

PRIVATE SECTOR AND GOVERNMENT CO-OPERATION IN CONDUCTING INVESTIGATIONS AND OVERSIGHT

JUDGE W H HEATH

In South Africa the Government established in 1997 a body which is empowered by legislation to investigate corruption, fraud, etc. in the private sector. I am looking at the wider concept not corrupting the administration or the private sector.

Examples of such investigations could be:

- Individuals or individuals on behalf of institutions who persuade members of the public or private institutions to invest money at ridiculously high interest rates and then use later investments to pay the interest rate on earlier investments.
- Persuading clients to sign mandates with a promise to work on a contingency basis if a certain amount of a claim instituted by them, can be retained in the case of the claim to be paid.

This is the Special Investigation Unit of which I am the Head. I may be in the ideal situation to appoint independent bodies to protect the public and private sector against corruption and which enjoy the confidence of everybody and which have credibility.

In South Africa many investigative bodies are being established all the time in the private sector. Big firms of auditors have and are appointing investigators and lawyers and from the very nature of audit investigative features form part of their daily duties.

Investigating companies are established with a variety of expertise which is often absent in the Government Institutions. People with exceptional skills have left the public sector and have gone to the private sector.

The Special Investigating Unit I belong to consists of multidiscipline teams, and although I can appoint any experts, we do not have employees covering the whole spectrum of expertise. The criminal investigation units in South Africa are even much shorter of expertise and this is the position in many other countries.

The private sector has as much an obligation to fight corruption as the public sector.

We have used the following experts in the private sector to assist us in investigations:

- We have used two different handwriting experts.
- We have used accountants and auditors. We have used investigations conducted by their investigating teams in various cases where either the Government or ourselves have appointed them.
- We have used the service of land surveyors and quantity surveyors.
- We have had information gathered by employees of public and private institutions.

In general, the capacity, of institutions appointed by the Government can be supplemented by the hard work and expertise of the public sector. The investigative skills of the media undercover corruption and they collect evidence which is made available to anti-corruption bodies. This leads to more transparency.

OVERSIGHT

The media is one of the major role-players overseeing integrity and ethics. Every individual has a duty to keep his/her eyes open to detect and report corruption. The risk of discovery must become so great that it will truly not pay to be corrupt.

Both in the public and private sector there are hotlines and they are really hot because of the extensive use thereof.

Unobstructed and independent actions by anti-corruption bodies make them bodies to be reckoned with. Their credibility in the eyes of the public makes them invaluable in the fight against corruption. The public will not hesitate to co-operate with credible anti-corruption units.

JUDGE W H HEATH
Special Investigating Unit
P O Box 893
East London
5200

Tel: (043) 726-9705
Fax: (043) 726-9261 / 9