

**BUILDING PUBLIC CONFIDENCE IN ANTI-CORRUPTION
EFFORTS: THE APPROACH OF THE HONG KONG
SPECIAL ADMINISTRATIVE REGION OF CHINA**

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The Hong Kong Special Administrative Region (SAR) of China, having no natural resources and measuring a mere 1,098 square kilometres, has developed over a relatively short period of time from a place heavy on low-cost, labour-intensive manufacturing to a leading world business centre. With 6.7 million residents, this cosmopolitan city of the Orient is well-known for its commitment to stamp out corruption and admired for being one of the least corrupt cities in the world.

The Hong Kong SAR has changed from a place stricken with widespread corruption not long ago to a city acclaimed for its integrity. However, that path to probity was not without difficulties. The Independent Commission against Corruption, established in 1974, has been a key agent in the battle against corruption. To achieve its ends, it required an effective and sustainable strategy. It also needed the backing of a Government ready to entrust it with sufficient resources and the necessary legal powers to tackle corruption, which is an insidious and secretive form of crime. Above all, the Commission had to win the public's trust and support so that people were willing to report those who were corrupt and fraudulent.

With the reunification of Hong Kong and China in 1997, the world's attention was drawn to the workability of the unprecedented concept of "one country, two systems". In some quarters of the Hong Kong SAR, concerns were expressed about its ability to maintain an effective grip on corruption and corruption-induced crime. Those concerns, legitimate as they might have seemed prior to reunification, have since been gradually forgotten. The successful and relentless pursuit of the corrupt by the Commission offers the most compelling testimony to the Government's commitment to fight corruption.

The international community has witnessed the success of the Commission in fighting corruption. Surveys conducted by international organizations over the past few years have repeatedly confirmed that corruption is being policed effectively in the Hong Kong SAR. For example, the Hong Kong SAR continues to climb the integrity ladder, as indicated in the annual Corruption Perception Index of Transparency International. The most

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notable vote of confidence has come from the international business community: well over 3,000 multinational corporations currently maintain their regional headquarters in the Hong Kong SAR, for they know that doing business there entails no "hidden costs".

THE "DARK AGE" OF CORRUPTION

To understand the wholehearted support given by the people of the Hong Kong SAR to the anti-corruption cause, it is necessary to appreciate the historical background against which the Commission was established.

Unimaginable as it might seem, corruption was a way of life in Hong Kong in the 1960s and 1970s. To the vulnerable and the underprivileged, mostly low-income manual workers with little education, bribery was a "necessary evil", a way to get things done. Competition for public resources which had become scarce after a massive influx of immigrants from China further exacerbated the situation. "Going through the back door", bribing public officials who held the key to those resources, was widely practised. In the business community, too, corruption was widespread, as businessmen regarded illegal commissions as a "lubricant" for business.

The problem of corruption reached epidemic proportions by the 1960s and early 1970s, when it permeated every aspect of the community. Subtle hints turned into outright solicitation. It was no secret, for instance, that:

- ❑ Patients would have to pay "tea money", a euphemism for bribe money, for a blanket or a glass of drinking water in public hospitals;
- ❑ A person could purchase a driving licence by bribing the examiner;
- ❑ Taxi drivers could avoid prosecution for minor traffic offences by sticking a "procured" label on the windscreens of their vehicles;
- ❑ By paying "protection money", street vendors could avoid having to pay penalties for not being licensed;
- ❑ Health inspectors would turn a blind eye to unhygienic kitchens if they were given "tea money".

The problem was also widespread among many government departments at that time. It was particularly rampant in the police, where powerful corruption syndicates were institutionalizing bribe-taking. Through the police, protection could be bought for many forms of organized crime, vice trades, illegal gambling and even drug trafficking. As a result, a number of police sergeants were dubbed "multimillionaire sergeants", though their official monthly earnings were very small. Corrupt junior police officers were able to lead lives as extravagant as those of the rich and famous.

Corruption in the police at that time was so widespread and syndicates were so powerful that some police officers privately commented that "some get on the bus; others run alongside it; yet very few stand in front of it". In many cases, the process would start with a police officer finding some cash in his personal locker. He could quietly accept it and tacitly "get on the bus" of corruption. Or he could refuse to take part in the corruption, mind his own business and "run alongside the bus", in which case he would become an outsider and could never expect to go far in his career. His worst option was to "stand in front of the bus" by reporting it; that could ruin his career prospects and lead to victimization.

The pain inflicted by corruption syndicates on the life of the average citizen was at that time indescribable. One social campaigner, Elsie Elliot, summed up succinctly the plight of the common people:

"Almost everybody was suffering. Every shopkeeper in a resettlement estate was having to pay, every hawker in a bazaar or marketplace [was] having to pay ... it was squeezing them to death. Hawkers had to pay for the licence and then they had to pay regularly to operate."

The lid on public anguish finally blew off when a senior police officer fled to the United Kingdom of Great Britain and Northern Ireland in mid-1973 while under investigation for alleged corruption by the Anti-Corruption Office of the police. The Office was responsible for investigating allegations of corruption in the civil service. The incident triggered a storm of protest. Students and citizens from many walks of life took to the street to vent their anger over the inability of the Government to solve the problem.

The Government realized that decisive action had to be taken to restore public confidence. Just five days after the flight of the police officer, a senior puisne judge, Alastair Blair-Kerr, was appointed to head a commission of inquiry to investigate the matter. That marked the beginning of a new chapter in the history of anti-corruption efforts in Hong Kong.

FAILURE TO ERADICATE CORRUPTION

As early as 1897, there were laws in Hong Kong against the solicitation or acceptance of bribes by civil servants. In 1948, shortly after the Japanese occupation of Hong Kong ended, the Government enacted the Prevention of Corruption Ordinance. In 1952, the Government established the Anti-Corruption Branch, attached to the police, in an attempt to put a stop to corruption; however, little headway was made in curbing corruption. In 1971, the more powerful Prevention of Bribery Ordinance was enacted. At the same time, the Anti-Corruption Branch of the police was strengthened, becoming the Anti-Corruption Office. Yet corruption in the civil service showed no sign of abating. As some members of the police were alleged to be the most serious offenders, public suspicion concerning the commitment and effectiveness of the Anti-Corruption Office was not without foundation.

Blair-Kerr commented in 1973 that responsible bodies generally felt that the public would never be convinced that the Government really intended to fight corruption unless the Anti-Corruption Office was separated from the police. Subsequently, in October of that year, the Governor of Hong Kong, Sir Murray McLhose, declared that an independent anti-corruption organization was called for. He told the legislature:

“I believe that it is quite wrong, in the special circumstances of Hong Kong, that the police, as a force, should carry the whole responsibility for action in this difficult and elusive field. I think the situation calls for an organization, led by men of high rank and status, which can devote its whole time to the eradication of this evil; a further and conclusive argument is that public confidence is very much involved. Clearly the public would have more confidence in a unit that is entirely independent and separate from any department of the Government, including the police.”

BIRTH OF THE INDEPENDENT COMMISSION AGAINST CORRUPTION

A dedicated anti-corruption agency, separate from the police and the rest of the civil service, was established in February 1974, following the enactment of the Independent Commission against Corruption Ordinance.

Born out of government determination and high public expectations, the Commission was under tremendous pressure to deal a devastating blow to corruption. To many, the Commission was faced with an impossible task, given the fact that the forces of corruption were well entrenched. Even the Governor of Hong Kong admitted that nothing short of a “quiet revolution in the society” would have to take place for the Commission to be a lasting success.

Policy makers in the Government had the foresight to provide the new Commission with an integrated, three-pronged anti-corruption strategy, involving investigation, prevention and community education. It was also clearly recognized that the battle against corruption should not be confined to the public sector. The Prevention of Bribery Ordinance outlawed corruption in the private sector as well, for the government did not believe in having double standards. The high expectations of the Commission turned out to be a blessing, as both the Government and the community were prepared to entrust those dedicated to fighting corruption with sufficient resources and legal power to get the job done.

Under the law, the head of the Independent Commission against Corruption was also made directly accountable to the highest authority, ensuring that the Commission maintained its independent status. The Independent Commission against Corruption Ordinance stated that the Commissioner would not be subject to the direction or control of any person other than the Governor [the Chief Executive after 1997].

In addition, under the Ordinance, the Commissioner was empowered:

- ❑ To examine the practices and procedures of government departments and public bodies in order to facilitate the discovery of corrupt practices and to secure the revision of methods of work or procedures which, in the opinion of the Commissioner, may be conducive to corrupt practices;
- ❑ To instruct, advise and assist any persons, at the latter's request, concerning ways in which corrupt practices may be eliminated by such persons;
- ❑ To advise heads of government departments or of public bodies of changes in practices and procedures compatible with the effective discharge of the duties of such departments or public bodies which the Commissioner thinks necessary to reduce the likelihood of the occurrence of corrupt practices;
- ❑ To educate the public against the evil of corruption;
- ❑ To enlist and foster public support in combating corruption.

This mission of the Commission is reflected in its three functional arms: the Operations Department, the Corruption Prevention Department and the Community Relations Department.

In 2000, the Commission had a total of 1,300 staff and was allocated an annual budget of more than US\$ 87 million.

To ensure a high standard of staff integrity, all officers of the Commission (with the exception of a few drafted from other law enforcement agencies during the initial years) are appointed only after vigorous checks have been made concerning their integrity. Contracts are renewed every 30 months only if the performance of the officer concerned has been satisfactory. The contract system was a revolutionary innovation at the time, as people were hoping to obtain lifelong job security by joining the Government.

Under the Independent Commission against Corruption Ordinance, the Commissioner, after consulting the Advisory Committee on Corruption, may summarily dismiss an officer if he is satisfied that it is in the interests of the Commission to do so. Since 1974, when the Commission was established, 59 staff members have been dismissed under such circumstances.

OUTSTANDING RESULTS

As mentioned above, the groundwork for the crackdown on corruption was laid on three fronts: investigation, prevention and community education. After decades of hard work, the Commission has been widely recognized as a model of success in solving the problem. It has proved that the battle against corruption can be won if sufficient resources, persistent determination and adequate power to pursue criminal prosecutions exist.

Corruption is a form of crime characterized by "satisfied customers"; there are often no apparent victims. An anti-corruption agency has to rely

on members of the public to come forward and report on acts of corruption. Their willingness to report and, better still, to testify in a court of law, hinges on their trust and confidence in the agency. It is therefore essential for the Commission to be continually aware of the mood of the public. That is achieved by conducting annual opinion surveys, which have been continuously refined over the years, as well as smaller-scale quarterly polls, which keep the Commission informed of sudden shifts in public sentiment. Such surveys enable the Commission to ascertain if there is any need to adjust its strategic priorities.

In the Hong Kong SAR, the revolution in the attitude of the public to corruption has been remarkable. There is evidence of public scorn for corruption, coupled with a readiness to act against it. Some of the findings of surveys commissioned by the Commission are encouraging:

- ❑ Over 98 per cent of respondents have expressed support for the work of the Commission since the question was first asked in 1994;
- ❑ The level of intolerance towards corruption in both the public and the private sectors has remained high in recent years. In 1998, about 80 per cent of respondents held such a view and a high of 83.7 per cent was recorded in 2000;
- ❑ An important barometer of trust is the percentage of reports of corruption filed by persons willing to provide their identities. That figure increased gradually from a low of 35 per cent in 1974 to 56 per cent in 1980 and 70 per cent in 2000;
- ❑ The proportion of respondents who agreed that the Commission was impartial in its investigation rose to an all-time high of 74.6 per cent in 2000, up from 56.4 per cent in 1994. In the 2000 survey, only 8.3 per cent of respondents disagreed with that view.

PREREQUISITES OF PUBLIC SUPPORT

The public's attitude can never be taken for granted. In the Hong Kong SAR, the transformation of the public's attitude from resigned tolerance of corruption to extreme intolerance has been a slow and painstaking process punctuated by successes and setbacks. Such a massive social campaign is demanding, yet the lessons that can be drawn from it are invaluable. In the context of the Hong Kong SAR, the shaping of a new social order requires the following elements to be in place:

- ❑ *Public identification with the cause.* Sustained community education campaigns are needed to raise public awareness of corruption. People should be made aware of the fact that corruption may have dire consequences if left unchecked. They must be convinced that ordinary citizens are in a position to do something about it, both for their own interest and the common

good. They should be shown in concrete terms that corruption only fuels other crimes, to the detriment of the prosperity and economic well-being of the people;

- ❑ *Reporting in confidence.* Fear of retaliation discourages people from reporting. The Commission spares no effort to ensure that no one is victimized for reporting corruption. To that end, the Commission has enforced from the start a rule of silence on all reports of corruption. For highly sensitive cases, the Commission has in place a comprehensive witness protection programme that, in extreme cases, enables witnesses to change their identities and relocate;
- ❑ *Making corruption a high-risk crime.* Justice must be seen to prevail against corruption. Nothing could send a stronger message to both law-abiding citizens and criminals than being able to bring to justice persons who have committed acts of corruption, regardless of their background or position;
- ❑ *Credible checks and balances.* Because of the confidential nature of the work of the Commission and the extensive investigative powers that it enjoys, there is some potential for abuse. Since the inception of the Commission, therefore, an elaborate system of checks and balances has been in place to reassure the public that if any abuse were to occur, the situation would be promptly rectified. The system safeguards the interest of the public by placing prosecution decisions solely in the hands of the Department of Justice. All aspects of the Commission, investigation, prevention, community education and overall management, are supervised by advisory committees comprising respectable citizens appointed by the Chief Executive of the Hong Kong SAR. The committees can discuss with the Chief Executive matters of concern and publish annual reports on their work. Moreover, all non-criminal complaints against officers of the Commission are vetted by an independent complaints committee that publishes its findings annually.

WINNING PUBLIC TRUST

The Commission was established at a time when the Government's determination and capability to fight graft was in doubt. Thus, the Commission had to win back public trust.

The public believes results, not empty slogans. The first Commissioner decided that only through quick and forceful action could public confidence be gained. The civil service as a whole and the police in particular were identified as the primary targets. The successful extradition from London of Peter Godber, a fugitive police officer, and his subsequent conviction within a year gave the Commission a promising start.

High-profile arrests and prosecutions continued to make headlines. That gradually convinced the public that the Government and the Commission meant business. Reports on corruption began to flood in: in the first year, 86 per cent of them concerned government departments and the police. Corruption syndicates in the police, high on the Commission's list of problems to be dealt with, were vigorously pursued. In one major operation mounted during that period, 140 police officers from three police districts were rounded up. More than 200 policemen were detained for alleged corruption at one time. A total of 260 police officers were prosecuted between 1974 and 1977, four times the total number prosecuted in the four years preceding the establishment of the Commission.

In parallel, corruption prevention specialists were dispatched to various government departments to examine their procedures and practices with a view to removing all loopholes for corruption. Assistance was also rendered to help departments produce codes and guidelines on staff conduct. The Corruption Prevention Department was also involved in the early stages of policy formulation and in the preparation of new legislation to obviate opportunities for corruption.

In addition, the Community Relations Department of the Commission has brought about a revolution in the public's attitude towards corruption. Various publicity and outreach programmes have been organized by the Department to educate the public about corruption. The strategies have been refined and adjusted to suit the changing social and economic environment.

DOUBLE-BARRELLED APPROACH IN PUBLIC EDUCATION

The public education endeavours of the Commission have involved extensive use of the mass media and face-to-face contact. Over the past 25 years, the approach has proved to be effective in instilling a culture of probity.

Mass media

The Hong Kong SAR is known for its free press. There were about 60 printed daily newspapers and more than 700 periodicals in 2000. In addition, there are two free-to-air commercial television stations, one cable network and other satellite-based television services broadcasting news and other programmes on more than 40 domestic and non-domestic channels.

The Commission has realized from the beginning that the mass media is a powerful and indispensable partner in disseminating anti-corruption messages. A news story about a person convicted of corruption has a significant impact on the community. A press information office was one of the first units established by the Commission. Acting as a bridge between the Commission and the press, the office regularly issues press releases on the operations of the Commission and arranges interviews and briefings by officers of the Commission to hammer home the message that corruption is evil. Media reports on crimes involving corruption can have a deterrent effect.

Advertising campaign

In addition, the Commission produces its own “announcement of public interest” to proactively articulate a culture of probity through advertising campaigns. The messages are tailored to suit the prevailing public sentiment and social climate. The messages of the past 27 years can be seen to have had four phases:

- ❑ *The era of awakening.* In its early years, the Commission had to deal with a population that was deeply suspicious of the Government’s commitment to fighting corruption. People on lower incomes, who were more vulnerable to abuse, held a particularly tolerant view of such crime. Media campaigns were launched to reach that sector of society and highlight their suffering. Backed with tough law enforcement action, the Commission urged the public to become a partner in fighting corruption by reporting such crime;

- ❑ *Level playing field.* As syndicated corruption in the police and the civil service diminished by the late 1970s, the Commission was able to channel more of its energy into dealing with the problem of corruption in the private sector. In the midst of an economic upturn, the Commission emphasized that the fight against corruption was important to the continued economic growth of Hong Kong. Elements of deterrence and persuasion were included in those campaigns. The slogan used by the Commission, “Whichever way you look at it, corruption doesn’t pay”, reverberated loud and clear in the community. Tough action against some private corporations and their senior managers during the period reinforced the warning by the Commission that it was not making an empty threat;

- ❑ *The 1997 jitters.* During the years of transition leading to the reunification of Hong Kong and mainland China in 1997, some people in Hong Kong were worried about the uncertain future. After all, the concept of “one country, two systems” was without precedent anywhere in the world. It was suspected that certain individuals would try to take advantage of the situation to get rich fast, despite the large number of cases involving corruption that were being reported. There were some doubts in the community about the ability and the effectiveness of the Commission to keep Hong Kong one of the least corrupt places in the world after reunification. To counter those concerns, the Commission set out to reassure the general public, through media campaigns, that the corruption of the 1960s and 1970s would not return as long as the public continued to cooperate in tackling the problem;

- *The mission continues.* After a long period of economic prosperity, coupled with the gradual reduction of reports of corruption, the social ill that once plagued the city has in recent years gradually faded. The prevailing social environment is such that there is some danger that the level of alertness may drop, particularly among members of the younger generation who have never experienced corruption. They may take it for granted that corruption is no longer a threat and may have trouble comprehending the fact that parents and grandparents fought a fierce battle to free the Hong Kong SAR from corruption. To the Commission, it is important that the next generation should be made aware of the need to continue anti-corruption efforts. In recent years, a large share of the educational resources has gone to fostering integrity and honesty among youth. That will continue to be the case in the years to come.

Television drama series

Shortly after its inception, at a time when television was the most powerful media for reaching the masses, the Commission started producing television drama series based on real corruption cases. The television drama series turned out to be an astounding success and to date it remains one of the most popular television programmes, its ratings comparable to those of commercial productions. In these biennial television series, the dire consequences of corruption are vividly portrayed and the professionalism and efficiency of the officers of the Commission are effectively conveyed. To ensure that the work of the Commission is accurately reflected, the actors portraying officers of the Commission are asked to dress, talk and carry out their investigations in a manner that is as close to real life as possible.

The Internet

The cyber revolution has provided the Commission with another potent medium for interactive communication with the community. Internet surfers can gain access to the Commission in the virtual world and obtain "best practice" packages for specific trades and industries and practical guides on how to deal with ethical dilemmas and difficult situations in individual branches of industry. The web site of the Commission also contains information on the corruption cases that it has dealt with over the years.

As Internet browsing has become one of the most popular hobbies among members of the younger generation, the Commission has also launched a web site for teenagers, through which interactive games and information are used to impart positive values to young people.

Face-to-face contact

Despite the immense influence the media has in reaching the masses, the Commission believes that it is no substitute for face-to-face contact with the people it serves. As a mode of communication, face-to-face contact is best suited to explaining the goals and mission of the Commission and to obtaining feedback on its work. The Commission uses a strategic network of regional district offices to maintain direct contact with members of various sectors of the community. The offices serve as focal points of contact with local community leaders and organizations with whom the Commission's regional officers organize various activities to disseminate the anti-corruption messages. The regional offices hold regular meet-the-public sessions to gauge public views on various corruption issues. They are manned by persons trained to deliver the Commission's messages to different sectors of the community and can also serve as report centres. Members of the public can walk in and lodge a complaint about corruption. Experience shows that people usually feel more at ease in providing details pertaining to their complaints in less formal settings.

In conducting their liaison work, community relations officers also adopt a focused approach, targeting certain sectors of the community. Tailor-made briefings and training sessions are offered to civil servants and those practising specific trades in the private sector, in order to raise their awareness of the anti-corruption law and the problems associated with corruption.

Educational programmes are arranged to develop an anti-corruption culture among young people and newly arrived immigrants.

Community relations officers reach between 200,000 and 300,000 people on average per year, through 800 talks, activities and special projects. The 200 staff members meet with members of the community at meet-the-public sessions, and during training workshops at workplaces, school talks and seminars designed for businesses and professionals.

CURRENT SITUATION WITH REGARD TO CORRUPTION

Corruption in the Hong Kong SAR is under control. While no Government can expect to eradicate corruption completely, the improvements that have been achieved in the area of integrity are encouraging. The efficiency and honesty of the civil service have been acknowledged by the world community and syndicated corruption is a thing of the past.

The various types of complaint made reveal changes in the social culture and public attitudes. Complaints involving corruption in the civil service accounted for 86 per cent of the total in 1974; that figure dropped to 60 per cent in 1980 and less than 40 per cent in 2000. Reports on alleged police corruption plunged from 45 per cent of the total in 1974 to 30 per cent in 1984 and to less than 14 per cent in 2000.

Complaints involving corruption in the private sector accounted for 13 per cent of the total in 1974, 37 per cent in 1984 and 54 per cent in 2000. That increase was attributed largely to the growing public intolerance of corruption in the private sector and, to a greater extent, to the realization within the business community that corruption was bad for business.

Despite strong resistance to the Commission in the 1970s, entrepreneurs have gradually come to understand that bribery has an adverse effect on business. Consequently, their resistance has changed to acceptance and even active support of the Commission. In 1995, six major chambers of commerce, together with the Commission, helped found the Hong Kong Ethics Development Centre to promote ethics and corporate governance. Nowadays, nearly 10 per cent of reports of corruption in the private sector are made by senior business managers.

CONCLUSION

Fighting corruption is an ongoing battle. The public needs to be constantly assured that the Commission is capable of carrying out its work effectively, without fear or favour. The Commission is keenly aware of the continued need to maintain its level of professionalism in the face of the growing sophistication of criminal groups, aided in part by the globalization of trade and the digital revolution.

The extremely low incidence of corruption in the Hong Kong SAR is not solely the result of the establishment of the Commission. Some of the more important factors that have played a role are the following:

- ❑ *A holistic approach to the problem.* The three-pronged strategy of investigation, prevention and community education has enabled the Commission to tackle the problem at its source;
- ❑ *A supportive public.* A supportive public makes it possible for the battle against corruption to be fought on all fronts, in every corner of the community. Without a supportive public, regardless of the human and financial resources involved, it would not have been possible to reduce corruption so quickly;
- ❑ *The rule of law.* The people of the Hong Kong SAR have treasured, respected and guarded the rule of law. That is important to efforts to convince the public that justice will be done;
- ❑ *Government commitment.* The commitment of the Government has been demonstrated by the provision of sufficient resources and adequate legal powers to hunt down the criminals involved in corruption.

The Hong Kong SAR has successfully demonstrated that corruption can be contained. The Independent Commission against Corruption continues its task of ensuring it remains under tight control in the future.