

UN Round Table  
Presentation

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**Korea's Anti-Corruption Strategies  
and the Role of Private Sector**

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*December 9, 2003*

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**(K I C A C)**

Good afternoon ladies and gentlemen,

I am pleased to see you at this historic time of signing the UN Convention Against Corruption. I find it very meaningful to come to this table with “Korea’s Anti-Corruption Strategies and the Role of Private Sector.”

I am going to briefly outline the current conditions of corruption in Korea, and then the functions and achievements of Korea Independent Commission Against Corruption (KICAC) as a body launched to fundamentally resolve corruption-related problems. Also, I will talk about the role of private sector in addressing corruption.

I sincerely hope that today’s speech will shed light on the Korean government’s anti-corruption efforts. It is also my hope that our experiences can contribute to the ongoing development of practical anti-corruption measures that may be of value to other countries and regions.

## **1. Government, Business and Civil Society**

There are three sectors, the government, business and civil society. Among the three, the last one is creating a free-spirited and independent sphere. It has established a new set of rules for reform and presented new values through the interaction with the other two sectors. Varied changes, political, economic, and social, have been achieved through this process.

In the past half century, Korea has strived to overcome national division and achieve greater economic development and this effort will be continued.

Since the inauguration of participatory government, the role and participation of NGOs in civil society has become more essential than ever. Anti-corruption sector is not an exception in this.

Reality bids us acknowledge, however, that despite noble anti-corruption efforts by our civil society, the scourge of corruption persists in Korea. How can we account for this? Evidence suggests that corruption awareness and a so-called 'self-purification' process in the political and business sectors are not satisfactorily working.

Korea is at crossroads now, moving from the era of authority to the era of democracy. Our nation is undergoing a process of rapid economic growth and modernization and more often than not, our people have difficulty in keeping up with the external changes in terms of value.

Moreover, at the very time when a greater number of voices in our nation are raised for transparency and integrity, the simple truth is that institutional reform efforts from political arena and the government essentially fail to respond to public calls for change.

As the Korean economy becomes ever more interwoven into the world economy, I believe that we must follow the international trend. To resolve the issue of corruption is the first assignment to do so.

## **2. Anti-Corruption Efforts in the Korean Government**

Given the circumstances, past Korean governments have exerted various efforts to cope with corruption problems. A series of measures and legislation by past administrations have provided institutional foundation to prevent corruption.

To cite but a few major pillars of the anti-corruption infrastructure: the Act on Preventing Bribery of Foreign Public Officials in International Business Transactions was enacted in 1999; the Anti-Corruption Act and the Money Laundering Prevention Act were enacted in 2001; the Korea Independent Commission Against Corruption (KICAC) was established in 2002; and Code of Conduct for Public Offices was established in 2003.

KICAC was established in January 2002, in accordance with the Anti-Corruption Act enacted in 2001. It is a major national anti-corruption authority that is both comprehensive and independent in nature.

The Commission consists of nine commissioners including the minister-level Chairman, three of whom are recommended by the National Assembly, three by the Chief Justice of the Supreme Court and three by the President. Each member serves a three-year term and can be reappointed for an additional term. Commissioners cannot be dismissed or removed, which assures that KICAC members have the independence to perform their duties appropriately. A Secretariat has been installed to perform core functions of the Commission, with nearly 160 staff members.

I would say our commission outgrew the past simplistic exposure and punishment of corrupt acts. It is a comprehensive anti-corruption body in the sense that it systematically connects activities such as handling corruption reports, improving institutions, formulating and assessing policies, and carrying out education and promotion.

Such presence of an organization exclusively in charge of anti-corruption measures indicates the Korean government's will – that it will promote national reform with the eradication of corruption as the top priority of national development agenda.

### **3. The Role of Private Sector**

However, the government's anti-corruption convictions and an institutional framework by themselves cannot thoroughly eradicate corruption. Only when there are continued

assistance from the private sector such as monitoring and control by civil society and corporate reforms in governance and ethics, our policies can work effectively.

In Korea, the citizens' movement grew spontaneously from the late 1980s. By the 1990s, with the advancement of democracy and local self-government, civic groups experienced rapid growth both in terms of size and quality.

Some of these groups made outstanding achievements indeed. The Citizens' Coalition for Economic Justice (CCEJ), founded in 1989, realized the Real Name Financial Transactions System; People's Solidarity for Participatory Democracy (PSPD), established in 1994, developed a movement for *chaebol* reform, political reform, and eradication of injustice and corruption; lastly, in 1999, civic groups gathered together for 'anti-corruption movement with people's participation' and inaugurated TI-Korea.

These civic groups not only drafted various and practical policy alternatives to resolve corruption problems in Korean society; they also acted as major players in enacting anti-corruption legislation, the Anti-Corruption Act and the Money Laundering Prevention Act.

**Let me move on to our Commission's major initiatives.**

#### **4. New Anti-Corruption Initiatives**

### **(1) Introduction of Checks & Balances System:**

It is necessary to build a multi-monitoring system for effective prevention of corruption. Given that political manipulation, nepotism and cronyism still exist in Korean society, anti-corruption efforts should not be exclusively exercised by one particular agency.

For this reason, KICAC has set up an integrated information system that electronically coordinate anti-corruption activities of inspection agencies such the Board of Audit and Inspection, Ministry of Government Administration and Home Affairs, Public Prosecutors' Office, Korean National Police Agency, as well as economic regulators such as the Financial Supervisory Commission and the Korea Fair Trade Commission. Through this innovation, we conduct systematic analysis of what they did and try to come up with alternatives and solutions.

### **(2) Evaluation and Monitoring:**

KICAC has commenced its evaluation of the level of integrity in each administrative agency and the result was made public. The level of integrity, which indicates experience and awareness of corruption by civil service applicants and public officials, is measured to improve processes in each governmental agency.

The Code of Conduct for Public Officials was enforced as of this May. The Code has referred to existing codes of conduct and supplemented them to better cope with the current circumstances. It also states specific details to create a new image of public officials.

### **(3) Education & Promotion:**

We provided anti-corruption education for elementary and secondary school students, who account for 30% of total population of Korea. I believe the Commission will be able to draft a more sustainable and comprehensive education plan following consultation with relevant educational authorities. Inspection and code of conduct officers at each agency are conducting anti-corruption education for public officials.

For corporate sector assistance, we are preparing to open the Corporate Ethics Support Center aimed at increase transparency of individual companies and the transactions between companies.

### **(4) A System of Cooperation:**

Civil society groups are the major players in giving greater value to a clean society, monitoring injustice, and maintaining political neutrality. Our commission has formed a public-private joint council to discuss its major policies and gain support from civil society.

We will grow out of conventionally government-initiated approach and establish a system of cooperation to enable two-way communication. I am confident that we will be able to reap invaluable results out of such efforts.

## **Conclusion**

I have briefly explained the anti-corruption strategies of Korea, the main functions of KICAC and the role of private sector.

I would like to add that extended participation of civil society, with an attitude of constructive criticism and granted an equal footing, will help ensure the efficiency and continuity of measures to prevent corruption.

I would like to ask your continued interest and encouragement in our commitment and practical efforts to eliminate corruption from our social and economic landscape.

Thank you for your attention.

Source: <http://www.kicac.go.kr/>

Accessed on 11/29/2004