

<<<EMBARGOED UNTIL 00.01 (GMT)  
13<sup>th</sup> NOVEMBER 2015>>>



## **Corruption risks in fastest growing militaries threaten global stability**

### ***Transparency International warns that defence governance in G20 lags behind economic cooperation***

Over half of G20 countries lack adequate checks and balances over their military forces, posing a threat to international stability, according to a new Government Defence Index (GI) from Transparency International.

Eight of the G20 states assessed in the index received either D or E grade, representing either a “high” or “very high” risk of defence corruption. But global military expenditure is rising fastest in exactly those places where public oversight over the military is weakest. China, Saudi Arabia, and Brazil ranked bottom of the G20, but in the last decade they increased defence spending by 441%, 286%, and 225% respectively.

Katherine Dixon, Director of Transparency International’s Defence and Security Programme, said:

*“The actions of the G20 have a disproportionate impact on global security. Together they are responsible for the vast majority of global defence spending as well as the generation and trade of much of the globe’s most devastating weaponry. Their role in international interventions has a direct impact on the lives of millions of people across the globe.”*

*“If weight alone is a determiner of responsibility, then these countries should be prepared to set the highest standards of accountability and transparency in defence”*

The G20 accounts for 82% of global defence spending, but much of this spending remains highly secretive. Only in seven G20 countries is there any meaningful oversight of the defence budget.

G20 defence spending has been increasing rapidly -- by 55.7% per cent between 2004 and 2014 -- but there is no common understanding regarding how this power should be governed.

Against this backdrop of increased global military spending, Transparency International is calling on the world’s most powerful nations to close the huge gulf in accountability and transparency governing defence spending.

The G20 accounts for 16 of the 20 largest arms exporters (including EU Member States) and 92% of global arms exports, but arms exports are subject to parliamentary debate in only 11 of G20 countries. In no country are export controls sufficiently robust for the highest score to be awarded.

China alone accounts for around 30% of the world’s most secretive spending (expenditure that is not open to either public or parliamentary scrutiny). In theory, defence policy is supervised by the National People’s Congress, but the US Congress receives more information about Chinese military capability and defence budgets.

In Saudi Arabia, high-ranking Princes preside over powerful defence agencies and use those assets to distribute patronage to their client base.

Brazil’s “very high” corruption risks were attributed to the significant autonomy of the military. Brazil is the world’s 4th largest arms exporter of light weapons, but the assessment found a complete absence of effective oversight over arms exports and evidence that arms had ended up in places like Bahrain and used against pro-democracy demonstrators.

<<<EMBARGOED UNTIL 00.01 (GMT)

13<sup>th</sup> NOVEMBER 2015>>>

Only the UK scored top marks overall, thanks to strong, independent oversight mechanisms. France was ranked lowest in the G7, with risks to operations assessed as particularly high, despite the country deploying over 10,000 troops on international peacekeeping and stabilisation missions.

The US was awarded a B. Although systems were assessed to be relatively strong, the report judged that the US Department of Defence's failure to complete a full audit of its financial records and weaknesses in congressional oversight created corruption risks.

<b>United Kingdom</b>	<b>A</b>
<b>Australia</b>	<b>B</b>
<b>Canada</b>	<b>B</b>
<b>Germany</b>	<b>B</b>
<b>Japan</b>	<b>B</b>
<b>United States</b>	<b>B</b>
<b>Argentina</b>	<b>C</b>
<b>France</b>	<b>C</b>
<b>Italy</b>	<b>C</b>
<b>Mexico</b>	<b>C</b>
<b>South Korea</b>	<b>C</b>
<b>India</b>	<b>D</b>
<b>Indonesia</b>	<b>D</b>
<b>Russian Federation</b>	<b>D</b>
<b>South Africa</b>	<b>D</b>
<b>Turkey</b>	<b>D</b>
<b>Brazil</b>	<b>E</b>
<b>China</b>	<b>E</b>
<b>Saudi Arabia</b>	<b>E</b>

**Contact:**

Dominic Kavakeb

Communications Manager

E: [dominic.kavakeb@transparency.org.uk](mailto:dominic.kavakeb@transparency.org.uk)

T: + 44 (0)20 3096 7695

M: +44 (0)79 6456 0340 (out of hours enquiries)

**Notes to editors:**

The Government Defence Anti-Corruption Index (GI) assesses the existence and effectiveness of institutional and informal controls to manage the risk of corruption in defence and security institutions and of their enforcement. Transparency International's team of experts draws together evidence from a wide variety of sources and interviewees across 77 indicators to provide the government with a detailed assessment of the integrity of their defence institutions.

The 2015 Asia-Pacific report publishes the country risk rankings derived from this data and examines the trends across the region. The report follows the Middle East and North Africa report published on 29<sup>th</sup> October 2015.

Forthcoming reports based on the 2015 index will be released on Africa, NATO, the G20, and fragile states.