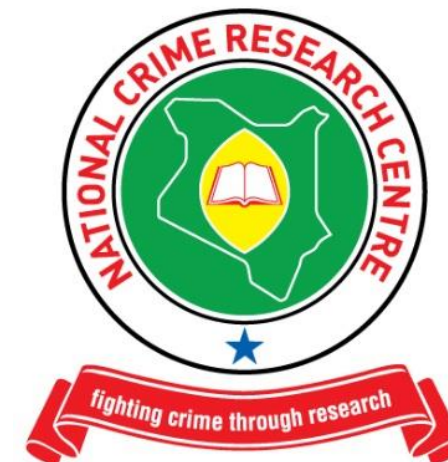




NATIONAL CRIME RESEARCH CENTRE

Fighting Crime through Research



**DISGUISED PERPETRATORS:
A CASE OF UNEXPLAINED WEALTH ACCUMULATION DILEMMA IN
KENYA**

By

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BACKGROUND INFO

- ▶ When the law is perverted everyone perverts it to their own advantage and the law ceases to be the law.
- ▶ The interplay of risk factors and environment (social economic, political, legal and policy environment) creates opportunities for corruption in Kenya
- ▶ Corruption is a victimless crime
- ▶ There are disguised perpetrators of corruption (modus operandi of perpetrators)

1. INTRODUCTION

- ▶ NCRC conducted research on corruption in Public Service on the three arms of Government.
- ▶ The study focused on perception versus experience of corruption.
- ▶ Study covered **8559** members of public in households and **1698** public officials (Executive, Judiciary and Legislature) in all the 47 counties.

2. SOME OBJECTIVES OF THE STUDY

- ▶ To find out common types of corruption in the Public Service.
- ▶ To establish perceptions and experiences towards corruption in the Public Service.
- ▶ To find out modes of operation of perpetrators of corruption in Public Service institutions.

3. FINDINGS

In the context of this meeting, the following findings are relevant:

i. Perception and Experiences of Corruption in Public Service

- ▶ 9 out of 10 of members of public and 9 out of 10 of public officials **perceived** there was corruption in Public Service.
- ▶ 6 out of 10 of members of public and 5 out of 10 of public officials had **witnessed and/or experienced** corruption in the Public Service.

FINDINGS CONT'

ii. Common Types Of Corruption

1. Misuse/ embezzlement of public resources

This corruption crime in public service is also high in banks which avoid revealing that their staff have embezzled their clients' funds for fear of loss of reputation.

FINDINGS CONT'

2. Bribery

The single largest buyer in the Kenyan economy is the Government. The process of procurement involves bank-financed invoices and securities such as undervalued or overvalued title deeds some obtained through bribery practices.

3. Abuse of office

Banks have professional norms and standards which have been violated by some bank staff. There are cases of top bank managers who have contributed to collapse of their banks through abuse of office practices with regard to unsecured banks and money laundering (victimless crime).

FINDINGS CONT'

iii. Perpetrators of Corruption in Public Service

- ▶ Corruption involves disguised perpetrators who are many a times not in the public light .
- ▶ 7 out of 10 members of public and 6 out of 10 public officials reported that corruption is perpetrated by a Public Official collaborating with a Non-Public official including in financial institutions.
- ▶ 4 out of 10 members of public and 4 out of 10 public officials reported that corruption is perpetrated by a Non-Public official collaborating with another Non-Public official.

FINDINGS CONT'

- ▶ While public officials are required by law to declare their wealth, non-public officials are not.
- ▶ This provides a perfect avenue for public officials to hide their corruptly acquired wealth from public service using disguised identities of non-public officials and thus continue perpetrating corruption in public service.
- ▶ The result has been unexplained wealth accumulation among some public and non-public officials.

FINDINGS CONT'

iv. LOW REPORTING ON CORRUPTION

- ▶ The findings points that majority of respondents who either experienced or witnessed acts of corruption did not report due to fear of victimization.
- ▶ The few percentage that reported corruption incidents, the most preferred channel of reporting verbal, however majority indicated that no action was taken even after reporting.
- ▶ VICTIMLESS CRIME (CORRUPTION)

4. RECOMMENDATION TO ADDRESS CORRUPTION

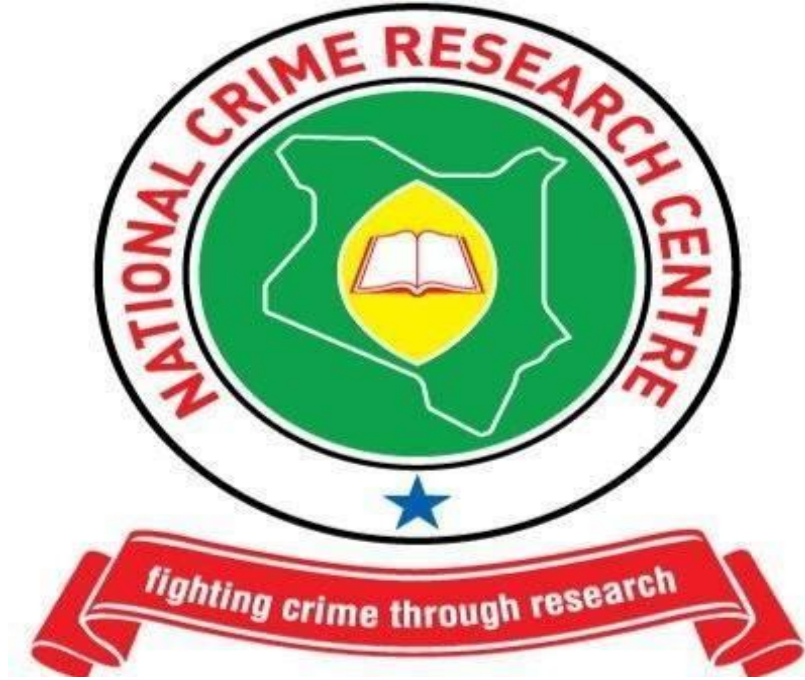
- ▶ Need for law requiring Wealth Declaration among non-public officials to address unexplained wealth accumulation among both public and non-public officials.
- ▶ Income Tax law which requires all Kenyans to declare their incomes annually could be strengthened to include the Wealth Declaration items.
- ▶ Introduce a centralized monetary and lifestyle trail system
- ▶ Concerted efforts by both private and public sector

Pertinent Questions

- ▶ Are duty bearer institutions adequately equipped to fight corruption (legally and administratively-necessary laws, finances, human resource and infrastructure)?
- ▶ How does the public view these institutions: true fighters of corruption or compromised fighters of corruption?
- ▶ Media reports paint an image of duty bearers who appear to be strange bed fellows in the fight against corruption or lacking a common operational definition of corruption. Is this the position?
- ▶ What about changing our laws so that the burden of proof of innocence is on the person accused of corruption ie. Asset Owner?

THANK YOU

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