alone since 2002.⁷⁰

The U.S. government takes care to use foreign aid funds wisely to combat corruption. Money and technical expertise are used, for example, to support local non-governmental organizations that serve as watchdogs in kleptocracies, to train local journalists to investigate corruption cases, and to improve judicial systems that can prosecute corrupt politicians. All the more reason, therefore, to push for transparency that's sufficient to ensure that U.S. tax dollars are supporting our intended outcomes. We can't afford to lose to corruption the very funds that are needed to keep it in check.

While laws such as the Foreign Aid Transparency and Accountability Act, and America's participation in the International Aid Transparency Initiative, have made information on foreign assistance more transparent and accessible in recent years, additional measures are needed.

For example, requiring all recipients of significant foreign assistance, including those involved in aid delivery, to disclose their beneficial owners – meaning revealing the person or persons who really own or control a company – would significantly boost aid transparency. If recipients of significant foreign assistance disclose their beneficial owners, the U.S. could better ensure there are no “back door” ties to individuals who are sanctioned or linked to corrupt governments.



WHAT CAN BE DONE?

+ Improve transparency in the procurement process for U.S. foreign assistance allocations to third parties by requiring all recipients of significant foreign

assistance, prior to receiving such assistance, to disclose their beneficial ownership information, to agree to publish any significant contracts administering such

assistance, and to agree to submit to an independent audit of all significant expenditures of such assistance.

A SINGLE CORRUPTION LOOPHOLE IS LIKE A SINGLE HOLE IN A ROOF: ONLY ONE CAN BE ENOUGH TO DISABLE THE WHOLE SYSTEM. CORRUPTION THRIVES BECAUSE LOOPHOLES EXIST — EITHER IN THE LAWS THEMSELVES OR IN THE LAX ENFORCEMENT OF THOSE LAWS.

WITHOUT THE SYSTEMATIC CLOSING OF CORRUPTION LOOPHOLES AND THE VIGOROUS ENFORCEMENT OF ANTI-CORRUPTION LAWS, CORRUPTION WILL ALWAYS FIND A WAY.

WHAT ARE THE LOOPHOLES?

A single corruption loophole is like a single hole in a roof: only one can be enough to disable the whole system. Corruption thrives because loopholes exist – either in the laws themselves or in the lax enforcement of those laws. Most loopholes are unintended, and closing them is relatively straightforward. Others exist because powerful enablers intentionally inserted them. Either way, loopholes facilitate crime, corruption, terrorism, and dictatorships. Without the systematic closing of corruption loopholes and the vigorous enforcement of anti-corruption laws, corruption will always find a way.

11

CRIMINALIZE THE DEMAND SIDE OF FOREIGN BRIBERY.

With the 1977 passage of the Foreign Corrupt Practices Act (FCPA), the United States became a leader in addressing global corruption. The law was a huge leap forward, allowing the U.S. to prosecute individuals and companies that paid bribes to foreign officials, and implementing strict accounting

requirements and controls for companies to prevent cover-ups.

Attacking foreign bribery is essential to global stability and American security. The regime of Saddam Hussein, for example, shook down international companies for \$1.7 billion in bribes and kickbacks⁷¹

But not everyone involved in overseas corruption is punished equally. When a senior government official in Tamil Nadu, India, demanded a bribe from Cognizant Technology Solutions, a U.S.-based tech company, for permission to build a facility in Chennai, India, Cognizant paid it. But that wasn't



Attacking foreign bribery is essential to global stability and American security. The Saddam Hussein regime shook down international companies for \$1.7 billion in bribes and kickbacks - and more than \$10 billion in illegal revenue - paid under the Iraqi Oil-For-Food program leading up to the second Gulf War.

the true cost. The U.S. Securities and Exchange Commission fined Cognizant \$25 million and charged two of its executives with violating federal securities laws.⁷² The government official who demanded the bribe, however, got off scot-free.⁷³

While the FCPA once put the U.S. at the forefront of the fight against foreign corruption, the legal framework it created is now outdated and incomplete. Dozens of other countries, including many of our economic competitors, criminalize both the “supply” and the “demand” side of bribery. As the Organisation for Economic Co-operation and Development (OECD) has noted:

To have a globally effective overall enforcement system, both the supply-side participants (i.e., the bribers) and the demand-side participants (i.e., the public officials) of bribery transactions must face genuine risks of prosecution and sanctions.⁷⁴

It's time for the U.S. to join this fight against corrupt foreign officials. Passage of the Foreign Extortion Prevention Act of 2019 or similar legislation would represent a tremendous addition to the U.S. arsenal in the fight against foreign corruption and would help level the playing field for U.S. companies operating abroad.



WHAT CAN BE DONE?

- + Expand federal bribery law to cover any foreign official or agent thereof who corruptly demands, seeks, receives, accepts, or agrees to receive or accept anything of value in exchange for being influenced in their performance of an official act; and
- + Create a reward program for tipsters or whistleblowers who provide evidence of “demand-side” foreign bribery.

12

EXTEND MONEY LAUNDERING PREDICATE OFFENSES TO INCLUDE VIOLATIONS OF FOREIGN LAW THAT WOULD BE PREDICATE OFFENSES IN THE U.S.

When kleptocrats and corrupt foreign officials steal money from their citizens, they too often launder the proceeds of that corruption in the U.S., buying American real estate, businesses, and luxury goods.

To make a case for money laundering, prosecutors must show that a criminal broke a separate law relating to the money (like drug distribution or human trafficking). These separate laws are called “predicate offenses.” For money laundering that takes place within the U.S., there are numerous domestic laws that can act as predicate offenses. But kleptocrats and corrupt foreign officials are often not breaking U.S. laws, even as they blatantly violate the laws of their own countries.

In order to empower federal law enforcement to bring foreign corrupt officials to justice, prosecutors should be able to treat violations of foreign law as equivalent to violations of U.S. law. In other words, breaking a foreign law should be considered a predicate offense for money laundering (assuming that violating a similar U.S. law would be considered a predicate offense here in the U.S.) So, an Afghan warlord that traffics opium in violation of Afghan law could be prosecuted for money laundering in the U.S. when he uses the proceeds of those drug trafficking crimes to, say, buy a mansion in Miami – even if he breaks no underlying American laws.

In addition, U.S. law currently spells out a limited list of specific crimes that can serve as predicate offenses for money laundering. Money laundering techniques, however, change rapidly, as do the crimes to which money laundering relates. Quickly evolving cybercrimes and cryptocurrency offenses, for instance, increasingly raise money laundering risks. For federal prosecutors to keep pace, the Department of Justice should submit a report to Congress every two years listing new, recommended money laundering predicate offenses. While Congress would ultimately be responsible for adding any new predicate offenses to the list, these reports would alert legislators to evolving risks that law enforcement is encountering.

+

WHAT CAN BE DONE?

- + Allow violations of foreign law to serve as a predicate offense for money laundering, if a violation of an equivalent U.S. law would be considered a predicate offense domestically; and
- + Require the Department of Justice to submit a report to Congress every two years listing new, recommended money laundering predicate offenses.

13

EXPAND, AND MAKE PERMANENT, THE USE OF GEOGRAPHIC TARGETING ORDERS.

We know that billions go missing from public coffers when corrupt foreign officials steal vast sums from their countries, but where does all that money end up? When such funds reach offshore bank accounts, these corrupt officials often use them to enjoy a luxury lifestyle in the most desirable and safe destinations. Not surprisingly, many look to the United States. High on the list of “must haves” is luxury American, Canadian, and European real estate – often bought with cash to obscure the identities of their new owners.

In London, it’s actually possible to take a guided tour of swanky properties linked to corrupt Russian oligarchs. In 2016, a group of anti-corruption activists in London created a high-profile bus tour of Russian-linked properties to shine a light on how the city had “become the home of dodgy money,” identifying more than £4.4 billion in suspicious wealth.⁷⁵

From Kensington to Knightsbridge, some of the best addresses in London are home to some of the world’s most disreputable characters.

High-end real estate in the U.S. has been an all-too-easy way to move funds into safe havens and away from the scrutiny of law enforcement. This use of illicit funds distorts the property market by creating empty apartments that generate little if any economic activity for the community, and by driving housing prices up – often prohibitively – for the average citizen, all while offering a good night’s sleep for both kleptocrats and their stolen money.⁷⁶

New York, Miami, San Francisco, and many other U.S. cities are attractive places to park stolen funds in luxury real estate. In Washington, D.C., a shell company linked to Russian mogul Oleg Deripaska purchased a \$15 million mansion, in cash, on swanky Embassy Row – just blocks from the White House.⁷⁷

In 2016, the Treasury Department’s Financial Crimes Enforcement Network (FinCEN)

piloted a temporary program using “geographic targeting orders” (GTOs) in the high-risk real estate markets of New York and Miami. These GTOs required that any shell company using cash to purchase expensive real estate disclose its “beneficial owners” – that is, the person or persons who actually own or control the company.⁷⁸ A study by FinCEN on some early results of the GTOs found that over 30 percent of the covered real estate transactions involved a person that had been the subject of Suspicious Activity Reports (SARs) filed by financial institutions.⁷⁹

While the GTO program has now been extended to 12 U.S. metropolitan areas,⁸⁰ the program should be expanded nationwide. To avoid a game of money laundering whack-a-mole, this innovative program must extend to all U.S. jurisdictions, showing criminals that their dirty money has no place in the American real estate market. The GTO program can also be strengthened by being made permanent, and by extending its coverage to both commercial and residential real estate.



WHAT CAN BE DONE?

+ Expand FinCEN’s temporary geographic targeting orders (GTOs) to make the program

nationwide, permanent, and inclusive of commercial real estate.



PROMOTE THE WIDESPREAD ADOPTION OF LEGAL ENTITY IDENTIFIERS, A GLOBAL STANDARD FOR CORPORATE IDENTIFICATION.

Understanding who’s who in our complicated global financial system is a necessary step to rooting out the bad actors. Before you can prosecute corruption, there must be enough transparency to know who’s involved.

To that end, the U.S. has long been part of a global effort to persuade business entities to obtain unique, 20-character numerical identifiers known as Legal Entity Identifiers (LEIs) – a kind of social security number for companies.⁸¹ When Lehman

Brothers collapsed in the wake of the 2008 financial crisis, the U.S. government found it nearly impossible to assess which companies had done business with the firm.⁸² In response, the U.S. and the other G20 nations devised the LEI system, which is now required for a hodgepodge of financial transactions.

If LEIs were required for all major financial and regulatory transactions, the transparency dividends would be tremendous. Because LEIs provide a clear and unique i

dentification, no matter where an entity is located or does business, they can serve as a global “yellow pages” for governments and businesses around the world to track transactions and separate out the good actors from the bad.

LEIs would also help the government and private companies accurately identify businesses and their affiliates. The Securities and Exchange Commission (SEC), the Federal Reserve System, the Commodity Futures Trading Commission (CFTC), and the National Association of Insurance Commissioners (NAIC) already mandate LEI disclosure for some filings. But more could be done to require the use of LEIs across the board.

A robust LEI mandate would allow the U.S. government to sweep aside the dizzying number of names and “identifiers” currently in use, and to pinpoint and root out corrupt actors in complex transactions.

Understanding who’s who in our complicated global financial system is a necessary step to rooting out the bad actors. Before you can prosecute corruption, there must be enough transparency to know who’s involved.



WHAT CAN BE DONE?

+ In order to jumpstart the widespread use of LEIs, require U.S. publicly traded corporations, companies

that contract with the U.S. government, and recipients of major U.S. government grants to adopt LEIs.

15

ACTIVELY ENFORCE THE EXISTING REQUIREMENT THAT MONEY SERVICES BUSINESSES REGISTER AT THE FEDERAL LEVEL.

The U.S. has thousands of “money services businesses,” or MSBs. There are a wide variety of MSBs, but they are typically small, independently operated businesses that provide basic financial services to individuals – such as check cashing, transmitting of funds to family members abroad (remittances), and exchanging foreign currency. Overall, however, the scale of money flowing through MSBs is enormous. For example, more than \$550 billion was sent in remittances worldwide in 2019, exceeding all foreign direct investment.⁸³ Overall, MSBs have around \$1.4 trillion in assets.⁸⁴ Also, MSBs are often a lifeline for people who do not have access to traditional banking services, especially communities that are underserved by traditional banks.

However, MSBs have been misused by corrupt foreign officials, criminals, terrorists, and fraudsters who want to avoid detection, and therefore prefer the relative anonymity of transacting through MSBs. Around half of all suspicious activity reports submitted to the government every year involve MSBs,⁸⁵ MSB transactions allowed two of the 9/11 hijackers to wire funds to and from Al Qaeda affiliates through Western Union,⁸⁶ and, more recently, in Maryland in 2017, the ISIS operative Mohamed Elshinawy received payments through MSBs meant to fund a terrorist attack on U.S. soil.⁸⁷

After 9/11, the U.S. government required MSBs to register with the Treasury Department’s Financial Crimes Enforcement Network (FinCEN) in order

to more closely monitor their financial crime risks. Unfortunately, it’s clear that many MSBs are slipping through the cracks: Federal registration statistics show that only an estimated one-quarter of MSBs have registered with FinCEN.⁸⁸

Moreover, because non-bank issuers of cryptocurrency, like Bitcoin, are considered MSBs under federal law, it is imperative that FinCEN keep pace with evolving technology and evolving threats in this sector.

We must do more to make sure that all MSBs operate legitimately and transparently, so that they can continue to fulfill their essential functions while still closing the door to future corruption, money laundering, and terrorism.



WHAT CAN BE DONE?

- + Require FinCEN to actively enforce the requirement that MSBs register, and to more closely monitor MSBs to ensure they do so.

TO FUNDAMENTALLY ADDRESS CORRUPTION, SOME INSTITUTIONS MUST BE STRENGTHENED, WHILE OTHERS MUST BE STRUCTURALLY REFORMED.

THIS SET OF PROPOSALS AIMS TO BUILD WELL-RESOURCED, RELIABLE INSTITUTIONS THAT CAN WORK HAND-IN-GLOVE WITH ANTI-CORRUPTION ALLIES AND WATCHDOGS TO STAMP OUT CORRUPTION WORLDWIDE.

HOW DO WE STRENGTHEN INSTITUTIONS?

To fundamentally address corruption, some institutions must be strengthened, while others must be structurally reformed. This set of proposals aims to build well-resourced, reliable institutions that can work hand-in-glove with anti-corruption allies and watchdogs to stamp out corruption worldwide.

16

STRENGTHEN THE U.S. TREASURY'S TOOLS FOR COMBATING MONEY LAUNDERING.

In the wake of 9/11, Congress enacted sweeping reforms to our nation's national security laws, including provisions in the PATRIOT Act that allow the Treasury Department to designate a foreign jurisdiction or financial institution "of primary money laundering concern." What this means is that Treasury can call out those who help launder money for corrupt officials, force them to change their behaviors, and punish them with penalties and prosecution if they don't.

Corrupt actors seek to launder their funds as effectively as possible, and too frequently they do so through a complex network of banks and jurisdictions linked to the United States. For instance, Paul Manafort, President Donald

Trump's former campaign chairman, laundered \$75 million in illegal payments from corrupt Ukrainian politicians through a labyrinth of offshore accounts, shell companies, bank accounts, and dozens of U.S. and foreign corporations.⁸⁹

Originally designed to help combat the financing of terrorism, this Treasury Department authority should be one of America's most powerful sanctions tools to counter the movement of illicit funds by corrupt actors. But the rule remains largely unused.

In 2002, the Treasury Department designated Ukraine and Nauru (a tiny island country in Micronesia) as jurisdictions of primary money laundering concern, utilizing PATRIOT Act

authorities for the first time and sending a warning shot across the global financial system. However, since then the U.S. has only invoked this authority a handful of times.⁹⁰ Why? To some extent, the use of this authority has been undermined by the need to publish a rule for every use. Each rule can take years to finalize – in one case it took five years to review and finalize comments to the rule.⁹¹ The rulemaking process should not serve as a barrier to the Treasury Department's efforts to effectively deter money laundering risks within financial institutions. Rather, the Department should have greater discretion to designate foreign financial institutions that present such risks.

In addition, more resources should be directed toward the Treasury Department's capacities to aggressively pursue financial institutions and jurisdictions that assist with money laundering. The new Global Investigations Division within the Financial Crimes Enforcement Network (FinCEN) of Treasury should be given sufficient funding to keep pace with the criminals and kleptocrats hijacking our financial system to launder money.

At the same time, the U.S. government must also move more quickly to address these threats, hobbling those institutions that enable and facilitate corruption. One

way to do this is to expand the engagement between government regulators, law enforcement, and financial institutions to pursue corrupt actors more quickly and effectively.

The United Kingdom's Joint Money Laundering Intelligence Taskforce (JMLIT) is one example of this type of cooperation. The JMLIT brings together regulators, financial institutions, and law enforcement to share information and exchange ideas to better identify and track illicit activity. That model ensures that people who provide the data are talking directly with those who use the data, leading to measurable improvements in the data collected, in how it can

be used, and in better-equipped law enforcement to root out bad actors. The U.S. Treasury's Bank Secrecy Act Advisory Group is a similar model yet does not currently include law enforcement.

Finally, FinCEN's traditional role as a data aggregator and disseminator of information must evolve, just as the threats to our financial system continue to evolve. FinCEN should take on an expanded and leading role to combat money laundering, and it should receive the resources and political support necessary to meet rising threats.



WHAT CAN BE DONE?

- + Modify Section 311 of the PATRIOT Act to allow the Secretary of the Treasury to designate foreign financial institutions that pose a money laundering risk without the need for a formal rule for each action;
- + Require the Treasury Department to conduct a comprehensive annual risk assessment to more accurately target money laundering risks within the U.S. financial system;
- + Increase the Treasury Department's resources in order to allow it to aggressively pursue institutions and jurisdictions that assist with money laundering, and provide the new Global Investigations Division within FinCEN sufficient funding to assist in these efforts;
- + Improve government-industry coordination by expanding the Bank Secrecy Act Advisory Group to include a larger set of constituencies, including regulators, regulated entities, and relevant U.S. law enforcement; and
- + Revise the mission of FinCEN to reflect its evolving role in protecting our national security, empowering it to lead a strong and coordinated U.S. effort to safeguard our financial system.



COORDINATE, COMBINE, AND FOCUS THE FOREIGN ANTI-CORRUPTION EFFORTS OF FEDERAL AGENCIES INTO A COHERENT, WHOLE-OF-GOVERNMENT APPROACH.

The U.S. is one of the world's leading anti-corruption enforcers.⁹² But our efforts are sometimes needlessly limited, or made piecemeal, as we work to address the threat of foreign corruption. Too frequently, a lack of coordination, communication, and resources puts at risk the hard work of bringing down corrupt actors around the globe.

As we learned after 9/11, addressing threats to U.S. national security demands seamless coordination among

agencies, information sharing, the flexible allocation of resources, and institutional collaboration on a “whole-of-government” scale. This begins with a better game plan at home – one that removes siloed efforts and bureaucratic roadblocks to addressing and preventing corruption overseas. For corruption, much like the terrorism that corruption feeds, we must have all hands on deck. If we hope to lift fledgling democracies in the face of autocratic threats, or combat

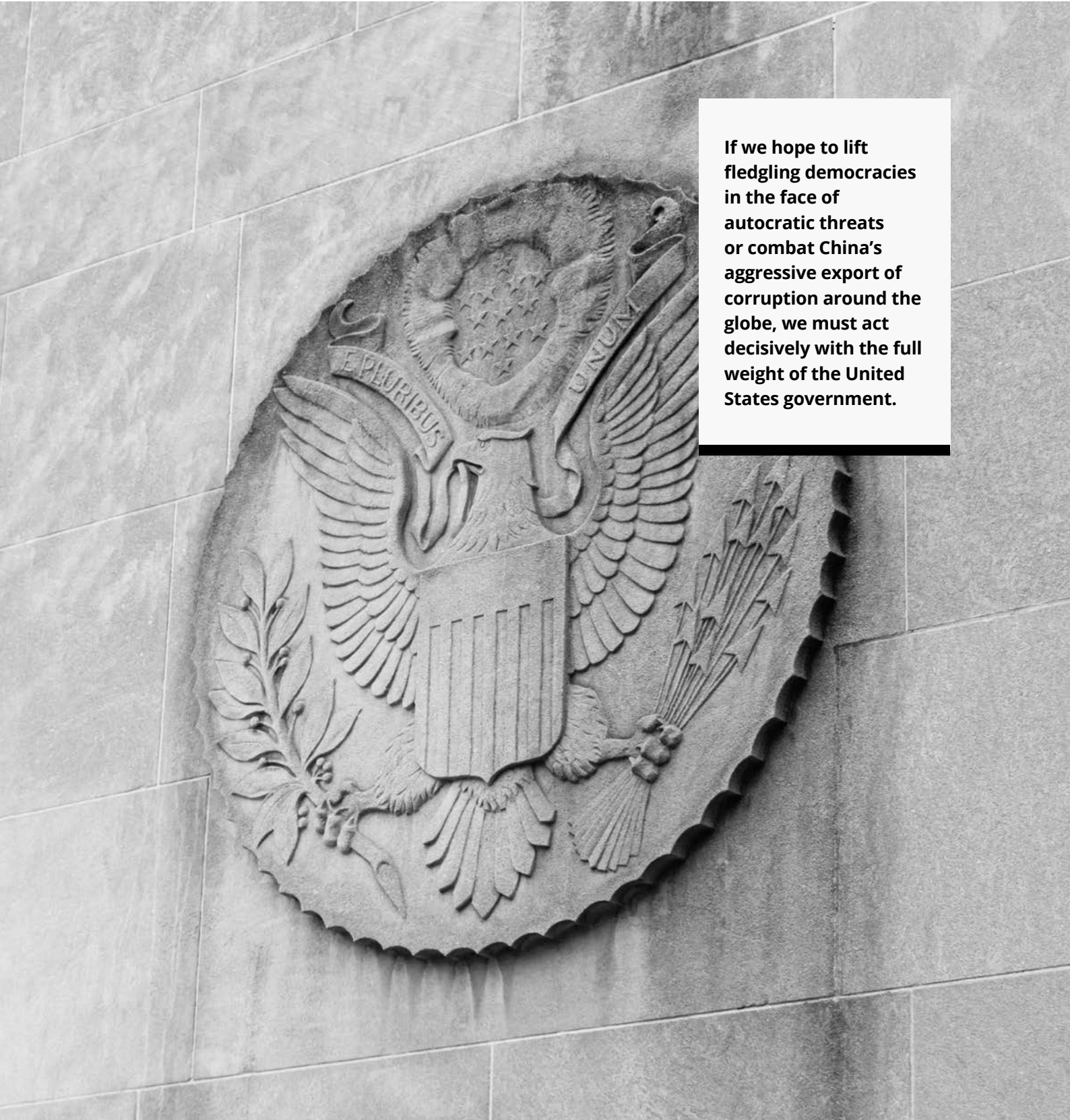
China’s aggressive export of corruption around the globe, we must act decisively with the full weight of the United States government.

The global corruption challenge requires new approaches and a renewed commitment to U.S. leadership. Now is the time to send a message to the world that the U.S. as a whole is ready to lead in the fight against corruption.



WHAT CAN BE DONE?

- + Create an interagency coordination framework that brings together key U.S. agencies, including the departments of Treasury, Justice, Homeland Security, Defense, and State, along with USAID, the Development Finance Corporation, and the Export-Import Bank of the U.S. (EXIM) to leverage American legal, regulatory, investment, and finance mechanisms in order to support anti-corruption efforts, democratic norms, clean U.S. foreign direct investment, and the mitigation of corruption as a strategic tool of our foreign adversaries;
- + Create within the State Department a central clearinghouse for corruption-related information, and mandate dynamic, systematic analyses of the structures and operations of corrupt networks in select countries;
- + Assign new, trained Anti-corruption Officers to at least 30 U.S. embassies in corruption hotspots around the world to oversee the implementation of the whole-of-government approach in specific foreign states; and
- + Name and train anti-corruption points of contact in every U.S. embassy to ensure that embassies are aligning and informing their anti-corruption efforts with the whole-of-government approach, while responding to the unique circumstances of each foreign state.



If we hope to lift fledgling democracies in the face of autocratic threats or combat China's aggressive export of corruption around the globe, we must act decisively with the full weight of the United States government.



ESTABLISH AN ANTI-CORRUPTION ACTION FUND TO FINANCE U.S. ANTI-CORRUPTION EFFORTS ACROSS THE WORLD.

Fragile democracies around the world face tremendous challenges when protecting their institutions from corrupt actors. Corrupt foreign officials can quickly unravel promising democratic reforms aimed at building free, open, and democratic societies.

Perhaps the most visible examples of this lie just beyond the borders of the European Union (EU). The fall of the Berlin Wall more than thirty years ago ushered in a new wave of democratic transitions in the former Soviet protectorates of Belarus, Ukraine, Poland, and Hungary. During the 1990s, the United States invested in strengthening the burgeoning democratic institutions of former Soviet Bloc countries. While some of these efforts helped bring about stronger transitions to democracy, not enough was done to address the emerging risks

of corruption in these nascent states.⁹³ In recent years, an uptick of support for authoritarian, populist styles of leadership, such as Hungarian President Viktor Orban⁹⁴ and Belarus President Alexander Lukashenko,⁹⁵ has raised serious concerns about the future of democratic transition at the borders of the EU.

One high-profile example of this problem today is Ukraine. Widespread corruption in the country has severely damaged its economy – reducing tax revenue, undermining growth, deterring foreign investment, and inciting political instability. The 2004 Orange Revolution and the 2014 Euromaidan Revolution saw a population desperately trying to wrest control of their country back from corrupt forces.⁹⁶ Yet much remains unchanged, as entrenched kleptocrats continue to pilfer the country's public coffers and move its assets to safe harbors with ease and impunity.⁹⁷

With too many countries teetering on the brink of kleptocracy, the U.S. can and should help those that are struggling to move toward democratic stability. While we work to close the kleptocrat-friendly loopholes in our financial and political systems at home, we must respond more quickly and directly when countries in transition need our help against kleptocrats abroad. An Anti-corruption Action Fund would give the U.S. quick-strike capabilities to shore up fledgling democratic institutions, encourage reformers, protect civil society, and support media efforts to bring the perpetrators of corruption to task.

The money to establish such a fund is already available: The enforcement of domestic anti-corruption laws such as the Foreign Corrupt Practices Act consistently generates billions of dollars in fines and penalties that could be repurposed for the fight against corruption. There would be profound justice in using the seized proceeds of corruption to help defeat it at its source.



WHAT CAN BE DONE?

+ Create an Anti-corruption Action Fund financed by the proceeds of anti-corruption laws and programs – including the Foreign Corrupt

Practices Act, a new cross-border payments database, and a new prohibition against “demand-side” foreign bribery – that can

transform the proceeds of short-term victories against corruption into the types of long-term investments that stifle corruption at its source.





MANDATE THE DEVELOPMENT OF A “NATIONAL AUTHORITARIAN INFLUENCE RISK ASSESSMENT.”

Much like our pivot after 9/11 to address terrorism on a global scale, global corruption – and the authoritarianism that it feeds – requires similar attention today, as we face a broad range of threats to open government, the free exchange of ideas, and the international rule of law.

U.S. efforts to detect, deter, disrupt, and defund authoritarian influence starts with deeper knowledge. To counter China, Russia, and other authoritarian regimes worldwide, we must know the full extent of emerging threats, and we must understand with precision how our adversaries intend to impact our systems and our way of life.

For example, China’s export of corruption has created new forms of dependency in many countries, making fragile economies vulnerable to distorted politics, over-priced infrastructure, and extractive loans that hold citizens hostage to Chinese influence.⁹⁸ Meanwhile, Russia’s emerging use of cyber weapons to upset and influence democracy through widespread disinformation, hacking, and infiltration of election systems and social media⁹⁹ has created rapidly evolving risks that the U.S. must fully understand in order to counter.

This new “Cold War” is a tug of war between democracy and authoritarianism – and the battle is being waged through the malign use of economic tools, systems, and global financial connectivity, corrupting the very systems through which the world has prospered.

If we are to fight back against the emerging pathways of corruptive and authoritarian influence, we must acknowledge the new ways we are at risk, understand the new mechanisms of attack, and ensure we have sufficient information to effectively counter new threats to our way of life.

To that end, Congress should require the Treasury Department to conduct an annual “National Authoritarian Influence Risk Assessment.” Treasury already oversees a National Terrorist Financing Risk Assessment, a public report on financial weaknesses that could enable terrorist financing. A National Authoritarian Influence Risk Assessment could yield similar dividends, helping the U.S. tailor its global approach to the landscape of risks we currently face.



WHAT CAN BE DONE?

- + Designate the “Countering of Authoritarian Influence” as a national security priority at the Treasury Department and other relevant agencies, putting it on par with anti-money laundering and combating the financing of terrorism; and
- + Develop a National Authoritarian Influence Risk Assessment, modeled after the Treasury Department’s National Terrorist Financing Risk Assessment, that could be used as a factor in determinations regarding foreign assistance and other programs.

TRACK COUNTRY PROGRESS ON FREELY MADE ANTI-CORRUPTION COMMITMENTS.

Corruption crosses borders. Understanding this, countries around the world have agreed to work together to combat it.

The groundwork for this cross-border approach to combating corruption began when the United States passed the Foreign Corrupt Practices Act (FCPA) in 1977, which has since served as a global blueprint for efforts to rein in foreign bribery. As other countries followed the U.S.'s lead, the growing patchwork of international efforts demonstrated the need for a more unified approach.

To address that need, the U.S. pursued an international agreement with the member countries of the Organization of Economic Co-operation and Development (OECD), the international body representing the world's largest economies, in an attempt to outlaw foreign bribery and corruption among the U.S.'s main

business competitors. This effort led to the 1997 OECD Anti-Bribery Convention, which effectively brought all of the world's major economic powers on board in the fight against corruption.

Of course, corruption does not only occur in large economies. Seeking to create a uniform approach to combating corruption throughout the world, the United Nations, beginning in 2003, brought countries together to adopt the UN Convention against Corruption (UNCAC), which has since been ratified by 187 countries.

The UNCAC is a powerful agreement that requires all party states to criminalize a wide range of corrupt acts.¹⁰⁰ It also establishes guidelines for the creation of anti-corruption bodies, codes of conduct for public officials, transparent and objective systems of procurement, merit-based recruitment, and enhanced ac

counting and auditing standards for the private sector. Signatory countries also commit to cooperating on information gathering, as well as on tracing, freezing, and seizing corrupt assets.

However, despite widespread adoption, many countries have failed to implement these and other international anti-corruption commitments, or have done so poorly, passing laws in name only and failing to pursue implementation or enforcement.¹⁰¹

International agreements are essential to creating a unified and globally consistent approach to corruption. Yet such work is irrelevant if the countries that sign and ratify these agreements then fail to establish or enforce robust laws on the national level.

By tracking and compiling clear and accessible information on which countries have and have not lived up to their commitments, the U.S. can exert pressure on lagging nations and help stir slow-moving governments into action.



WHAT CAN BE DONE?

+ Create a public report that tracks international corruption commitments by country. The report should include information about

whether the commitments have been implemented, and if so, whether they are being enforced. The report should cover the United

Nations Convention against Corruption and all other international agreements.



IMPROVE THE MUTUAL LEGAL ASSISTANCE TREATY PROCESS.

Mutual Legal Assistance is the formal process of cooperation between countries on issues such as cross-border money laundering, asset recovery, and tax evasion. When the U.S. suspects a drug kingpin is laundering money through Panamanian banks, for example, it can use Mutual Legal Assistance to request evidence about the assets from the Panamanian government. Because criminal conduct does not stop at a country's border, Mutual Legal Assistance Treaties (MLATs) are critical for law enforcement and anti-corruption efforts.

Complex corruption cases, in particular, often rely on the ability of U.S. law enforcement to cooperate with foreign officials. For example, when the U.S. government was investigating corrupt FIFA soccer officials, cooperation between the U.S. and Swiss officials was essential to making its case.¹⁰²

Unfortunately, while corrupt actors and their money move quickly, the MLAT process is too often cumbersome and slow. It can take years after an MLAT request before the evidence is produced.¹⁰³ By the time the issue is resolved, the target or the cash has frequently moved

elsewhere. Too often, authorities are faced with the need to drop cases or end investigations because of MLAT delays.¹⁰⁴ Some such delays are even intentional, as corrupt foreign officials attempt to stymie investigations into their own wrongdoing or that of their allies. For the U.S. to lead the global fight against corruption, it must improve and streamline the use of MLATs. As originally envisioned, Mutual Legal Assistance is a powerful tool to promote rule of law and cooperation in criminal investigations. With careful study and modifications, it can achieve that potential.



WHAT CAN BE DONE?

+ Complete a study on the efficacy of MLATs and how they can be improved or built upon in multilateral fora; and

+ Require the regular publication of data on the number of MLAT requests received, the number returned for noncompliance,

the reasons why they were returned, and the median time it took to satisfy a request.

APPENDIX

Measures are listed where there is authority and a political path forward. Certain measures are listed in both categories.

WHAT THE EXECUTIVE BRANCH CAN DO

Who are the people?

1. Extend anti-money laundering obligations to those who serve as “gatekeepers” to the U.S. financial and political systems.

- + Require lawyers, accountants, art dealers, investment advisers (including private equity advisers, hedge fund and venture capital advisers and managers), lobbyists, real estate professionals, corporate formation agents, and third-party service providers (including money services businesses and other payment processors, as well as check consolidation and cash vault service providers) to conduct due diligence on prospective clients and to establish effective anti-money laundering programs.

2. Root out foreign corruptive influence in the U.S.

- + Require senior-level federal employees to disclose job negotiations and job offers from foreign entities.

3. Protect American whistleblowers.

- + Extend appropriate whistleblower protections to more executive branch employees, as many such employees are inadequately covered, or not covered at all, by current protections;
- + Permit whistleblowers to receive a stay of adverse actions (like firings and demotions) from the Merit Systems Protection Board if they can establish a credible case of retaliation; and
- + Expand whistleblower reward programs, and opportunities for redress.

Where is the money?

4. Establish a cross-border payments database.

- + Create a cross-border payments database within two years, take a leading role in developing the standards for the database and encouraging broader adoption by and interoperability with our allies, and use any illicit funds that are identified and seized

as a result of the database to fund programs (including the database itself) that combat illicit finance and other corrupt activities.

5. Require extractive companies to disclose payments to foreign governments.

- + Adopt a strong implementing rule for Section 1504 of the Dodd-Frank Act that requires all U.S.-listed oil, gas, logging, and mining companies to publicly disclose on a country-by-country and a project-by-project basis all payments above \$100,000 to foreign governments.

What are the loopholes?

6. Expand, and make permanent, the use of geographic targeting orders.

- + Expand FinCEN's temporary geographic targeting orders (GTOs) to make the program nationwide, permanent, and inclusive of commercial real estate.

7. Promote the widespread adoption of Legal Entity Identifiers, a global standard for corporate identification.

- + In order to jumpstart the widespread use of LEIs, require U.S. publicly traded corporations, companies that contract with the U.S. government, and recipients of major U.S. government grants to adopt LEIs.

8. Actively enforce the existing requirement that money services businesses register at the federal level.

- + Actively enforce the requirement that MSBs register at the federal level, and more closely monitor MSBs to ensure they do so.

How do we strengthen institutions?

9. Mandate the development of a “National Authoritarian Influence Risk Assessment.”

- + Designate the “Countering of Authoritarian Influence” as a national security priority at the Treasury Department and other relevant agencies, putting it on par with anti-money laundering and combating the financing of terrorism.

10. Track country progress on freely made anti-corruption commitments.

- + Create a public report

that tracks international corruption commitments by country. The report should include information about whether the commitments have been implemented, and if so, whether they are being enforced. The report should cover the United Nations Convention against Corruption and all other international agreements.

11. Improve the Mutual Legal Assistance Treaty process.

- + Complete a study on the efficacy of MLATs and how they can be improved or built upon in multilateral fora; and

WHAT CONGRESS CAN DO

Who are the people?

12. Extend anti-money laundering obligations to those who serve as “gatekeepers” to the U.S. financial and political systems.

- + Require lawyers, accountants, art dealers, lobbyists, and corporate formation agents to conduct due diligence on prospective clients and to establish effective anti-money laundering programs.

13. Root out foreign corruptive influence in the U.S.

- + Strengthen the enforcement of the Foreign Agents Registration Act, which requires U.S. citizens to disclose lobbying done on behalf of foreign

governments, by providing adequate resources for meaningful enforcement and routine auditing;

- + Require candidates for federal office to report offers of assistance from foreign entities to law enforcement;
- + Require nonprofits to publicly disclose their foreign funders;
- + Ban foreign entities from paying for ads that support or oppose a candidate, or for online or digital ads that mention a candidate within a certain number of days before an election;
- + Ban foreign governments and foreign political parties from paying for “issue ads”

(ads that discuss political issues like the defense budget or taxes rather than specific candidates) during a federal election year; and

- + Ban subsidiaries of foreign companies, and companies with significant foreign ownership, from all non-issue-ad political spending.

14. Prevent “Golden Visa” shopping.

- + Direct the State Department and the Department of Homeland Security to establish and maintain a common, U.S.-led investor visa denials government database to prevent “golden visa” shopping and expose

corrupt actors who are denied access to the U.S. By enabling the Five Eyes, the EU, and other allies to both contribute to the database and confirm which individuals have been denied investor visas by other jurisdictions, we can help protect investor visa programs in the U.S. and around the world from abuse;

- + Direct the Department of Homeland Security to develop stronger due diligence procedures for determining whether applicants are state-sponsored, and whether the funds associated with EB-5 applicants originate from a legitimate source; and
- + Temporarily halt the EB-5 program on national and economic security grounds until the program's well-known vulnerabilities are addressed.

15. Protect American whistleblowers.

- + Extend appropriate whistleblower protections to all executive branch employees, as many such employees are inadequately covered, or not covered at all, by current protections;
- + Make it a criminal offense for a state or federal employee to reveal the name of a government whistleblower;
- + Protect whistleblowers from retaliations disguised as "investigations";

- + Give federal whistleblowers the right to a jury trial;
- + Permit whistleblowers to receive a stay of adverse actions (like firings and demotions) from the Merit Systems Protection Board if they can establish a credible case of retaliation; and
- + Expand whistleblower reward programs, and opportunities for redress.

16. Provide a safe haven for foreign whistleblowers and anti-corruption activists.

- + Establish a first-of-its-kind national center where a limited number of anti-corruption activists and whistleblowers whose lives or livelihoods face impending danger, or who have suffered egregious retaliation, can come with their immediate families to recover and recharge before they resume their work at home. The center would provide housing, health care, and access to the legal, policy, research, organizational, and technical expertise needed for these heroes to return home and advance an in-country anti-corruption agenda.
- + Authorize the State Department to fast-track asylum applications for anti-corruption activists and whistleblowers who face personal risks in their home countries.

Where is the money?

17. Publicize the repatriation of foreign stolen assets recovered by U.S. law enforcement.

- + Direct the Department of Justice to publicize on a website the funds stolen from citizens of corrupt regimes and recovered by U.S. law enforcement, including status updates on the repatriation of those assets. Crack down on trade-based money laundering through greater transparency and better information sharing.
- + Create a system of automatic information exchange with trusted trading partners, including by directing U.S. Customs and Border Protection (CBP) to establish agreements in which basic trading data is shared between customs officials; Direct Customs to explore the implementation of blockchain technology for information sharing to ensure the integrity of that data and its timely exchange. The relevant data is already collected by the Census Bureau, so no new collection mechanism is needed, and no new private sector reporting or other engagement is required; and
- + Make additional trade data (minus company identifying info) available and free to the public. Basic data is already collected by the Census Bureau, and the public already has access to the data, but for a fee of thousands of dollars per

year. Those fees generate minimal revenue, and create unnecessary obstacles to access, preventing journalists, academics, and civil society from using the data to flag problems that suggest illicit activity.

18. Require that the procurement process for U.S. foreign assistance allocations to third parties be fully transparent.

- + Improve transparency in the procurement process for U.S. foreign assistance allocations to third parties by requiring all recipients of significant foreign assistance, prior to receiving such assistance, to disclose their beneficial ownership information, to agree to publish any significant contracts administering such assistance, and to agree to submit to an independent audit of all significant expenditures of such assistance.

What are the loopholes?

19. Criminalize the demand side of foreign bribery.

- + Expand federal bribery law to cover any foreign official or agent thereof who corruptly demands, seeks, receives, accepts, or agrees to receive or accept anything of value in exchange for being influenced in their performance of an official act; and
- + Create a reward program for tipsters or whistleblowers who provide evidence of “demand-side” foreign bribery.

20. Extend money laundering predicate offenses to include violations of foreign law that would be predicate offenses in the U.S.

- + Allow violations of foreign law to serve as a predicate offense for money laundering, if a violation of an equivalent U.S. law would be considered a predicate offense domestically; and
- + Require the Department of Justice to submit a report to Congress every two years listing new, recommended money laundering predicate offenses.

How do we strengthen institutions?

21. Strengthen the U.S. Treasury’s tools for combating money laundering.

- + Modify Section 311 of the PATRIOT Act to allow the Secretary of the Treasury to designate foreign financial institutions that pose a money laundering risk without the need for a formal rule for each action;
- + Require the Treasury Department to conduct a comprehensive annual risk assessment to more accurately target money laundering risks within the U.S. financial system;
- + Increase the Treasury Department’s resources in order to allow it to aggressively pursue institutions and jurisdictions that assist with money laundering, and provide the new Global Investigations Division within FinCEN sufficient funding to assist in

these efforts;

- + Improve government-industry coordination by expanding the Bank Secrecy Act Advisory Group to include a larger set of constituencies, including regulators, regulated entities, and relevant U.S. law enforcement; and
- + Revise the mission of FinCEN to reflect its evolving role in protecting our national security, empowering it to lead a strong and coordinated U.S. effort to safeguard our financial system.

22. Coordinate, combine, and focus the foreign anti-corruption efforts of federal agencies into a coherent, whole-of-government approach.

- + Create an interagency coordination framework that brings together key U.S. agencies, including the departments of Treasury, Justice, Homeland Security, Defense, and State, along with USAID, the Development Finance Corporation, and the Export-Import Bank of the U.S. (EXIM) to leverage American legal, regulatory, investment, and finance mechanisms in order to support anti-corruption efforts, democratic norms, clean U.S. foreign direct investment, and the mitigation of corruption as a strategic tool of our foreign adversaries;

- + Create within the State Department a central clearinghouse for corruption-related information, and mandate dynamic, systematic analyses of the structures and operations of corrupt networks in select countries;
- + Assign new, trained Anti-corruption Officers to at least 30 U.S. embassies in corruption hotspots around the world to oversee the implementation of the whole-of-government approach in specific foreign states; and
- + Name and train anti-corruption points of contact in every U.S. embassy to ensure that embassies are aligning and informing their anti-corruption efforts with the whole-of-government approach, while responding to the unique circumstances of each foreign state.

23. Establish an Anti-corruption Action Fund to finance U.S. anti-corruption efforts across the world.

- + Create an Anti-corruption Action Fund financed by the proceeds of anti-corruption laws and programs – including the Foreign Corrupt Practices Act, a new cross-border payments database, and a new prohibition against “demand-side”

foreign bribery – that can transform the proceeds of short-term victories against corruption into the types of long-term investments that stifle corruption at its source.

24. Mandate the development of a “National Authoritarian Influence Risk Assessment.”

- + Develop a National Authoritarian Influence Risk Assessment, modeled after the Treasury Department’s National Terrorist Financing Risk Assessment, that could be used as a factor in determinations regarding foreign assistance and other programs.

25. Improve the Mutual Legal Assistance Treaty process.

- + Complete a study on the efficacy of MLATs and how they can be improved or built upon in multilateral fora; and
- + Require the regular publication of data on the number of MLAT requests received, the number returned for noncompliance, the reasons why they were returned, and the median time it took to satisfy a request.

ENDNOTES

- 1 International Centre for the Study of Radicalisation, "Terrorist Financing in South Africa", March 10, 2011, <https://icsr.info/2011/03/10/terrorist-financing-in-south-africa/>
- 2 Alan Feuer, "El Chapo Trial Shows that Mexico's Corruption is Even Worse than You Think", The New York Times, December 28, 2018, <https://www.nytimes.com/2018/12/28/nyregion/el-chapo-trial-mexico-corruption.html>
- 3 Angela Barkhouse, Hugo Hoyland, and Marc Limon, "Corruption: A Human Rights Impact Assessment", Universal Rights Group, May 2018, https://www.universal-rights.org/wp-content/uploads/2018/04/Policy_report_corruption_LR.pdf
- 4 Sarah Chayes, "A Hidden Cost of Corruption: Environmental Devastation", The Washington Post, June 2017, https://www.washingtonpost.com/outlook/a-hidden-cost-of-corruption-environmental-devastation/2017/06/16/03f93c1e-52b8-11e7-b064-828ba60fbb98_story.html
- 5 Emile van de Does de Willebois, Emily M. Halter, Robert A. Harrison, Ji Won Park, and J.C. Sharman, "The Puppet Masters: How the Corrupt Use Legal Structures to Hide Stolen Assets and What to Do About It", The International Bank for Reconstruction and Development: The World Bank, 2011, <https://star.worldbank.org/publication/puppet-masters>
- 6 Global Witness, "On the House", September 23, 2020, <https://www.globalwitness.org/en/campaigns/corruption-and-money-laundering/anonymous-companies-used-to-launder-money-in-us-real-estate/>
- 7 International Consortium of Investigative Journalists, "Global Banks Defy U.S. Criminals and Terrorists", September 20, 2020, <https://www.icij.org/investigations/fincen-files/global-banks-defy-u-s-crackdowns-by-serving-oligarchs-criminals-and-terrorists/>
- 8 Giorgio Spagnol, "Correlation Between Corruption and Conflict", IERI, February 2, 2019, <http://www.ieri.be/fr/publications/wp/2019/f-vrier/correlation-between-corruption-and-conflict>
- 9 Odd-Helge Fjeldstad, "Violence, Poverty and Police Corruption", Chr. Michelson Institute, January 2007 – December 2009, <https://www.cmi.no/projects/1002-violence-poverty-and-police-corruption>
- 10 United Nations News, "North Koreans Trapped in 'Vicious Cycle of Deprivation, Corruption, Repression' and Endemic Bribery: UN Human Rights Office", May 28, 2019, <https://news.un.org/en/story/2019/05/1039251>
- 11 Amnesty International, "Zimbabwe: Authorities Continue their Crackdown on Dissent with Arrest of Investigative Journalist and Activist", July 20, 2020, <https://www.amnesty.org/en/latest/news/2020/07/zimbabwe-authorities-continue-their-crackdown-on-dissent-with-arrest-of-investigative-journalist-and-activist/>
- 12 Nick Squires, "Neglect, Corruption and Mafia Infiltration: Genoa Bridge Collapse Shines Spotlight on Italy's Woeful Infrastructure", The Telegraph, August 17, 2018, <https://www.telegraph.co.uk/news/2018/08/17/neglect-corruption-mafia-infiltration-genoa-bridge-collapse/>
- 13 Evan Osnos, "Boss Rail: The Disaster that Exposed the Underside of the Boom", The New Yorker, October 15, 2012, <https://www.newyorker.com/magazine/2012/10/22/boss-rail>
- 14 Mirage, "Reducing corruption in construction could save lives and livelihoods", November 27, 2020, <https://www.miragenews.com/reducing-corruption-in-construction-could-save-lives-and-livelihoods/>
- 15 Ruben Carranza, and Mohamed Azer Zouari, "Work, Freedom, Dignity, The International Center for Transitional Justice", February 2020, https://www.ictj.org/sites/default/files/ICTJ_Briefing_Tunisia_Youth_Corruption_Web.pdf
- 16 Sanjeev Gupta, Hamid Davoodi, and Rosa Alonso-Terme, "Does Corruption Affect Income Inequality and Poverty?", International Monetary Fund: Fiscal Affairs Department, May 1998, <https://www.imf.org/external/pubs/ft/wp/wp9876.pdf>
- 17 David Pegg, "Leak Reveals \$2tn of Possibly Corrupt US Financial Activity", The Guardian, September 20, 2020, <https://www.theguardian.com/us-news/2020/sep/20/leak-reveals-2tn-of-possibly-corrupt-us-financial-activity>
- 18 Kwabena Gyimah-Brempong, 2002, "Corruption, Economic Growth, and Income Inequality in Africa", Economics of Governance, 3, 183-209, <https://www.usf.edu/arts-sciences/departments/economics/documents/corruption.growth.inequality.africa.econgov.02.pdf>
- 19 Zeeshan Aleem, "Venezuela's Economic Crisis is So Dire that Most People have Lost an Average of 19 pounds", Vox, February 22, 2017, <https://www.vox.com/world/2017/2/22/14688194/venezuela-crisis-study-food-shortage>
- 20 James O. Finckenauer, Joseph R. Fuentes, and George L. Ward, "Mexico and the United States: Neighbors Confront Drug Trafficking", United Nations Activities, January 2001, <https://www.ncjrs.gov/pdffiles1/nij/218561.pdf>
- 21 Charlie Savage, Mujib Mashal, Rukmini Callimachi, Eric Schmitt, and Adam Goldman, "Suspicious of Russian Bounties Were Bolstered by Data on Financial Transfers", The New York Times, June 30, 2020, <https://www.nytimes.com/2020/06/30/us/politics/russian-bounties-afghanistan-intelligence.html>

- 22 International Consortium of Investigative Journalists, "Offshore Trove Exposes Trump-Russian Links and Piggy Banks of the Wealthiest 1 Percent", November 2017, <https://www.icij.org/investigations/paradise-papers/paradise-papers-exposes-donald-trump-russia-links-and-piggy-banks-of-the-wealthiest-1-percent/>; Julian Hans, "The Evidence is Strong", Panama Papers, n.d., <https://panamapapers.sueddeutsche.de/articles/57161f07a1bb8d3c3495bc36/>
- 23 Transparency International, "What is Corruption?", <https://www.transparency.org/en/what-is-corruption>
- 24 The United Nations defines "grand corruption" as: "corruption that pervades the highest levels of a national Government, leading to a broad erosion of confidence in good governance, the rule of law and economic stability." United Nations Office on Drugs and Crime, "The Global Programme Against Corruption: UN Anti-Corruption Toolkit", September 2004, https://www.un.org/ruleoflaw/files/UN_Anti%20Corruption_Toolkit.pdf
- 25 Wade Shepard, "The Story Behind the World's Emptiest International Airport", Forbes, May 28, 2016, <https://www.forbes.com/sites/wadeshepard/2016/05/28/the-story-behind-the-worlds-emptiest-international-airport-sri-lankas-mattala-rajapaksa/?sh=342779b47cea>
- 26 David E. Sanger and Catie Edmonson, "Russia Targeted Election Systems in All 50 States, Report Finds", The New York Times, July 25, 2019, <https://www.nytimes.com/2019/07/25/us/politics/russian-hacking-elections.html>
- 27 Laurens Cerulus, "Beijing's influence in European Parliament draws fresh scrutiny", Politico, November 26, 2020, <https://www.politico.eu/article/china-influence-european-parliament-friendship-group/>
- 28 Zachary Warmbrodt, "Lawmakers Clinch Deal on Decadelong Fight Against Shell Companies", Politico, November 25, 2020, <https://www.politico.com/news/2020/11/25/lawmakers-fight-shell-companies-440618>
- 29 Terry Gross, "Journalist: Kleptocrats' 'Ill-Gotten Fortunes' are Being Parked in U.S. Real Estate", NPR Fresh Air, February 13, 2019, <https://www.npr.org/2019/02/13/694226853/journalist-kleptocrats-ill-gotten-fortunes-are-being-parked-in-u-s-real-estate>
- 30 FTI Consulting, "China in Africa: Competing with China", March 2013, https://www.empea.org/app/uploads/2017/03/FTI_Competing_with_China_White_Paper.pdf
- 31 International Consortium of Investigative Journalists, "The Panama Papers: Exposing the Rogue Offshore Finance Industry", 2020, <https://www.icij.org/investigations/panama-papers/>
- 32 Sheera Frenkel and Julian E. Barnes, "Russians Again Targeting Americans With Disinformation, Facebook and Twitter Say," The New York Times, September 22, 2020, <https://www.nytimes.com/2020/09/01/technology/facebook-russia-disinformation-election.html>
- 33 Anna Massoglia, "Ukrainian foreign influence operation bankrolled by secret donors in coordinated effort", The Center for Responsive Politics, December 10, 2019, <https://www.opensecrets.org/news/2019/12/ukraine-foreign-influence-operation-bankrolled-by-secret>
- 34 Scott Greytak and Lawrence Tribe, "Get Foreign Political Money Out of U.S. Elections", The Boston Globe, June 22, 2016, <https://www.bostonglobe.com/opinion/2016/06/22/get-foreign-political-money-out-elections/qEkLMpfA23Blwxw815RJML/story.html>; Michael Sozan, "Ending Foreign-Influenced Corporate Spending in U.S. Elections", Center for American Progress, November 21, 2019, <https://www.americanprogress.org/issues/democracy/reports/2019/11/21/477466/ending-foreign-influenced-corporate-spending-u-s-elections/>
- 35 Josh Rudolph and Thomas Morley, "Covert Foreign Money: Financial Loopholes Exploited by Authoritarians to Fund Political Interference in Democracies", Alliance for Securing Democracy, August 18, 2020, <https://securingdemocracy.gmfus.org/covert-foreign-money/>
- 36 Foreign Agents Disclosure and Registration Enhancement Act of 2019, S. 1762, 116th Cong. (2019), <https://www.congress.gov/bill/116th-congress/senate-bill/1762>
- 37 Adapted from § 3(j)(2) of the CORE Act, S. 3855, 116th Cong. (2020), <https://www.congress.gov/bill/116th-congress/senate-bill/3855>;
- 38 Stopping Harmful Interference in Elections for a Lasting Democracy Act, S. 2669, 116th Cong. (2019), <https://www.congress.gov/bill/116th-congress/senate-bill/2669/text>
- 39 Rudolph and Morley, 2020
- 40 Scott Greytak, "As the Internet and Social Media Drown in Opaque Political Ads, U.S. Reform Efforts Have Gone Nowhere", Voices for Transparency, October 20, 2020, <https://www.transparency.org/en/blog/us-election-2020-opaque-political-digital-advertising>
- 41 PAID AD Act, H.R. 2135, 116th Cong. (2019), <https://www.congress.gov/bill/116th-congress/house-bill/2135/text>
- 42 Alex Crutcher, "The Cyprus Papers", Al Jazeera, 2020, <https://interactive.aljazeera.com/aje/2020/cyprus-papers/index.html>
- 43 Transparency International, "The Underworld of EU Golden Visa, Cyprus Papers Edition", 2020, <https://www.transparency.org/en/blog/underworld-eu-golden-visas-cyprus-papers>

- 44 Elaine Dezenski and Emanuele Ottolenghi, "A Better Way to Sell Citizenship", *The National Interest*, December 29, 2015, <https://nationalinterest.org/feature/better-way-sell-citizenship-14750>
- 45 Rob Schmitz, "Chinese Investors Among Majority Of EB-5 Visa Recipients," *All Things Considered*, May 22, 2017, <https://www.npr.org/2017/05/22/529550240/chinese-investors-among-majority-of-eb-5-visa-recipients>
- 46 Homeland Security Advisory Council, "Final Report: Economic Security Subcommittee," November 2020, https://www.dhs.gov/sites/default/files/publications/final_economic_security_subcommittee_report_1.pdf
- 47 Alina Bashirova, "Lucky Rich Russians?", *Transparency International*, September 29, 2020, <https://www.transparency.org/en/blog/united-states-eb-5-visa-corruption-lucky-rich-russians>
- 48 Transparency International, "Whistleblowing", <https://www.transparency.org/en/our-priorities/whistleblowing>
- 49 *Sistek v. Dept. of Veteran Affairs*, No. 19-1168, 955 F.3d 948 (Fed. Cir. 2020), http://www.ca9.uscourts.gov/sites/default/files/opinions-orders/19-1168.Opinion.4-8-2020_1565965.pdf
- 50 Radcliffe Institute for Advanced Study Harvard University, "Claudia Escobar, Judicial Independence, Separation of Powers, and Corruption", January 6, 2016, <https://www.radcliffe.harvard.edu/video/claudia-escobar-judicial-independence-separation-powers-and-corruption>
- 51 ABC News, "Alexander Perepilichny: Rare Chinese Poison Found in Stomach of Russian Whistleblower", May 19, 2015, <https://www.abc.net.au/news/2015-05-20/poison-chemical-found-on-russian-who-died-in-uk3a-report/6483118>
- 52 Dilsher Dhillon, "For 74 Indian Activists, the Punishment for Seeking the Truth has been Death", *Business Insider India*, March 23, 2018, <https://www.businessinsider.in/for-74-indian-activists-the-punishment-for-seeking-the-truth-has-been-death/articleshow/63425570.cms>
- 53 David Smith, "World Cup Whistleblower: Inquest Opens into 'Poisoning' Death", *The Guardian*, October 18, 2010, <https://www.theguardian.com/world/2010/oct/18/world-cup-whistleblower-inquest>
- 54 James Wasserstrom and Drago Kos, "The Integrity Fellowship and Sanctuary," https://docs.google.com/document/d/1YW_1IMF4mnL_u_8jOQmMUSauGK1E9Iedg6Wb0iaZ-o/edit
- 55 Alicia Tatone, "Global Banks Defy U.S. Crackdowns by Serving Oligarchs, Criminals and Terrorists", *International Consortium of Investigative Journalists*, September 20, 2020, <https://www.icij.org/investigations/fincen-files/global-banks-defy-u-s-crackdowns-by-serving-oligarchs-criminals-and-terrorists/>
- 56 International Consortium of Investigate Journalists, "Confidential Clients", September 20, 2020, <https://www.icij.org/investigations/fincen-files/confidential-clients/#client=Jho-Low>
- 57 Noam Scheiber and Emily Flitter, "Banks Suspected Illegal Activity, but Processed Big Transactions Anyway", *The New York Times*, September 20, 2020, <https://www.nytimes.com/2020/09/20/business/fincen-banks-suspicious-activity-reports-buzzfeed.html>
- 58 Jean-Pierre Brun, Larissa Gray, Clive Scott, and Kevin M. Stephenson, "Asset Recover Handbook", *The World Bank and UNODC*, 2011, <https://star.worldbank.org/sites/star/files/Asset%20Recovery%20Handbook.pdf>
- 59 Larissa Gray, Kjetil Hansen, Pranvera Recica-Kirkbride, and Linnea Mills, "Few and Far: The Hard Facts and Stolen Asset Recovery", *The World Bank*, 2014, <https://www.oecd.org/dac/accountable-effective-institutions/Hard%20Facts%20Stolen%20Asset%20Recovery.pdf>
- 60 Transparency International, "Asset Recovery and the Theft of Public Money", <https://www.transparency.org/en/our-priorities/asset-recovery-and-the-theft-of-public-money>
- 62 World Bank, "Stolen Asset Recovery (StAR) Initiative: Challenges, Opportunities, and Action Plan", *United Nations*, June 2007, <https://www.unodc.org/documents/corruption/StAR-Sept07-full.pdf>
- 63 World Bank, 2007; Andrew Marshall, "What's Yours is Mine: New Actors and New Approaches to Asset Recovery in Global Corruption Cases (Policy Paper 018)", *Center for Global Development*, April 2013, https://www.cgdev.org/sites/default/files/whats-yours-is-mine_0.pdf.
- 64 Global Financial Integrity, "Trade Integrity", <https://gfintegrity.org/issue/trade-integrity/>
- 65 U.S. Government Accountability Office (GAO), "Countering Illicit and Trade: U.S. Efforts to Combat Trade-Based Money Laundering", December 30, 2019, <https://www.gao.gov/assets/710/703609.pdf>
- 66 GAO, December 2019
- 67 Ben Chapman, "Shell's \$1.1bn Deal for Nigerian Oil Field Funded Alleged Bribery Scheme, Report Finds", *Independent*, April 29, 2019, <https://www.independent.co.uk/news/business/news/shell-nigerian-oil-field-deal-funded-alleged-bribery-scheme-global-witness-a8891676.html>
- 68 George Ingram, "What Every American Should Know About US Foreign Aid", *Brookings*, October 2, 2019, <https://www.brookings.edu/opinions/what-every-american-should-know-about-u-s-foreign-aid/>

- 69 Special Inspector General for Iraq Reconstruction, "Learning from Iraq", March 2013, <https://www.globalsecurity.org/military/library/report/2013/sigir-learning-from-iraq.pdf>
- 70 Special Inspector General for Afghanistan Reconstruction, "Corruption in Conflict: Lessons for the U.S. Experience in Afghanistan", September 2016, <https://www.sigar.mil/pdf/special%20projects/SIGAR-21-05-SP.pdf>
- 71 Sharon Otterman, "IRAQ: Oil for Food Scandal", Council on Foreign Affairs, October 28, 2005, <https://www.cfr.org/background/iraq-oil-food-scandal>
- 72 U.S. Securities and Exchange Commission, "SEC Charges Cognizant and Two Former Executive with FCPA Violations", February 15, 2019, <https://www.sec.gov/news/press-release/2019-12>
- 73 MC Rajan, "Cognizant Bribery Case: DMK Demands Action Against Official Who Took Kickbacks", Hindustan Times, September 17, 2019, <https://www.hindustantimes.com/india-news/cognizant-bribery-case-dmk-demands-action-against-official-who-took-kickbacks/story-E7axb3kIAXxVyOProlRR2j.html>
- 74 OECD, "Foreign Bribery Enforcement: What Happens to the Public Officials on the Receiving End?", 2018, <https://www.oecd.org/corruption/Foreign-Bribery-Enforcement-What-Happens-to-the-Public-Officials-on-the-Receiving-End.pdf>
- 75 Owen Jones, Maeve Shearlaw, Adam Sich, and Alex Healey, "Owen Jones Goes on a Russian Dirty Money Tour: 'We Need to Hit Kleptocrats in their Wallets'", The Guardian, <https://www.theguardian.com/world/video/2018/apr/06/owen-jones-goes-on-a-russian-dirty-money-tour-we-need-to-hit-kleptocrats-in-their-wallets>
- 76 Patrick Radden Keefe, "The Kleptocrat in Apartment B", The New Yorker, January 21, 2016, <https://www.newyorker.com/news/daily-comment/the-kleptocrat-in-apartment-b>
- 77 Rosalind S. Helderman and Alice Crites, "The Russian Billionaire Next Door: Putting Ally is Ties to One of D.C.'s Swankiest Mansions", November 29, 2017, The Washington Post, https://www.washingtonpost.com/politics/the-russian-tycoon-next-door-putin-ally-is-tied-to-one-of-dcs-swankiest-mansions/2017/11/28/15f913de-cef6-11e7-81bc-c55a220c8cbe_story.html
- 78 Matthew Stephenson, "Ownership Transparency Works: Geographic Targeting Orders in the US Real Estate Market", The Global Anticorruption Blog, February 12, 2019, <https://globalanticorruptionblog.com/2019/02/12/ownership-transparency-works-geographic-targeting-orders-in-the-us-real-estate-market/>
- 79 FinCEN Advisory FIN-2017-A003 https://www.fincen.gov/sites/default/files/advisory/2017-08-22/Risk%20in%20Real%20Estate%20Advisory_FINAL%20508%20Tuesday%20%28002%29.pdf, August 8, 2017
- 80 Financial Crimes Enforcement Network, "FinCEN Reissues Real Estate Geographic Targeting Orders and Expands Coverage to 12 Metropolitan Areas", November 15, 2018, <https://www.fincen.gov/news/news-releases/fincen-reissues-real-estate-geographic-targeting-orders-and-expands-coverage-12>; Financial Crimes Enforcement Network, "FinCEN Reissues Real Estate Geographic Targeting Orders for 12 Metropolitan Areas", November 5, 2020, <https://www.fincen.gov/news/news-releases/fincen-reissues-real-estate-geographic-targeting-orders-12-metropolitan-areas-2>
- 81 Office of Financial Research, "Legal Entity Identifier – Frequently Asked Questions", U.S. Department of the Treasury, n.d., <https://www.financialresearch.gov/data/legal-entity-identifier-faqs/>
- 82 Scott M. Straub and Matt Rumsey, "Who is Who and What is What? The Need for Universal Entity Identification in the United States", Data Foundation, September 2017, https://static1.squarespace.com/static/56534df0e4b0c2babdb6644d/t/59a6f2e5f7e0ab8b4a859756/1504113383346/LEI_Report_2017.pdf
- 83 World Bank Group and KNOMAD, "COVID-19 Crisis Through a Migration Lens: Migration and Development Brief 32", Knomad, April 2020, https://www.knomad.org/sites/default/files/2020-06/R8_Migration%26Remittances_brief32.pdf
- 84 Andrew P. Scott, "Telegraphs, Steamships, and Virtual Currency: An Analysis of Money Transmitter Regulation", Congressional Research Service, August 20, 2020, <https://fas.org/sgp/crs/misc/R46486.pdf>
- 85 The Financial Accountability and Corporate Transparency (FACT) Coalition, "Advancing Financial Transparency and Tax Fairness to Build Back Better", November 9, 2020, <https://thefactcoalition.org/fact-memo-to-biden-harris-presidential-transition-team/>
- 86 Bloomberg Business, "Western Union: Where the Money is – in Small Bills", November 15, 2001, <https://www.bloomberg.com/news/articles/2001-11-14/western-union-where-the-money-is-in-small-bills>
- 87 <https://www.banking.senate.gov/imo/media/doc/D'Antuono%20Testimony%2011-29-18.pdf>
- 88 FACT Coalition, 2020
- 89 Megan Leonhardt, "Paul Manafort is Accused of Money Laundering. Here's What That Means", Money, October 30, 2017, <https://money.com/paul-manafort-money-laundering-explained/>
- 90 U.S. Department of the Treasury, "Resource Center", December 1, 2010, https://www.treasury.gov/resource-center/terrorist-illicit-finance/Terrorist-Finance-Tracking/Pages/311_actions.aspx; Financial Crimes Enforcement Network, "311

- Special Measures”, U.S. Treasury, n.d., <https://www.fincen.gov/resources/statutes-and-regulations/311-special-measures>
- 91 United States Government Accountability Office, “USA Patriot Act: Better Interagency Coordination and Implementing Guidance for Section 311 Could Improve U.S. Anti-Money Laundering Efforts”, September 2008, <https://www.gao.gov/assets/290/282229.pdf>
- 92 Gillian Dell, “Exporting Corruption: Progress Report 2020: Assessing Enforcement of the OECD Anti-Bribery Convention”, Transparency International, 2020, https://images.transparencycdn.org/images/2020_ReportFull_ExportingCorruption_English.pdf
- 93 Anna Grzymala-Busse and Pauline Jones, “30 Years After the Berlin Wall Fell, Some Former Soviet-Controlled Countries are Dismantling Democracy. What Happened?”, The Washington Post, November 8, 2019, <https://www.washingtonpost.com/politics/2019/11/08/years-after-berlin-wall-fell-much-eastern-europe-is-dismantling-democracy-free-markets-what-happened/>
- 94 Daniel Odín Shaw, “In Hungary’s Brewing Conflict with the EU, Orbán Holds All the Cards”, The Geopolitics, May 4, 2018, <https://thegeopolitics.com/in-hungarys-brewing-conflict-with-the-eu-orban-holds-all-the-cards/>
- 95 Mykhailo Minakov, “Eastern Europe’s Authoritarian Belt in Crisis”, Wilson Center, October 6, 2020, <https://www.wilsoncenter.org/blog-post/eastern-europes-authoritarian-belt-crisis>
- 96 Kateryna Kruk, “In Ukraine, We are Protesting to Preserve Our Dignity”, The Guardian, December 17, 2013, <https://www.theguardian.com/commentisfree/2013/dec/17/ukraine-protesting-euromaidan>
- 97 Gustav Gressel, “Ukraine on the Brink of Kleptocracy”, European Council on Foreign Relations, January 5, 2018, https://ecfr.eu/article/commentary_ukraine_on_the_brink_of_kleptocracy/
- 98 Elaine K. Dezenski, “Below the Belt and Road”, Foundation for Defense of Democracies, May 6, 2020, <https://www.fdd.org/analysis/2020/05/04/below-the-belt-and-road/>
- 99 Sheera Frenkel and Julian E. Barnes, “Russians Again Targeting Americans With Disinformation, Facebook and Twitter Say,” The New York Times, September 22, 2020, <https://www.nytimes.com/2020/09/01/technology/facebook-russia-disinformation-election.html>
- 100 Office on Drugs and Crime, “United Nations Convention Against Corruption”, United Nations, 2004, https://www.unodc.org/documents/treaties/UNCAC/Publications/Convention/08-50026_E.pdf
- 101 Helena Schwertheim, “Innovations in Anti-Corruption Approaches”, International Institute for Democracy and Electoral Assistance, 2017, <https://www.idea.int/gsod-2017/files/IDEA-GSOD-2017-RESOURCE-GUIDE-ANTI-CORRUPTION.pdf>
- 102 Mark Hosenball and Mica Rosenberg, “Swiss Probe into FIFA Runs into Obstacles: Sources”, Reuters, August 21, 2015, <https://www.reuters.com/article/soccer-fifa-swiss/swiss-probe-into-fifa-runs-into-obstacles-sources-idUSL1N10W15B20150821>
- 103 Evan Norris and Morgan J. Cohen, “How US Authorities Obtain Foreign Evidence in Cross-Border Investigations”, Global Investigations Review, October 13, 2020, <https://globalinvestigationsreview.com/review/the-investigations-review-of-the-americas/2021/article/how-us-authorities-obtain-foreign-evidence-in-cross-border-investigations>
- 104 OECD, “Typology on Mutual Legal Assistance in Foreign Bribery Cases”, 2012, <http://www.oecd.org/daf/anti-bribery/TypologyMLA2012.pdf>

CREATE CHANGE WITH US

ENGAGE

Follow us, share your views and discuss corruption with people from around the world on social media.

twitter.com/transparencyUSA

facebook.com/TransparencyInternationalUSA

LEARN

Visit our website to learn more about our work in more than 100 countries and sign up for the latest news in the fight against corruption.

us.transparency.org

DONATE

Your donation will help us provide support to thousands of victims of corruption, develop new tools and research and hold governments and businesses to their promises. We want to build a fairer, more just world. With your help, we can.

transparency.org/donate

Transparency International
International Secretariat
Alt-Moabit 96, 10559 Berlin, Germany

Phone: +49 30 34 38 200

Fax: +49 30 34 70 39 12

ti@transparency.org

www.transparency.org

Blog: voices.transparency.org

Facebook: [/transparencyinternational](https://www.facebook.com/transparencyinternational)

Twitter: [@anticorruption](https://twitter.com/anticorruption)