

ANTI-CORRUPTION SYSTEMS FOR A MERITOCRATIC DEMOCRACY



by Diana Radoane

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High-level corruption costs nations over \$ 2 trillion yearly. Anti-corruption Systems for a meritocratic democracy

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This text is a draft but given the urgency and the impact of high-level corruption on society, with a clear recent case of human rights violations for profits in the inhumane abuse in care centers for the disabled orchestrated by cronies and protected by high-level officials, I decided to publish it as it is, without the input of an editor, consultants, or third-party opinions on the content of this work.

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Authenticity and Novelty

On 22 July 2023, at the date of publication, this text was verified with two different anti-plagiarism software and is 100% authentic and free of plagiarism. Moreover, at least 20% of this research and analysis content consists of new approaches to fight systemic corruption and public procurement fraud. After researching and analyzing the tender / public procurement data, I reached some conclusions and verified if other human beings observed the same corruption patterns. I discovered that around 50% of the audits and reports had similar arguments as this R&E, some had their fair share of novelty (hence I mentioned them in the "references" section to cover up for the probability that the respective content subconsciously influenced my mind), and beyond that, I am confident that at least 20% of this analysis brings a new approach to tackling systemic corruption.

GLOSSARY

Cronyism - a harmful economic system that undermines the principles of free enterprise. It allows businesses to succeed not based on their merit but rather on their connections with the political elite. This collusion between the business and political classes is not only unfair, but it also stifles competition and innovation. We must work towards a system that

Patronage - a harmful practice that can undermine merit-based systems and lead to unfair outcomes. It is a form of favoritism that involves the selection of an individual for a job or government benefit, or contract based on their affiliations or connections rather than their qualifications or entitlement. This practice can be detrimental to the overall progress and development of society, as it can lead to the appointment of individuals who may not be the most qualified or capable for the performance of the contract and worthy of the benefits.

A cartel - is a group of companies or businesses that collaborate to protect their interests, prevent competition, control prices, and ensure profits. Cartel behavior often involves corruption and criminal activity, such as controlling illegal drug markets. Public procurement is also a sector that can fall under the control of cartels, particularly those with ties to political elites. Cartels can contribute to systemic corruption, which has far-reaching negative consequences.

Debarment refers to being formally excluded from tendering for a project that the government is funding or supporting. This typically occurs when an investigation reveals that an entity has been involved in fraud, mismanagement, or corruption.

Democratic accountability - citizens have a say in the policies and decisions made by political parties, parliaments, and public officials; it allows individuals to provide feedback and shape the direction of their government.

Elite Capture - some political and social elites take resources that were intended to benefit the majority of the population. This act, known as elite capture, can include economic, educational, social, and political resources. When this happens, it undermines the democratic accountability and fairness that are essential for a just society.

Favoritism - also known as cronyism or nepotism, is a form of corruption that involves the biased distribution of resources based on personal preference. This can include giving offices or benefits to friends and family members regardless of their qualifications, which can result in an unfair distribution of positions and resources.

Grand corruption – a form of corruption that occurs at the highest levels of government. It often involves large sums of money and the abuse of power for personal gain, resulting in significant losses for the state and its citizens. This type of corruption can take many forms, such as ministers receiving multi-million dollar bribes or embezzling funds from state coffers. It can also involve illicit exchanges in policy formation, where high-level appointments, inside information, and policy influence are used as currency.

Integrity pact – an agreement signed between a government entity or state-owned enterprise and a private company interested in obtaining or implementing a contract. Both parties pledge

not to engage in bribery or accept bribes, with the understanding that punishment will be meted out if either party breaks this agreement. It is a necessary step towards promoting transparency and fairness in government operations and ensuring that the public interest is always prioritized.

Kleptocracy - a dangerous form of government where leaders use their power to enrich themselves at the expense of the people they are meant to serve. This type of system is particularly prevalent in autocratic regimes where there is no accountability mechanism in place to prevent corruption and abuse of power.

Lobbying - Any activity carried out to influence a government or institution's policies and decisions in favour of a specific beneficiary or cause. A means by which citizens and stakeholders can influence government policies and decisions. Citizens engage in lobbying when writing to elected officials or participating in protests. Professional lobbyists are also employed by corporations to advocate for the interests of their clients, but their engagement with public officials must be limited in order to prevent illegal trading in influence.

Revolving doors - Revolving doors refer to individuals' move from positions in government to positions in companies or lobby firms subject to government regulation. Without proper regulation, this practice can open the door for abuse and the trading of influence.

State capture - a type of systemic political corruption represented by an undue influence of private interests on government decision-making, a form of corruption that can result in unfair advantages for specific individuals or businesses.

Systemic corruption - (Also known as endemic corruption) - a type of corruption that becomes an integral part of a state's economic, social, and political system and can severely compromise the mechanisms of governance.

Trading in influence (influence peddling) - occurs when a person exchanges real or perceived influence over a public official for an unfair advantage. This type of corruption is similar to bribery, but it involves a middleman who is a go-between for the decision-maker and the party seeking an improper advantage. The decision-maker may not even be aware of the illicit exchange. One example of trading in influence is when a company pays an MP to attempt to persuade other legislators to support amendments that would benefit the company. Proving trading in influence can be challenging because legal definitions involve disputable criteria of intentionality and undue/improper influence. It is also difficult to distinguish trading in influence from legal forms of lobbying.

Foreword

Corruption is the primary cause of all suffering in the world. People wrongfully condemn other secondary causes as the main enabler of suffering; the reality is that the basis of human suffering is the visible but undocumented and unpunished high-level corruption and its complex networks of negative effects.

\$ 2 trillion is lost yearly due to corruption, 600 billion in E.U., including \$200 billion due to public procurement fraud in E.U. nations.

Why am I writing? As an honest professional and entrepreneur, I can't accept these injustices and see so many cases of corruption unpunished by the authorities, law enforcement, control, and oversight institutions. Nowadays, having high ethical standards, zero tolerance towards corruption, and enough courage NOT to join the cartel of silence when it comes to corrupt practices might be a disability that gets you banned, marginalized, attacked, and targeted with defamatory campaigns. Despite all these, I will do everything to tackle these systemic injustices:

- public procurement fraud that causes a \$1 trillion loss yearly to communities,
- aggressive tax dodging that causes another \$1.5 trillion loss yearly.

The negative impact of high-level corruption on independent investigative professionals and their need for legal and social protection is understated.

The legal and social protection mechanism of professionals who investigate, document and report corruption must be enhanced.

The cronies* and the corrupt firms use the capital obtained through corrupt acts, including from E.U. funds and national public funds, to finance suppliers of "crime as a service" and "cyber-crime as a service." These categories can include online and media defamation campaigns or through techAds, up to assassinations.

Cronyism is a troubling economic system where businesses - instead of thriving on the merits of free enterprise and competition - succeed by colluding with the political class and intelligence ex or current officer (in the countries where power is captured by this illegal, undemocratic, and unelected parallel state) to amass wealth and power. This undermines the basic principles of fairness and creates an uneven playing field for everyone else, blocking any initiative to build a more just and equitable society.

The corrupt networks who exploit public funds, state contracts (financed with the money taken from citizens), and natural resources, although in conflict of interest that is enough reason to exclude them from public procurement, maintain their fake supremacy of high integrity and exemplary ethics through useless paperwork and pompous code of conducts that few are reading and even fewer respect them, and by bribing private actors, politicians, and gov officials and denigrating, discrediting, and blocking independent voices of the professionals who reveal their corrupts schemes. These people have better qualifications, education, higher ethics, and intellectual ability than the cartel partners who were illegally enriched (from public funds). The hundreds of millions of E.U. citizens must do the final evaluations of the deliverables and outcomes of the state contracts of these cronies and white-collar cartels (because, in reality, we see many botched audits and substandard consulting

projects while the partners in the cartels are made EUR multi-millionaires), not the biased and bribed bureaucrats and politicians, or the captured law enforcement agencies. The independent professionals donate their time and skills, come up with better solutions than the ones provided by the cronies paid with EUR millions from public funds, and receives nothing in return, only attacks, denigratory campaign, emotional damages, and reputational and financial losses.

The full set of measures that need to be implemented urgently are mentioned in the “Systemic Corruption Risk Factors and Anti-Corruption Measures” section and are worth more than the useless EUR billion wasted by the E.U. institution on useless consulting contracted from cronies who brought only suffering to communities and enriched their firm partners, some human beings way below intellectually, morally and spiritually than the ones discriminated and robbed.

These are complex systemic issues and can be best solved in an open, democratic, cross-disciplinary, innovative, and collaborative manner by mobilizing the European Parliament to involve the E.U. Barometer to survey the 447 million E.U. citizens regarding the measures to address the critical corruption vulnerabilities identified in this research and investigation. The unfiltered version is "the white-collar corporate mafia is too big to fail and too immersed in the political arena and justice system to jail," but it can be tackled with administrative penalties, fines, debarment, and future fiscal measures.

How is structured this initiative?

I started this work with research and evaluation of data (legislative loopholes and procurement fraud patterns), the identification of corruption vulnerabilities in current policies and procurement procedures, and mapping society's needs relating to principles of fair capital allocation (by the institutions managing public funds), principles that currently are significantly breached.

I continued with solutions generation, including plans to petition the parliamentarians and E.U. decision-makers and the need for product development in the form of integrity tech software and an AI-powered platform.

Not materializing the solutions through petitions and product development is yet another wasted "academic" effort.

The petitions based on data will mobilize the government to implement the necessary legislative changes and improve the rules, policies, and procedures - in line with the current societal needs, including direct democracy.

The new integrity tech software and the AI-powered platform will democratize access to data identifying the individuals who have been illicitly enriched from public funds and their unscrupulous manners, primarily based on public procurement fraud schemes.

The platform will enable citizens and civil society actors to utilize big data in a way that can assist in targeted change and reforms and in the understanding of trends and patterns relevant to anti-corruption enforcement.

Data sets like financial disclosure, beneficial ownership, company data, financial intelligence data, tax authority data, and procurement data will provide patterns and evidence of procurement fraud and other acts of corruption.

Institutions fake their anti-corruption efforts by grossly misusing public funds through fraudulent and discriminatory tendering processes to contract anti-corruption and anti-fraud services from illegally privileged and useless intermediary firms that provide no results.

Even the anti-corruption projects contracted by the E.U. institutions illegally limit the participation of the tender to the same crony firms and their consultants that provide deliverables with no value for the EUR billions spent.

This behavior is serious misconduct, and bureaucratic inefficiency, with indicators of illicit practices that occur secretly and hundreds of EUR billions of theft from E.U. public funds.

E.U. institutions and various NGOs finance and hire many experts to envision bold and detailed scenarios for a sustainable 2050 Europe to fundament their policymaking process. Those studies and reports for sure don't lack imagination and structure, **but without the main strategic area of intervention focusing on the risk management initiative "combating corruption and recovering the EUR trillions lost to corruption," no future scenario is feasible. The risks will happen: the corrupt capital will continue to make profits for the corrupt and exploit people, while the injustices, inequities, and social unrest will increase.**

I. HOW CRONYISM AND WHITE-COLLAR CARTELS CAPTURE STATES?

Governments worldwide spend a staggering US\$13 trillion annually on public contracts for goods, services, and works, meaning an average of 13-20% of their GDP.¹

In the European Union, public procurement accounts for about 14% of the EUR **15.8 trillion** E.U.'s GDP, meaning EUR 2,2 trillion spent on public contracts.

Between 10-30% of this amount is lost to corruption.

This means that globally **+\$ 1.5 trillion is lost yearly to public procurement fraud, from which more than EUR 220 billion in the European Union.**

High-level corruption costs nations over \$ 2 trillion yearly.

In Romania, the government spends EUR 50 billion on public procurement, from which 50%-80% of the amount (EUR 30 billion on average) is lost to corruption and enriching the politically connected firms (cronies) and the firms connected to corrupt current or ex-intelligence officers.

Neither the EUR 30 billion lost to public procurement fraud nor the EUR 20 billion lost to aggressive tax optimization schemes (tax dodging) are not investigated by well-funded political parties, control authorities, oversight institutions, or academia. The yearly theft of EUR 50 billion from the economy is not even identified and approached in a structured manner, like this initiative is trying to do here, at zero cost from public funds.

Most corrupt practices are based on pure cronyism and insider trading practiced by unscrupulous individuals in the public sector that give an unfair and illegal informational advantage to their partners in the private sector. Insiders are not permitted to earn profits based on an informational advantage not held by the public, yet the practice thrives unpunished.

The law firms of the corrupt can't wait to sue for free speech, but in the strategic performance management taxonomy, identifying and prosecuting only 5% of the real corruption on the market is called "incompetence," and the rest is corruption. The billion-dollar damages caused to high-integrity citizens, professionals, and entrepreneurs must be paid by the corrupt trio of politicians – bureaucrats - corrupt private companies, and law enforcement agencies that are too soft on systemic corruption and disinterested in investigating high-level corruption.

As per the United Nations, bribery costs around US\$1 trillion annually, and corruption leads to the theft of around US\$2.6 trillion each year. The OECD Foreign Bribery Report indicates that more than half of foreign bribery cases were related to public procurement contracts.

¹ UN General Assembly recognizes transparency in public procurement is key to fight corruption - Open Contracting Partnership. <https://www.open-contracting.org/ru/news/un-general-assembly-recognizes-transparency-in-public-procurement-is-key-to-fight-corruption/>

Beyond the numbers and statistics, there is the negative impact of corruption and discrimination, and the large-scale suffering these economic wars against human beings are creating. **Corruption** it's well known for its wide-ranging negative effects on societies and economies and can slow economic growth, increase income inequality, raise the cost of government services, undermine trust in public institutions, distort public policies, lead to political instability, and disproportionately affect marginalized populations.

The costs of corruption also mean misallocation or higher expenses of public funds and lower quality of goods, services, and works. Bribers seek to recover their money by inflating prices, billing for work they did not perform, failing to meet contract standards, reducing the quality of work, or using inferior materials in public procurement of works. This results in higher costs and reduced quality.

In addition to the public procurement fraud, another +\$1 trillion is lost globally due to tax dodging schemes operated by the elite Big Four accounting and consulting cartel and their clientele. **Panama Papers** and **Lux Leaks** proved this. The whistleblowers risked their lives, their social and economic well-being to let the public see the truth, the data, and the meaning of that information.

Independent investigations proved that accountancy firms are engaged in tax avoidance/evasion, bribery, and corruption for their multinational clients and **inflict enormous harm on societies**. How? The \$1 trillion extracted from economies by corporations as unpaid taxes could have fueled social and economic initiatives. Now they caused many key domains to be under-financed, such as education, pensions, security, healthcare, clean water initiatives, and social and transport infrastructure necessary for fulfilling lives. They deprive millions of people of good-paying opportunities and jobs (in line with their education and competencies) and other hundreds of millions of their rights to have access to better opportunities and not be discriminated against so that the corrupt be privileged – jobs and opportunities that would have been created if that money (\$1 trillion) would have remained in the countries from where they extract that money.

The lobbying power of the transnational/regional white-collar unscrupulous cartels, their conflict of interests, and involvement in the decision-making process of national and regional governments and authorities (through both well-paid consulting contracts where they push for sophisticated strategies that favor their corporate clients and by deciding what controllable or easily to be blackmailed people to name in leadership functions in these institutions) are a sophisticated category of high-level corruption and ongoing theft from countries and people.

To get to the data: Two months ago, I analyzed the data from E.U. tenders for the past three years and identified the primary beneficiaries of the contracts with the E.U. institutions that fuel the decision-making process in these institutions and the scope of those contracts.

The findings show that the same consulting firms that provide tax avoidance services and facilitate the extraction of EUR 200 billion from the E.U. economies are illegally privileged (through bid-tailoring fraud schemes) and granted billions of euros in contracts with the E.U. institutions without the consent and knowledge of the 447 million E.U. citizens who finance the E.U. institutions.

Despite all the conflicts of interest, the E.U. institutions financed by the E.U. taxpayers have awarded in 2020, 2021, and 2022 more than \$4bn in very lucrative contracts to the firms behind the tax avoidance schemes uncovered in the Paradise Papers² and LuxLeaks.

Data available at <https://ted.europa.eu/TED/search/canReport.do> under "Contracts awarded by E.U. Institutions" for 2020-2023 - proves this.

These contracts outsource the control of the E.U. institutions to the tax avoidance expert cartel by putting them in charge of audits, investigations, consulting, law drafting, impact assessments, and structural reforms without the consent and vote of the E.U. citizens.

The most significant corruption vulnerability that I discovered after going through gigabytes of public data is at the intersection of the following three facts:

1. The Big Four consulting firms receive billions of euros from E.U. institutions to get familiar with the data produced by the E.U. institutions, to draft legislations, proposals, and impact assessments, to audit, investigate and influence the decision-making through well-paid consulting services that are not worth more than 20% the amount paid. "Outsourcing" the decision-making process and the public functions to a cartel of private contractors, without the consent and knowledge of the citizens, is a gross "democratic illegitimacy" because that consulting cartel doesn't represent the interest of 440 million citizens. But that's not the only systemic issue.

2. E.U. citizens don't receive any money, grants, or funds to verify the **necessity**, quality, accuracy, and impact of the work and deliverables for which these firms receive 80% more money than they deserve. It happens even when the independent professionals have better qualifications, education, higher ethics, and intellectual ability than the cartel partners who were illegally enriched (from public funds).

3. The agencies that protect the strategic and financial interests of the E.U. citizens received only a budget worth 267.145.094 EUR (0,14 of the E.U.'s yearly EUR 190 billion budget) in 2022 and less than EUR 1 billion in the past three years.

2022 Budget³:

E.U. Ombudsman - EUR 12 mil

European Court of Auditors - EUR 160 mil

OLAF - EUR 43,9 mil

EPPO – EUR 51 mil

Europol = EUR 193 mil

Interpol = EUR 157 mil

The E.U. institutions have spent on the Big Four consulting companies (controlled by the partners in these institutions) EUR 4 billion in the past three years in contracts that, beyond the nice pay, offer them the opportunity to access all categories of data.

² <https://www.ft.com/content/90befed2-c954-11e7-ab18-7a9fb7d6163e>

³ The budget data is taken from the website of each institution.

The same institutions have spent zero EUR on the citizens for oversight activities, and only EUR 261 million on the authorities directly responsible for the control and oversight of the E.U. institutions, meaning less than EUR 900 million in the past three years.

E.U. institutions, financed by the 447 million Europeans, pay EUR 4 billion to a consulting cartel that represents the interests of their client corporations, towards which they illegally transfer the decision-making process (people hired in leadership positions are hired and controlled by them, data analysis is monopolized by them) and only EUR 900 million to independent and objective authorities (EPPO, OLAF, ECA, E.U. Ombudsman) who represent the interests of both the corporations and the people. The E.U. citizens are overtaxed, underfunded, discriminated against, impoverished, and underrepresented in the decision-making process and by the E.U. institutions that, ironically, exist because of the taxes they pay.

Moreover, citizens are asked to donate their time to provide consulting/opinions on the survey/projects that make multi-millionaires the partners in these Big Four companies, donations being expected, including from professionals more qualified and with higher integrity than the partners enriched from E.U. funds.

The E.U. institutions pay the Big Four EUR billions to influence the decision-making process and laws, while the E.U. citizens must pay to collect 100.000 signatures to have their petitions considered in the European Parliament.

To reiterate, the full control over the E.U. institutions is exercised by offering generous contracts to "Big Four" firms, as data from <https://ted.europa.eu> shows it, and granting them exclusive authority to:

- decide who gets hired in the E.U. institutions
- to whom the tender contracts are awarded,
- evaluate who should receive the money from the grants,
- receive the investigation complaints,
- consult and draft the answers to the complaints,
- audit the E.U. Institutions,
- provide Risk Management Services, Consultancy Services for Financial Risk Management, Consultancy Services for Financial Risk Management, Advisory Activities of EIB, Impact Assessments, Evaluations, and Evaluation-related Studies and Services in the Field of Communication

The decision-making process (fueled by those who are paid to work with the data, the leadership and employees hired by the big four consulting cartel, and external consultants hired by the same firms) is fully captured in this way.

The Big Four protect the interest of their clientele, the corporations that, according to Panama Papers and LuxLeaks, extract from economies €1 trillion and 200 billion from the E.U. nations. The amounts mean less money for financing strategic and social initiatives, education, infrastructure, pensions, healthcare, law enforcement agencies, and other public services.

The result is a provable billion-dollar ongoing theft, ignored by the underfunded law enforcement agencies that might even be, on certain occasions, captured at a leadership level. Because of this protected cronyism, many discriminated top professionals who oppose these corrupt firms are constrained to donate their time and skills if they want to fight this trillion-dollar, decades-long, high-level corruption.

AN UNBREAKABLE NETWORK OF HIGH-LEVEL CORRUPTION

The E.U. institutions pay \$4 billion to the Big Four for the oversight of financial, operational, and strategic reporting.

Yet, these firms are themselves at a high risk of fraud and should have been long-time excluded from any decision-making process, tenders, and grants for at least the following reasons:

a) have performed 20% botched audits

- In 2019, the Competition and Markets Authority (U.K.) found that all four consulting and accounting firms had failed to meet audit quality targets.
- Data from the U.S. auditing regulator, Public Company Accounting Oversight Board, shows that 20% of the Deloitte audits examined were deemed inadequate, along with 50% at KPMG, 27.3% at EY, and 23.6% at PwC.⁴

b) were active actors in the Panama Papers and Luxleaks.

c) their practices and tax avoidance services provided their clients many options to extract from economies \$ 2 trillions, letting the 447 million E.U. citizens pay 90% of E.U. institutions' budget.

- Research shows that multinational companies that hire the Big Four make greater use of tax havens and that when a company takes on a Big Four firm, its tax practices become more aggressive. However, the penalties and minor charges prove a captured and biased justice system. For example, the \$536,000 fine Deloitte paid in 2019 in Malaysia for its role in the 1MDB scandal was less than .001% of the company's 2019 revenue.

d) their lobbyist practices and conflict of interest is visible in the way the E.U. institutions (infiltrated with their people or people illegally biased pro-them) favor them in the tender process instead of excluding them from participation based on the reason above.

e) they provide services to third countries, making billions of dollars from the same country (and similar countries) for which MEP Eva Khaili was sacked for her ~EUR 1 million payment/ bribe received from a country outside E.U., while the Big Four receive \$ billions from the same countries, yet their integrity is NOT questioned, they are being rewarded EUR billion contracts with the E.U. institutions through bid tailoring schemes (criteria such as "turnover from consulting services > 447 million EUR" that limits the participation to only 3-5 companies for EUR billions is a bid tailoring scheme, a privilege we don't see extended to any freelancer, microenterprise, and SMEs who must compete with other millions for the same amount of EUR billion, although these independent companies are led by professionals who have better education, qualifications, integrity than the partners in the illegally privileged corporations) – all these are putting the Union and its Member States at risk of the misuse of strategic information, double standards, hypocrisy, and high-level corruption.

The reasons above are enough to exclude the white-collar big four consulting cartel from all tenders. Yet, they receive billions of euros from E.U. institutions to get familiar with the data

⁴ High Risk of Fraud in Auditing and Accounting Firms - NWC. <https://www.whistleblowers.org/high-risk-of-fraud-in-auditing-and-accounting-firms/>

produced by the E.U. institutions, to draft legislations, proposals, and impact assessments, to audit, and investigate – in state contracts obtained through bid-tailoring schemes.

The authorities don't have the courage to state the obvious. The European Court of Auditors (ECA), the authority responsible for assessing the annual EUR 155-billion E.U. budget, estimated that an average of 2.6 percent of last year's E.U. expenses were irregular, up from 2.4 percent the previous year.

An independent audit will prove that ECA's estimation is diplomatically minimized because it doesn't take into account the money lost through high-level corruption and conflict of interest, and they evaluate only 10% of the work done by these firms.

EPPO sleeps well on its disinterest and lack of competence, identifying only 5% of the real corruption cases instead of working nights, weekends, and vacations and efficiently utilizing the overpaid hired people who left only corruption and damages to the population in the countries where they held leadership functions. This disinterest triggered a transfer of the cost of the fight against corruption to the citizens and intellectuals who, in addition to the fact that their businesses suffered because of the unfair competition caused by the corrupt, needed to invest their time and come up with better solutions to the systemic corruption issues than the authorities responsible for achieving those objectives who wasted billions of euro of public money in their activities, through decades.

It is a systemic lack of accountability. Members of the E.U. Parliament forget they are in Brussels to represent the most crucial needs and interests of the E.U. citizens, not to make profits for a 1% group of interest at the cost of public interests, nor to waste 90% of the time on topics that are neither of high-importance or high-priority.

Leaving large-scale public debts to be paid by E.U. citizens while many E.U. policies and E.U. institutions are being shaped to advantage the interests of these lobbyist and white-collar consulting cartels for their tax-dodging corporate clients, who are subscribed to yearly billion-dollar contracts with E.U. institutions and with governments, at the expense of hundreds of millions of citizens, is theft, discrimination, and corruption.

The civil oversight is underfunded. This means a weak ability to investigate the quality and value provided by the projects implemented by the E.U. institutions with the illegally privileged and overfinanced big four companies and other corporations, directly, or as intermediaries who consume a lot of E.U. funds without providing any real value. It's an illegal transfer of the cost with the fight against corruption, fraud analysis, documenting and writing petitions about the visible procurement fraud indicators, illegal lobby, conflict of interest, and ludicrous corporate tax schemes, to the citizens, making the initiatives and measures recommended by the Big Four to go unquestioned.

This is an existent yet unidentified risk at the E.U. institutions level, although the management of these institutions consumes yearly EUR 200 billion from taxpayers' money.

Corruption thrives where it cannot be identified, documented, or prosecuted.

To close the loophole in legislation and address the corruption vulnerabilities in the policies and procedures related to conflict of interest and cronyism, the E.U. Ombudsman and E.U. Parliament have the fiduciary duty to ask the 447 million E.U. citizens at least the questions that will confirm or disapprove the statements below. European citizens have a democratic

right to participate in the E.U.'s decision-making process, and the EU Parliament has the legal duty to fund the survey and address the related systemic risks.

The survey will prove that:

- 90 % of the 447 million E.U. citizens don't want the E.U. institutions to outsource the decision-making processes - hiring, investigation, compliance, tender evaluations, grants evaluation, and audits (meaning the entire control of the E.U. institutions, except the Council and the Parliament) - to firms which facilitate a \$200 billion extraction from the E.U. economies through tax dodging schemes.

- "Outsourcing" public functions to a cartel of private contractors is a gross "democratic illegitimacy" because that consulting cartel doesn't represent the interest of 440 million citizens. Although the cartel hires 10 million employees to create profits for the shareholders of the respective companies, not all 10 million people will support their employer's tax avoidance schemes; on the contrary, a good percentage will empathize with the 440 million citizens.

- The 447 million E.U. citizens and taxpayers don't want the firms mentioned above (who facilitate the yearly extraction of \$200 billion untaxed from the E.U. nations in favor of the shareholders and corporations they represent) to be awarded \$4 billion yearly in contracts with the E.U. institutions financed from taxpayers' money (and EUR millions transferred in their partners' accounts).

Paying the useless consulting and audit cartel from the taxes and loans (national debt) taken in the name of the 99.9% impoverished citizens so that these firms advance the interests of the 0,1% profiteers is democratic illegitimacy and high-level corruption.

They specialize in circumventing laws and inflicting social harm, and despite all these illegalities, some unscrupulous decision-makers reward them with state contracts.

I reiterate that the decision-makers/public officials don't pay from their bank accounts the amounts they offer to illegally enriched individuals from state contracts and public procurement fraud.

Moreover, the 440 million citizens don't want the crooked firms to have a monopoly on the E.U. decision-making process and receive the most valuable share of E.U. contracts.

By the book and in theory, the public official and corporate officer is an agent (a corruptible individual) who purchases on behalf of its principal (citizens), with money that is not their own, goods or services, which are not for their use, from a third party (the corrupter), creating a principal-agent problem. Given this major public procurement corruption risk, the civil oversight must be funded at least at the level of the EUR billion the consulting cartel receives to play with the EU's institutions data.

- 99 % of the 447 million E.U. citizens, if surveyed, don't want E.U. institutions to keep sabotaging the democratic interests of hundreds of millions of E.U. citizens through fraudulent procurement processes that include tender criteria that personalize the bid "turnover from consulting services > 447 million EUR", also known as Bid-Tailoring fraudulent schemes.

Through this scheme, the E.U. institutions facilitate the payment of \$4 billion yearly to the firms mentioned above, involved in the extraction of \$200 billion annually from the E.U. economies while on the market are more ethical, qualified, and intelligent professionals who received way less than their fair share from the allocation of public funds, opportunities, and resources, and who don't want to get associated or work with the cartel from which the E.U. institutions contract intellectual services, in order for their skills, competences, opinions to be taken into account and be paid for it.

- The EUR 4 billion per year could have been transferred directly to the freelancers, and SMEs, without the intermediary who uselessly squanders E.U. funds to provide unnecessary consulting that wastes the entrepreneurs' time, which costs money.

- E.U. institutions are creating costs for hundreds of millions of citizens to enrich the partners and the main shareholders of the multinationals.

This is happening despite the fact these E.U. institutions have a legal duty to work and protect the interests of the citizens, not to fuel the rising power of corporations over democracy.

- Yearly, ~15% of the GDP is spent on public procurement, and more than 30% of the public procurement funds are lost to corruption.

This means that cumulated and exponentially developed through decades, +50% of the capital in a national economy is controlled/ owned by people who obtained it through corrupt public procurement practices.

- From the 30% of procurement funds lost to corruption, the authorities investigate only 5% and prosecute 3%.

It results that, over the years, hundreds of billions of that capital obtained through corrupt means creates unfair competition for high-integrity entrepreneurs and their firms.

- More catastrophic for democracy and the independent, high-integrity experts, researchers, and entrepreneurs is that the firms with turnover built on corrupt capital are favored in public procurement tenders.

This is possible by maintaining the legislation with loopholes and many corruption vulnerabilities so that it is exploited by the profiteers who have a monopoly on the handsomely paid consulting contracts that fundament the decision-making process at the E.U. level, who hire their supporters in management functions, and finance NGOs who lobby their cause.

- The award criteria for grants and public procurement legislation should prioritize the quality, integrity, and certifications of the entrepreneurs and the experts and the fact that they haven't received their fair share from public funds.

- The Financial and operational capacity and exclusion criteria in the evaluation of grants and public procurement contracts put more emphasis on the turnover of some firms who have received x10n more than they deserve from public funds. That is a corruption vulnerability especially when the evaluators can't prove that the turnover and capital is free of corruption, and when data shows that the firms won contracts primarily because of trading in influence, lobbying, bid-tailoring, bribes, and previous corrupt capital not investigated by the authorities.

It is an unacceptably vulnerable procurement procedure, especially when statistics show that 30%-50% of public procurement funds are lost to corruption, and only 1% are identified and recovered.

This means 75% of the state contract winners are privileged based on previous corrupt capital and make unfair competition to the independent and high-integrity professionals.

The E.U. institutions perpetuate this theft from public funds by underfinancing independent investigators, hiring incompetents or easily blackmailed people to audit (pre and post-implementation) the conformity of the project implemented by the public institutions with the politically-connected firms (cronies), and allowing the cronies to operate unbothered.

This is a vulnerability in the procurement legislation intentionally maintained so that it is exploited by the high-level corrupt system (corrupt politicians – private firms (cronies) – corrupt ex or current intelligence officers) that steals and discriminates hundreds of millions of Europeans for the benefit of a few humans who are illegally privileged.

- Many human beings, working either as researchers, entrepreneurs, or expert freelancers, are discriminated against - despite their tier 1 certifications, competencies, innovation, and ability to obtain results and come up with the best solutions in an efficient manner.

They haven't received their fair share of public funds because of the evaluations of some corrupt decision-makers who don't represent the desire of hundreds of millions of Europeans.

These E.U. decision-makers have turned into the marionettes of the unscrupulous firms who financially exploit the E.U. institutions and illegally privilege less qualified final beneficiaries and corrupt individual human beings whom each have received 1.000 more than what they deserved from E.U. funds, public funds, including the part of the ones who are discriminated because they are not corrupt.

The decision-makers who draft the rules and award criteria (for tenders and grants) are from the same cartel of exploiters of public funds from tenders and grants, and discriminate by offering access to the biggest and most profitable contracts by including the corrupt criteria of turnover > xyz million instead of excluding those firms from the beginning because of their trading in influence, tax avoidance and evasion schemes offered to their client corporations, bribes, illegal lobby, conflict of interest and bid rigging.

The law enforcement authorities and the oversight and control institutions are intentionally underfunded and don't have the resources to verify the capital formation and development in all these illegally profiteering firms subscribed to the most profitable state contracts and E.U. contracts. Also, the corruption vulnerability is maintained by limiting the paid decisions making process to employees in leadership functions recruited by the profiteers/cartels or politically appointed who underperform in addressing high-level corruption, and external consultants that are the representatives of the profiteering interest groups/ cartel, both employees and consultants wasting billions of euros yearly.

If the authorities investigate only 1% of the 30% public procurement fraud, and there is a 50% probability for the firms with corrupt capital to be privileged in the tender process when the contracting authority uses the criteria of a “turnover over \$xyz million”,

the procurement legislation should address the corruption vulnerability that currently is exploited by the cronies and enforce the mandatory rule to verify the capital formation and capital development of a company from formation until the date of the procurement.

The evaluation criteria should focus more on the education, competence and certifications, innovation, and ability to obtain results and come up with the best solutions for the individual/shareholder/final beneficial owner enriched by those funds, compared with how much from public funds (state contracts and grants) has already consumed.

The combination of conflict of interest + lobbying + revolving door in E.U. institutions should be included in law under the definition of high corruption.

Big Four consulting companies help corporations extract \$ 1 trillion through tax dodging from economies, people, healthcare, and education systems. On top of that, they are illegally favored to receive contracts worth \$4 billion yearly with the European institutions without verifying how that capital was developed; or excluding these companies from bidding processes.

The E.U.’s compliance systems and fraud risk management programs are sub-standards and don't address the inherent risks.

The European Court of Auditors was counting on the corporate risk management frameworks to minimize the risks for the 80% E.U. projects they don't have the institutional capacity to audit, but the reality is that the corporate risk management systems were developed by the same exploitative consulting cartel, for a huge amount (80% of it being misuse of public funds), in an incomplete and incorrect manner, with intentional vulnerabilities to be exploited by them.

The fraud risk management program at the E.U. level doesn't include effective mechanisms to monitor, identify, and address breaches in compliance.

They are intentionally designed with vulnerabilities to misappropriate the taxpayers' money through high-level corruption schemes.

They manage to keep these vulnerabilities in their fraud and anti-corruption systems by:

- controlling the hiring process: they hire as managers and directors people who can't create by themselves an efficient and complete fraud identification system (or they are not allowed to do so even if some brilliant experts have the skill to do that and manage to enter these institutions) and
- controlling who gets the paid consulting contracts that fundaments the decision-making process and are worth more than EUR 4 billion. These tenders and grants are exclusively opened only for those who extract from E.U. nations EUR 180 billion annually. Procurement frauds are bid-tailoring schemes and bid rigging.

The 447 million E.U. citizens and taxpayers don't want the Big Four cartel to be awarded EUR 4 billion in contracts with the E.U. institutions financed from taxpayers' money (and

EUR millions transferred into their partners' accounts) through fraudulent procurement processes that include exclusion criteria that personalize the bid "turnover from consulting services > 447 million EUR", also known as Bid-Tailoring fraudulent schemes.

II. CORRUPT CAPITAL

The companies that get the most crucial state contracts (both in terms of profit and access to data) have capital and experience on similar projects. But the question that arises is how they managed to obtain those contracts in the beginning and develop those assets.

It is precisely their lobbying activity, political ties, and preferential purchases that have contributed to their development. In legal terms, this means favoritism, patronage, crony capitalism, and corruption.

If more than 30% of the public procurement funds are lost to corruption, this means that cumulated and exponentially developed through decades, +50% of the capital in a national economy is controlled/ owned by people who obtained it through corrupt public procurement practices.

The E.U. funds enriched the corrupt people predominantly because they were illegally privileged in the tender awarding process by the local and national public authorities financed by E.U., and this fact strengthened systemic corruption and made it even more difficult to fight it than it was before the flow of E.U. funds reached the bank accounts of profiteers.

The protection of these corrupt practices was possible by contracting unskilled or disinterested officers to verify the quality of the financed projects, officers that don't identify the red flags in the EU funded projects, and the anti-corruption law enforcement agencies that are underfunded and undersized compared to the corruption phenomenon. And a problem of talent structure because the best investigators and prosecutors are not only the law graduates with n years of experience but multi-disciplinary professionals.

From the corrupt capital (\$trillions) probably only 5% is under investigation. The rest is making interest and profits for the corrupt networks and creating unfair competition to honest entrepreneurs and businesses who don't break the rules and laws.

The enablers of corruption in the E.U. institutions are:

- underfunding independent investigators, professionals, and auditors;
- denigrating, discrediting, and blacklisting independent voices of professionals who anyway have better qualifications, education, higher ethics, and intellectual ability than the cartel partners who were illegally enriched (from public funds);
- controlling the decision-making process in law enforcement agencies (cronyism) who breached their fiduciary duty and didn't investigate and document high-level corruption cases. With the capital obtained as a result of corruption, they finance suppliers providing "crime as a service." Here we include online and media defamation campaigns or through TechAds up to assassinations.

The E.U. institutions adopt a money allocation strategy that doesn't solve the real problems of the E.U. citizens and who is financing specific interest groups that have an unparallel lobby power and have captured the E.U. decision-making process.

The Resilience and Recovery Facility is not helping the E.U. citizens but is financing various corporations, the crony companies contracted by the local, national, and regional authorities that operate unbothered in their fraudulent procurement schemes because the E.U. institutions

underfund the independent investigators to audit the procurement process, the deliverables, and the outcomes of those projects. The cronies who profit from the E.U. funds are the locally politically connected firms (state capitalism) and corporations.

Some corporations have used their lobby power to increase their profit margins and circumvent taxes, with EUR 300 billion being extracted yearly from the E.U. nations, while the costs increased for citizens, freelancers, SMEs, and independent entrepreneurs. Many E.U. citizens did not receive a cent from public funds before, during, and after the pandemic, discriminated against, marginalized, and left behind, even behind the poor war refugees and foreigners. The E.U.'s miserable economic and social crimes against its citizens are a result of transferring the control of the E.U. institutions to the transnational mafia focused on profit maximization.

The final solution is to set a quota of how much a human being can get from public funds and exploitation of natural resources without stealing from the rights of other human beings.

III. PUBLIC PROCUREMENT FRAUD

The yearly \$1.5 trillion procurement fraud, coupled with the \$1 trillion lost annually due to high-level tax avoidance schemes, deprives millions of people of jobs, education, pensions, security, food, healthcare, clean water, and social infrastructure necessary for living fulfilling lives, and other hundreds of millions of their rights of fair access to opportunities and resources. Rising inequalities and pervasive discrimination are not inevitable. Global high-level corruption can be tackled through democratic processes, petitions, new procurement criteria, policies, and better allocation and monitoring of capital.

After going through gigabytes of data in dozens of thousands of pages of legislation, studies, guides, best practices, audits, reports, and petitions in the past 30 days, all OSINT data, I realized that the primary corruption vulnerabilities are intentionally not addressed by the existing legislation and proposed legal initiatives.

The E.U. nations don't address the issue through better anti-corruption systems and legislation because they are controlled by the same entities and individuals that exploit the vulnerabilities in the public procurement process.

In short:

- Crony capitalism controls the regional E.U. institutions.
- State capitalism, meaning politically connected firms and patronage, steals most national public funds in state contracts obtained through fraudulent procurement practices (bid tailoring, favoritism, etc.).

So I decided to waste three months of my life to solve by myself the most significant cause of human suffering: corruption.

More than 30% of public procurement funds are lost to corruption. This means that cumulated and exponentially developed through decades, +50% of the capital in a national economy is controlled/ owned by people who obtained it through corrupt public procurement practices.

The E.U. funds enriched the corrupt people predominantly. It strengthened systemic corruption and made it even more difficult to fight it than before the flow of E.U. funds reached the bank accounts of profiteers.

From the corrupt capital (\$trillions on the market), probably only 5% is under investigation. The rest is making interest and profits for the corrupt networks and creating unfair competition to honest entrepreneurs and businesses who don't break the rules and laws.

It is not enough to implement the proper anti-corruption measures now when the harm was already done, and the capital is concentrated in the hands of those who breached the rules.

The focus and strategic investments of the next decades must be on identifying, documenting, and recovering the \$trillions lost to corruption in the past two decades.

The social unrest that grows nowadays on the premises of a planet with limited resources and visible injustices can be addressed only with new economic models, meritocratic democracy, fair capital allocation per human being, and integrated anti-corruption A.I. systems and policies.

Strategic objectives and initiatives to address the yearly EUR 200 billion procurement fraud in E.U. nations and actions to recover the assets obtained through corrupt acts:

General Objective: Strengthening the law enforcement authorities by recruiting independent investigators

Strategic Objective 1.1. Establishment of an investigation agency in each country with 1000 top professionals, focused on public procurement fraud and the recovery of the hundreds of billions of euro lost in each E.U. country due to procurement fraud. It will transfer the wealth from corrupts to communities while creating 1000 jobs working for the greater good.

Each expert must have multidisciplinary skills in economics, I.T., law, anti-corruption, and anti-fraud to audit and monitor the corruption risks and investigate corruption in public procurement, nepotism, and cronyism.
The profile? Research studies have shown that people with a strong mathematics or programming background become better fraud investigators after studying law.
One factor that allowed the proliferation of corruption has been the unfit-for-purpose structure of investigation teams mainly focused on legal professionals.

Strategic Objective 1.2. Establishment of a special corruption court in which all cases will be tried under an emergency regime within a maximum of 1 year.

The measure will address the risk: High-level corruption cases being dismissed because of prescription.

2. Development of a public procurement platform with full-data visualization, integrating

information from

- e-tender platform (public procurement data)
- the commerce office (to see whom the real beneficiaries are enriched from the state contracts)
- tax administration (to see the percentage of distribution of funds from the state contracts and who is enriched by the contract versus the work that specific individual has done, his professional profile, and the qualifications).

This will grant visibility in the flow of money and detect red flags and irregularities.

3. Development of an integrity tech and unified AI-powered data platform

The Software Requirements Specification (SRS), defined around more comprehensive criteria, standards, and procedures regarding cronyism and conflict of interest - aspects that the best existing integrity tech financed by taxpayers intentionally don't include - will work with A.I. rules able to identify the irregularities, red flags, revolving doors, cronyism, and conflicts of interest in the public procurement process.

It will also look at the capital formation and accumulation of a corporation or a profiteering individual. It will investigate if they built their initial capital and portfolio on corruption or commissions from helping corporations in their tax-dodging schemes.

Even when the next (most recent) contracts were won without bribery and corrupt acts but based on an anterior corrupt capital – it is an aspect worth investigating.

4. Implement civil and parliamentary oversight, sanctions systems, and performance measurement systems.

Before elections, each political party should sign a declaration that they will achieve in the first year at least 70% of the targets mentioned in their program for the first year if they have more than 50% representatives in the Parliament. If people vote for them and grant them the administration of the country's finances and, if they don't perform - to face sanctions, fines, and dismissal.

5. Identify the political voices, lobbyist NGOs, and institutional resistance that work for the corrupt interest groups and block the initiatives that aim to eliminate the corruption opportunities and the informal power of the political elite and crony companies.

6. Ensure policy and strategy coordination between procuring, anti-corruption authorities, competition agencies, and tax authorities to ensure a unified public procurement strategy and a transparent monitoring system.

7. Equitable allocation from public procurement funds per human being

If the beneficiary (service provider) of a state contract or grant received more than its fair quota from public funds, then it will be awarded 10 points less than 100 max score than the equally competent ones who haven't received their fair share.

When recruiting a consultant - if the expertise in similar projects of that consultant has been obtained in previous contracts signed between the E.U. institutions and a big lobbyist consulting firm based on bid tailoring schemes and conflict of interest, that should be considered an illegal privilege.

The consultant who received more than he deserves from public funds in terms of illegal privileged access to opportunities based on corrupt favoritism that generated the discrimination of better professionals should not make unfair competition to top independent professionals who haven't received their fair share from public funds because all the paid opportunities that you require as portfolio were granted to these lobbyist firms.

8. Recovery of the money and assets lost to discrimination and corruption and transfer from the beneficiaries of the corrupt systems to the population, community, and victims of the corrupt systems.

9. Improved procurement and contracting framework to protect democracy in the European Union.

Address the key corruption challenges* related to:

- revenue transparency,
- the awarding of procurement contracts,
- the disclosure of who ultimately gains financially (also known as beneficial owners) and whether those individuals are in positions of power or politically connected,
- governance within state-owned enterprises,
- supply chain traceability and data interoperability,
- guidelines for consultancy and research services,
- audit the quality of deliverables before payments are made,
- perform lessons-learned exercises and ex-post cost-benefit evaluations.

*The general key corruption challenges mentioned at point 9 have already been taken into account by authorities and are not an original creation in this R&E initiative. The ones that are not marked with *, bring a new category of integrated and fair solutions to the current

10. Application of administrative penalties - including debarment - to exclude individuals and businesses involved in systemic corruption (including conflict of interest and involvement in supporting substantial tax dodging schemes) from participating in tenders and government programs.

11. Standardization of every aspect of the activity, more than just having policies and procedures in place. Development of KPIs for each sub-activity.

12. Exclusion from the public procurement contracts of the intermediary firms/cronies / politically connected firms who are awarded contracts.

The intermediary firm is awarded contracts based on political connections and keeps 50-80% of the money without doing any work, leaving 50%-20% for the sub-contractor who will do the actual work but for 20% of the amount received. The rest of 50%-80% of the amount is theft orchestrated by the intermediary.

For intellectual services, the contractor must be legally bound to work directly with the experts and stop the misuse of 50% of public funds.

Many firms win contracts of hundreds of millions of euro based on political connections and the work of experts they don't employ, keep 50% of the amount for themselves without adding any value to the scope and impact of the project, then use the previous experience contracted on the firm even without employing the experts, to earn unjustified profits, even on technical projects.

13. Implementation of more equitable award criteria that consider:

- the profile of the main beneficiaries of the money paid for those services (as salaries, dividends, transfer of profits to other firms);
- the amount from public funds they already consumed;
- what they individually effectively delivered in exchange for that money.

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Systemic Corruption Risk Factors (SCF) and Anti-Corruption Measures

Systemic Corruption Factors (SCF)	Anti-Corruption Measures
<p>SCF 1. Decision-makers and high-level leadership in key enforcement agencies are subordinated to cronies or are biased toward pro-cronies</p> <p>(Crony capitalism – Cronyism is a troubling economic system. Instead of businesses thriving on the merits of free enterprise and competition, they can succeed by colluding with the political class to amass wealth and power. This undermines the basic principles of fairness and creates an uneven playing field for everyone else. It's important to recognize and address the harmful effects of cronyism in order to build a more just and equitable society.)</p>	<p>1. Train the law enforcement workforce and civil society representatives to identify cases of crony capitalism and highlight the link between discrimination and corruption, favoritism, patronage, and conflict of interest.</p> <p>Comments: The best preventive anti-corruption measure is having in the E.U. institutions an objective, independently recruited, and well-trained workforce that can identify cases of fraud, corruption, and conflict of interest and is empowered to report any integrity breaches. The E.U. employees can be the eyes and ears of the E.U. ombudsman inside the E.U. institutions.</p>
<p>SCF 2. Decision-makers don't investigate and prosecute high-level corruption cases that cost the E.U. countries yearly hundreds of billions of euros.</p>	<p>2. Launch a Whistleblower Program with monetary rewards</p> <p>Comments: To identify systemic corruption, which can be discovered by analyzing sets of data from various inter-institutional sources and comparing them with macro-economic indicators is necessary to engage the private citizens and create a Whistleblower Program with monetary rewards or at least use the key components of the SEC Whistleblower Program to enhance anti-corruption and financial fraud enforcement in the E.U.</p>
<p>SCF 3. No agency to address the high-level corruption, the crony capitalism, aka the collusion between a business class and the political class</p> <p>SCF 4. Underfunding of key enforcement agencies and independent civic investigators triggers an insufficient and inefficient capacity to detect and prosecute corruption.</p> <p>The civil oversight is underfunded. This means a weak ability to investigate the quality and value provided by the projects implemented by the E.U. institutions with illegally privileged and overfinanced cronies. It's an illegal transfer of the cost with the fight against corruption, fraud analysis, documenting and writing petitions about the visible procurement fraud indicators, illegal lobby, conflict of interest, and ludicrous corporate tax schemes, to the citizens, making the initiatives and measures recommended by the Big Four likely to go unquestioned. Paying some high-risk companies EUR 4 billion to play with the data, the law enforcement agencies only a quarter of that, and the civil society zero EUR- is unacceptable.</p>	<ul style="list-style-type: none"> - Create an agency to investigate high-level corruption, cronyism and act as a coordinator of inter-institutional investigations. - Create a corruption prevention agency at the E.U. level. - Create an E.U. ethics body to enforce and monitor a stronger E.U. integrity framework. - Create a public procurement fraud investigation agency with 1.000 employees in each country. <p>Motivation: There should be no barriers to creating new jobs to investigate corruption because 50% of the capital on the market is corrupt. 30-50% of the public procurement funds were lost to corruption, and this means that more than \$1 trillion have ended in possession of the corrupt in the past decade in the E.U. Nations. The investigation agency will ensure the transfer of funds from the corrupt to the communities that need their fair share now more than ever.</p>
<p>SCF 5. Lack of efficient anti-corruption and anti-fraud multidisciplinary investigators in leading roles</p>	

Systemic Corruption Factors (SCF)	Anti-Corruption Measures
<p>SCF 6 The insufficient independence of prosecution services and the courts</p> <p>SCF 7 Weakened oversight of public procurement processes because public prosecutors, auditors, and competition agencies are less independent and may be pressured not to investigate cases where they suspect public procurement contracts may have been wrongly diverted to firms in breach of the law.</p>	<p>Adopt measures to weaken the ties between procurers, politicians, and businesses and reduce cronyism and favoritism. Some measures: finance oversight by investigative journalists, independent investigators, and civil society.</p> <p>Enforce a robust mandatory transparency register that targets all categories of lobbying (coercive, covert, deceptive, and clandestine) with disciplinary, administrative, and criminal sanctions.</p> <p>The E.U. loses yearly 200 billion public funds to corruption, and the breaches of public procurement principles operate unchallenged.</p> <p>Address the current discriminatory or restrictive exclusion, selection or award criteria, and unequal treatment of bidders by involving the civil society (the 447 million E.U. citizens) in defining the award and evaluation criteria for grants and public procurement, including awarding more points to those human beings who haven't receive their fair share from public funds, as a differentiation criteria, when they are as good as their competitors.</p>
<p>SCF 8. Poor inter-agency coordination</p>	<p>Create an agency to investigate high-level corruption and cronyism and act as a coordinator of inter-institutional investigations.</p>
<p>SCF 9. Intense financial pressure and considerable difficulties in obtaining financial resources for projects investigating tax crime, corruption, or organized crime.</p>	<p>Establish a generous, permanent fund for investigative journalism.</p> <p>*This initiative was already proposed in the E.U. Parliament. However, it is too important not to mention it here; and even if it does not have been proposed by others, it will have been generated as one of the solutions of this R&E initiative.</p>
<p>SCF 10. Unchallenged Conflict of Interest that enables a EUR 200 billion high corruption theft from E.U. citizens:</p>	<p>Measures:</p> <ol style="list-style-type: none"> 1. declaration denying conflicts of interest. 2. anti-corruption, anti-bribery, and anti-money laundering (AML) declarations. 3. preventive investigation background checks carried out by the corruption prevention agency and dedicated software to ensure that the information provided by the third party in the declaration denying conflicts of interest is accurate and the conflicts of interest RISKS are dealt with. 4. investigation to ensure the firms participating in a tender procedure are not among the 30-50% beneficiaries of funds obtained from public procurement frauds. 5. evaluation of the CV, education, qualifications, innovation, and problem-solving capabilities of the shareholder who gets enriched from the contracts. If the evaluation proves that the beneficiary was made a multi-millionaire (in terms of dozens or hundreds of millions, or billions) from state contracts, although not better than the top 10-30% of the population, then the favoritism of that beneficiary hides corruption acts.

Systemic Corruption Factors (SCF)	Anti-Corruption Measures
<p>SCF 11. The Anti-corruption Directive contains high-level corruption vulnerabilities.</p> <p>The 2023 proposed Anti-corruption Directive lacks key strategic initiatives and strategic measures to address the major systemic corruption factors. It intentionally keeps legislative and procedural loopholes to be exploited by the corrupt actors involved in EUR 220 billion in public procurement fraud, EUR 200 billion in tax dodging, and transnational crimes that cause unpunished severe damages to the E.U. nations and citizens.</p>	<ul style="list-style-type: none"> • The combination of conflict of interest + lobbying + revolving door in E.U. institutions should be included in law under the definition of high corruption. • Implement the proposed procurement fraud measures. • Training: <ul style="list-style-type: none"> • Ensure appropriate funding for the provision of training for national officials to be able to identify different forms of corruption and corruption risks that may occur in the exercise of their duties and to react in a timely and appropriate manner to any suspicious activity. • Ensure adequate resources for specialized anti-corruption training at regular intervals for members of law enforcement, the judiciary, and the staff of authorities tasked with criminal investigations and proceedings of offenses.
<p>SCF 12. The unchallenged EUR trillions lost to corruption in the past decades are corrupt capital making profits and establishing power structures and lobbying power for the corrupt.</p>	<p>Recovery of the EUR trillions lost to corruption and fair redistribution to the communities should be a priority. In completion of the new anti-corruption and procurement legislation, the mandatory first step is the recovery of the EUR trillions lost to corruption or asset confiscation related to illicit enrichment cases. Positive change is not possible unless there is first a redistribution of the EUR trillions (that now are controlled by the corrupt) to the communities, experts, and high-integrity entrepreneurs who don't break the rules and suffered significant losses because of the unscrupulous firms who won and win contracts, including state contracts, because they bribe and because of the unfair competition they create with the capital they obtained through corrupt acts.</p>

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Authenticity and Novelty

On 22 July 2023, at the date of publication, this text was verified with two different anti-plagiarism software and is 100% authentic and free of plagiarism. Moreover, at least 20% of this research and analysis content consists of new approaches to fight systemic corruption and public procurement fraud. After researching and analyzing the tender / public procurement data, I reached some conclusions and verified if other human beings observed the same corruption patterns. I discovered that around 50% of the audits and reports had similar arguments as this R&E, some had their fair share of novelty (hence I mentioned them in the "references" section to cover up for the probability that the respective content subconsciously influenced my mind), and beyond that, I am confident that at least 20% of this analysis brings a new approach to tackling systemic corruption. If specific cartel consultants are paid EUR 60.000 from taxpayers' money (in state contracts) for one page of a report that adds less value than a phrase of this article, there is the moral duty to protect from copyright infringement the ones who donate their time and skills.

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