

# Transparency International Global Corruption Report 2005

## Country Report - Ireland

**Corruption Perceptions Index 2003 score:** 7.5 (18<sup>th</sup> out of 133 countries)

### Conventions

- Council of Europe Civil Law Convention on Corruption (signed November 1999; not yet ratified)
- Council of Europe Criminal Law Convention on Corruption (ratified October 2003)
- EU Convention on the fight against Corruption (ratified March 2003)
- OECD Anti-Bribery Convention (ratified September 2003)
- UN Convention against Transnational Organized Crime (signed December 2000; not yet ratified)
- UN Convention against Corruption (signed December 2003; not yet ratified)

### Legal and institutional changes

- In October 2003 Ireland ratified the Council of Europe's Criminal Law Convention on Corruption, which applies to money laundering as well as bribery in both the private and public sector. The previous month it ratified the OECD Anti-Bribery Convention, making it a crime to bribe foreign public officials.

### Tribunals of inquiry

Allegations of wrongdoing involving political and business interests prompted the establishment of a number of tribunals of inquiry in the 1990s.<sup>1</sup> The origins of the Moriarty tribunal into payments to politicians and the Flood tribunal into planning corruption in Dublin lay, respectively, in a dispute about control of the Dunnes Stores supermarket group in the mid-1990s, and allegations made to a firm of solicitors in Northern Ireland following a request for information on planning malpractice. The material that came to light created the momentum for investigations to which the political system was compelled to respond. The government and political parties viewed tribunals as the best means possible of establishing the facts and commanding public confidence. Some had hoped that such an approach would also serve to take corruption off the immediate political agenda. This latter hope has not prevailed since the tribunals have heightened perceptions of systemic corruption at all levels of Irish government.

The Flood and Moriarty tribunals have been in existence since late 1997 and show no sign of ending. Both have enjoyed spectacular success in uncovering complex networks of covert financial payments to politicians and public officials. If they have not yet proved that money definitively bought political favours, they have increasingly posed the question of why some businessmen contribute so lavishly to individuals in a position of power.

The 1997 McCracken investigation into payments to the former Taoiseach (prime minister), Charles Haughey, reported that he received more than £8 million (US \$14.7 million) in the course of a long political career, but failed to substantiate he was guilty of corruption. The McCracken tribunal also identified payments to the Fine Gael politician Michael Lowry, but

again it found there was no political impropriety.<sup>2</sup> At the time of writing the Moriarty tribunal was still investigating the payments to Lowry.

Only one politician was found to have received a corrupt payment as a result of evidence from the various tribunals. The second interim report of the Flood tribunal in 2002 found there had been a number of corrupt payments to the former minister of foreign affairs and communications, Ray Burke.<sup>3</sup> Burke rejected the tribunal's findings. In September 2004 his application for costs was refused by the tribunal on the grounds that he had obstructed its work.

The planning tribunal, now chaired by Mr Justice Alan Mahon, has spent much of its time investigating claims by property developer Tom Gilmartin that, after a meeting in February 1989 with senior government ministers, including the present Taoiseach, Bertie Ahern, a party representative asked him to 'donate' £5 million (US \$9.2 million) to clear the way for building a shopping complex in west Dublin. Most observers estimate that at current rates of progress the planning tribunal will only end in 2020, 23 years after it was established. Politicians bear some responsibility for the delay, given the initial failure to augment the number of judges in the face of repeated pleas from Justice Flood that he had insufficient resources to pursue his terms of reference.

The allegedly corrupt dealings of George Redmond, the most important planning official in Dublin for over a quarter of a century, were first drawn to public attention by the Flood tribunal in 1999. When threatened with up to two years in jail for misleading the tribunal, he admitted he had received large sums of money from a variety of builders and landowners. When he retired as the assistant county manager of Dublin city and county in 1988, he was receiving a salary of €24,000 (US \$29,200). However, his investments were then in the region of €830,000 (US \$1 million) and he banked €217,000 in that year alone.<sup>4</sup>

Subsequently convicted of failing to make tax returns, Redmond was investigated by the Criminal Assets Bureau.<sup>5</sup> He was found guilty on two charges of corruption in November 2003 and was sentenced to 12 months' imprisonment. This was the first high-profile conviction of a senior public figure on corruption charges arising from the planning tribunal. Redmond appealed his conviction and it was quashed in July 2004 when new evidence he produced made the earlier evidence of the person who made the payment unsafe. No re-trial was ordered since Redmond had already served most of his sentence. Notwithstanding his acquittal, there can be no doubt that the decision to send him for trial in the first place demonstrated that the director of public prosecutions was treating accusations of white collar crime with a new seriousness.

The planning tribunal's third report, issued in January 2004, stated that Redmond had received corrupt payments from a property developer and a builder, relating to land developments in the late 1980s. The report dealt with four allegedly corrupt payments to Redmond and stated that he had received regular kickbacks from planners and developers since the 1960s.<sup>6</sup> These claims followed the tribunal's second report, issued in September 2002, which accused the former minister of foreign affairs, Ray Burke, of also receiving corrupt payments from various builders. The report was sent to the director of public prosecutions, the police commissioner, the Criminal Assets Bureau, the Revenue Commissioners and the office of the Director of Corporate Enforcement. One reason for the length of time the report has been with these authorities lies in the nature of the law on tribunals of inquiry, which stipulates that no admission made by a person before a tribunal can be admitted as evidence against that person in a criminal proceeding.

## The Morris inquiry into the police

Another ongoing tribunal of inquiry, the Morris tribunal, is investigating complaints concerning police officers in Donegal. In July 2004 it issued its first interim report, in which it stated that two police officers, including a superintendent, orchestrated the planting of ammunition and hoax explosive devices to boost their careers. In addition senior officers were criticised as negligent because they failed to uncover the plot organised by the two.

The report, said Mr Justice Morris, must lead to significant reforms, including more hands-on control by police headquarters, tougher discipline within the force, a new promotions structure and improved record keeping. The minister for justice, equality and law reform, Michael McDowell, noted that the systemic problems in Garda management were not confined to Donegal.<sup>7</sup>

As a result of the report, there are likely to be substantial changes to forthcoming legislation on the police. At the time of writing the government was also expected to move to establish a new audit unit that would have the power to conduct random spot-checks in police stations. What might be even more effective would be the establishment of a police ombudsman, similar to that which exists in Northern Ireland, to provide an independent, impartial police complaints system. The establishment of such a body in the Republic of Ireland would go some way towards rebuilding public confidence in the police.

## Raising standards in public life

Assessing the extent of political corruption in Ireland has proved contentious. In July 2003 Mr Justice Matthew Smith, chairman of the Standards in Public Office Commission (SIPO), which polices ethics legislation and the funding of political parties, rejected claims (made in a study by the British-based Joseph Rowntree Charitable Trust) that corruption was a 'central theme' of Irish politics. While warning of potential damage to Ireland's reputation, he acknowledged that there was a pressing need to monitor and raise standards in the public interest. The judge wrote that it was a cause for regret that the examination of past difficulties in such a public manner had led to criticism of the system of governance: 'This criticism is not, in the main, supported by the facts, which, in my view, would show that the integrity of the decision-making process has not been impugned.'<sup>8</sup>

But as the planning tribunal has so far only dealt with allegations of corruption in Dublin, leaving unexamined questions about malfeasance in other regions, it is impossible to state with certainty just how accountable decision-making processes really are. What is certain is that the tribunals running since 1997 have done the state much service, through providing crucial insights into the way Ireland has governed itself in the very recent past.

Partly because of the tribunals, the government has initiated a comprehensive ethics programme and all the main political parties have introduced codes of conduct for members and have comprehensive policy positions on standards in public life. SIPO itself has played an important role in ensuring that the concepts of openness, accountability and transparency are embedded in Ireland's ethics legislation.

Some critics have argued that the tribunals are expensive and futile, but shutting them down would send out the wrong signal about attitudes to corruption. The tribunals should be allowed to continue their work, making the Irish body politic face up to its past and creating pressure for higher standards in public life in the future.

*Gary Murphy (Dublin City University, Ireland)*

## Further reading

Neil Collins and Mary O'Shea, 'Political Corruption in Ireland', in M. J. Bull and J. L. Newell, *Corruption in Contemporary Politics* (Basingstoke: Palgrave-Macmillan, 2003)

Council of Europe, 'GRECO, First Evaluation Round, Compliance Report on Ireland' (2003), [www.greco.coe.int/evaluations/cycle1/GrecoRC-I\(2003\)14E-Ireland.pdf](http://www.greco.coe.int/evaluations/cycle1/GrecoRC-I(2003)14E-Ireland.pdf)

Paul Cullen, *With a Little Help from my Friends: Planning Corruption in Ireland* (Dublin: Gill and Macmillan, 2003)

Colm McCarthy, 'Corruption in Public Office in Ireland: Policy Design as a Countermeasure', in Economic and Social Research Institute, *Quarterly Economic Commentary* (2003), [www.esri.ie/pdf/QEC1003SA\\_McCarthy.pdf](http://www.esri.ie/pdf/QEC1003SA_McCarthy.pdf)

Gary Murphy, 'A Culture of Sleaze: Political Corruption and the Irish Body Politic 1997–2000', *Irish Political Studies* 15 (2003)

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## Notes

<sup>1</sup> The tribunal of inquiry is a device set up by the Irish parliament to investigate matters of urgent public importance.

<sup>2</sup> See [www.irelandsown.net/tribunal.htm](http://www.irelandsown.net/tribunal.htm)

<sup>3</sup> See [www.ireland.com/newspaper/special/2002/flood/index.html](http://www.ireland.com/newspaper/special/2002/flood/index.html)

<sup>4</sup> *The Irish Times* (Ireland), 20 December 2003.

<sup>5</sup> The Criminal Assets Bureau was established in 1996 to identify assets of persons deriving, or suspected of deriving from criminal activity.

<sup>6</sup> See [www.planningtribunal.ie/images/SITECONTENT\\_219.pdf](http://www.planningtribunal.ie/images/SITECONTENT_219.pdf).

<sup>7</sup> *The Irish Times* (Ireland), 13 September 2003.

<sup>8</sup> See [www.sipo.gov.ie/281e\\_246.htm](http://www.sipo.gov.ie/281e_246.htm)