Corruption and Environmental Harm

Presented by
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Does Corruption Harm the Environment?
The CPI & deforestation rates show a rough correlation.

An unpublished study by Nalin Kishor, World Bank, comparing 17 countries, yields the following graph:
Deforestation vs. Control of Corruption

Annual Deforestation
Other factors are clearly involved

- Poverty
- Weak governance
- Rate of road construction
- Etc.
Corruption may not be the driver...
But Corruption is often the enabler …

- Corruption goes arm-in-arm with illegal resource use
- Corruption undermines the rule of law
QuickTime™ and a TIFF (LZW) decompressor are needed to see this picture.
Some anecdotal examples of corruption at work

- Cambodia
- Indonesia
- Chiapas
- Liberia
Cambodia

- Part of the Indo-Burma hotspot
- High-level corruption documented by Global Witness
- “GLOBAL WITNESS BELIEVES that corruption, at both a high and low level, is the biggest obstacle to the significant progress made by the government in eliminating forest crimes”
Indonesia

- Well-documented illegal logging, including logging of protected species (ramin, merbau) and logging in protected areas.
- Environmental Investigation Agency (NGO) implicates “corrupt timber barons controlling the trade”. 
Montes Azules Biosphere Reserve, Chiapas

- Documented incursions into protected areas and reserves
- Reports of Lacandon people setting up their own timber transport checkpoints because government checkpoints were too porous due to corruption
Liberia

- I’ll leave to others to discuss
Silly question time:

- Why do corrupt systems hurt sustainability and conservation?
- Why should a corrupt system be any worse at conservation than a rule of law system?
Because *political* values differ from *economic* values

- Mark Sagoff & the Mineral King example
- Corrupt systems are driven by economic, not political forces
Because economic systems have *short time horizons*

- Sustainability looks indefinitely into the future.
- Economics discounts the future: the further off the event, the less weight it carries.
Because illegal systems may have even shorter horizons

- Illegal systems are plagued by uncertainty
- Jarrold’s Inverse Law of Venality: The less time I think I might have, the quicker I must act to get rich.
Because endangered species have no cash

- In political systems, there are altruistic surrogates for wildlife, ecosystems, the poor, and future generations.
- In corrupt systems, these interests have nothing to use for bribes.
In Summary

- High levels of corruption often correlate with poor environmental performance
- We have examples from many parts of the world
- Conservation has a better outlook under the rule of law
- Environmentalists and transparency advocates must work together