

# USA

## 2015 Country Summary

### Recommendations

The USA's GI ranking in Band B places it in the low risk category for corruption in the defence and security sector. The USA scored in Band A (very low risk) for Personnel, and in Band B across all other risk areas: Operations, Political, Finance and Procurement Risks.

The United States has a high level of transparency and domestic scrutiny over defence policy and spending. However, given that the United States is the world's largest arms exporter, one of the top 10 arms importers, and the country whose defence spending and involvement in international operations and security assistance dwarfs all others, the way it relates to other countries has an unparalleled impact on the world. For this reason, we suggest that the US government builds on its recognition of corruption as a strategic issue for military operations to provide systematic, comprehensive training on anti-corruption for military officers and considers ratifying the Arms Trade Treaty.

#### Oversight and Transparency

The United States Congress possesses extensive competencies in shaping and overseeing defence policy and expenditure through its budgetary and oversight powers. However, significant gaps in oversight and transparency remain. The Department of Defense has so far not undergone a full and comprehensive audit, despite Congress setting a number of deadlines for it. We recommend abiding by the existing deadline of 2018 to undergo a full audit (which means being audit-ready by the end of 2017) and continue to do so on a regular basis. It is important that the DOD rectify what the GAO calls the "pervasive deficiencies in its financial and related business management systems, processes, and controls."

The Overseas Contingency Operations (OCO) fund, a lump sum awarded to DOD and other agencies by Congress for the funding of international operations in conflict areas, is not subject to the same budgetary process as other parts of the defence budget. Congress has recently created an obligation to appoint a Lead Inspector General for military operations lasting more than 60 days and the new system appears to be an effective way of strengthening oversight. How funds are allocated to the Overseas Contingency Operations fund should be made more transparent to ensure that scrutiny is sufficient and that it is used for funding operations in areas of conflict, as intended.

While the US defence budget is overall transparent, some information on expenditure and particular programmes is still not sufficiently disaggregated and can be difficult to find. More detailed and accessible information on expenditure allocated to security assistance,

the OCO Fund, special operations and the large percentage which finances classified intelligence work should be made available.

### Military Operations and Arms Trade

Operations in Iraq and Afghanistan prompted Congress to establish oversight institutions to counter corruption, including Special Inspector Generals for both operations and Task Force 2010, looking into corruption in US contracting. These developments should continue. The armed forces could build on the recent progress by incorporating detailed anti-corruption guidelines into both operational and security assistance doctrine and backing them up with case studies and pre-deployment training for all officers.

The US could also help strengthen its commitment to high standards for transparency and anti-corruption in the global arms trade by ratifying the Arms Trade Treaty (ATT).

## Scorecard

Political	Defence & Security Policy	Legislative Scrutiny	3
		Defence Committee	4
		Defence Policy Debated	2
		CSO Engagement	3
		International AC Instruments	4
		Public Debate	4
		AC Policy	3
		AC Institutions	3
		Public Trust	3
		Risk Assessments	3
	Defence budgets	Acquisition Planning	2
		Budget Transparency & Detail	3
		Budget Scrutiny	3
		Budget Publicly Available	3
		Defence Income	4
		Internal Audit	2
		External Audit	3
	Other Political Areas	Natural Resources	3
		Organised Crime Links	3
		Organised Crime Policing	4
		Intelligence Services Oversight	3
Intelligence Services Recruitment		3	
Export Controls		2	
Finance	Asset Disposals	Asset Disposal Controls	3
		Asset Disposal Scrutiny	3
	Secret Budgets	Percentage Secret Spending	1
		Legislative Access to Information	3
		Secret Program Auditing	3
		Off-budget Spending in Law	2
		Off-budget Spending in Practice	2
		Information Classification	3

	<b>Links to Business</b>	Mil. Owned Businesses Exist	4
		Mil. Owned Business Scrutiny	
		Unauthorised Private Enterprise	4
<b>Personnel</b>	<b>Leadership</b>	Public Commitment	4
		Measures for Corrupt Personnel	3
		Whistleblowing	2
		Special Attention to Sensitive Personnel	3
	<b>Payroll and Recruitment</b>	Numbers of Personnel Known	4
		Pay Rates Openly Published	4
		Well-established Payment System	4
		Objective Appointments	4
		Objective Promotions	4
	<b>Conscription</b>	Bribery to Avoid Compulsory Conscription	
		Bribery for Preferred Postings	
	<b>Salary Chain</b>	Ghost Soldiers	4
		Chains of Command and Payment	4
	<b>Values, Standards, Other</b>	Code of Conduct Coverage	4
		Code of Conduct Breaches Addressed	4
		AC Training	3
		Prosecution Outcomes Transparent	3
Facilitation Payments		2	
<b>Operations</b>	<b>Controls in the Field</b>	Military Doctrine	3
		Operational Training	2
		AC Monitoring	4
		Controls on Contracting	3
		Private Military Contractors	2
<b>Procurement</b>	<b>Government Policy</b>	Legislation	4
		Transparent Procurement Cycle	4
		Oversight Mechanisms	3
		Purchases Disclosed	3
		Standards Expected of Companies	3
	<b>Capability Gap</b>	Strategy Drives Requirements	3
		Requirements Quantified	3
	<b>Tendering</b>	Open Competition v. Single-Sourcing	2
		Tender Board Controls	4
		Anti-Collusion Controls	4
	<b>Contract Delivery / Support</b>	Procurement Staff Training	3
		Complaint Mechanisms for Firms	4
		Sanctions for Corruption	3
	<b>Offsets</b>	Due Diligence	
		Transparency	
		Competition Regulation	
	<b>Other</b>	Controls of Agents	2
		Transparency of Financing Packages	1
		Subsidiaries / Sub-Contractors	3
Political Influence		4	