



Attorney General Loretta E. Lynch Delivers Remarks on Department of Justice Efforts in the Fight Against International Fraud and Corruption

Rome Italy ~ Thursday, October 20, 2016

Good afternoon, everyone, and thank you for that warm welcome. Thank you, Deputy Chief of Mission [Kelly] Degnan, for that kind introduction, and for being such an exceptional representative of the American government and the American people here in Rome. And thank you, ladies and gentlemen, for joining us here today. It is a pleasure to be among so many leaders and law enforcement officials from Italy and the United States as we reaffirm our nations' shared commitment to the freedom, the equality, and – above all – the justice that is the birthright of our people.

The work done by so many of the public servants in this room – fighting corruption in all of its forms – is vital to ensuring that these values remain at the heart of society. Before becoming Attorney General, I prosecuted federal public corruption cases in Brooklyn, New York. And like many of you, I have seen firsthand how corruption, at bottom, is about breaking trust. It is about undermining citizens' belief in their elected officials. It is about betraying the people's faith that when public monies are spent on services for citizens – from infrastructure to education – none of those funds will be misappropriated for selfish ends. And it is about poisoning the civic spirit of a people – displacing passion with cynicism, and solidarity with suspicion. And that is why the U.S. Department of Justice has made it a priority to root out, prosecute, and prevent corruption. What is at stake is not just a sum of money or a single contract: it is the public's trust that one set of rules apply to all of its members, that we have ordered our markets and our governmental institutions in a fundamentally fair manner, and that our societies will uphold and respect the rule of law. I am proud to say that with the help of our domestic and international partners, we are working tirelessly to detect corruption and bring wrongdoers to justice – no matter how powerful the actors, no matter how complex the crimes, and no matter where the crimes take place.

In pursuing this mission, the Justice Department has had the benefit of several powerful tools. The public integrity units in our Criminal Division, our U.S. Attorney's Offices, and our Federal Bureau of Investigation have prosecuted and convicted corrupt officials at all levels of the American government. And since 2009, under the Foreign Corrupt Practices Act, the department has brought more than 65 individual criminal cases and more than 65 cases against corporations in connection with foreign bribery charges – many of them in coordination with our foreign law enforcement partners. These investigations have resulted in the collection of more than \$4.4 billion in penalties, and they have had the welcome effect of increasing corporate self-scrutiny, incentivizing companies to better train, monitor, and discipline their own agents and subsidiaries around the world. In the same period, our colleagues at the Securities and Exchange Commission have brought suit against more than 100 companies and 40 individuals, resulting in approximately \$2.6 billion in monetary relief. The message we are seeking to send through these enforcement actions is simple: We expect businesses and organizations – and anyone acting on behalf of these entities – to play by the rules, whether they act overseas or in the United States.

We have also sought to root out fraud and misappropriation in public funds and government contracts by bringing actions under the False Claims Act (FCA). That statute is powered by a unique whistleblower provision that allows private parties to file suit on behalf of the U.S. government and receive a portion of the funds recovered through successful litigation. Indeed, our own Ambassador [John] Phillips worked closely with the Senate to create the whistleblower provisions of the FCA. Since its inception in 1986, the FCA has allowed for the recovery of more than \$53 billion in industries ranging from health care to defense.

In our increasingly globalized world, the United States is determined not only to hold U.S. citizens and officials accountable for their crimes, but also to ensure that our financial system offers no haven to those perpetrating corruption abroad. The Justice Department created the Kleptocracy Asset Recovery Initiative in 2010 for this very purpose: to detect fraud that passes through our financial system, and to ensure that, where possible, stolen assets are

returned to or used to benefit the people wronged by corrupt actors. Just this past August, we brought the largest single action in the initiative's brief history, filing suit to recover more than \$1 billion in assets associated with an international conspiracy to allegedly steal funds from a Malaysian public trust and launder the funds through U.S. financial institutions.

These are wonderful accomplishments, and I could not be prouder of the hardworking men and women of the Department of Justice for the work they do every day to protect the integrity of our markets and public enterprises. But of course, in the 21st century, no nation can fight corruption on its own. As the U.N. Convention Against Corruption makes clear, international cooperation is more important than ever in dismantling transnational schemes, thwarting attempts to hide ill-gotten assets, and bringing perpetrators to justice. And a leading recent example of the importance of international cooperation is our ongoing investigation of bribery and corruption in international football. I know the importance of this investigation here in Italy, where football is not simply a pastime – it is woven into the very fabric of Italy's national identity and national pride. Italian fans root for the *Azzuri* with the faith that the game is fair, that referees will make the correct calls, and that games will be won and lost honestly and without interference. What's more, the beautiful game helps to teach our children about character, teamwork and fair play. And it underscores our fundamental belief that the best way to success is through hard work and honest effort.

Last year, the Justice Department announced charges against more than 40 defendants affiliated with FIFA who had failed to uphold these fundamental principles, and who had corrupted the business of worldwide soccer to serve their personal interests. These officials were entrusted with keeping soccer open and accessible to all in a number of ways, from building soccer fields for children in developing countries to organizing the World Cup. But for decades, these individuals abdicated their responsibilities to fairly govern international soccer. In an enormous affront to values held by soccer fans worldwide, these individuals engaged in rampant corruption for decades with the aim of amassing personal fortunes. Some of them accepted millions of dollars in bribes and kickbacks in awarding lucrative media and marketing contracts; bought and sold votes for World Cup hosting bids; and even rigged leadership elections in FIFA. Their betrayals did not simply undermine trust in FIFA. They struck at the very core of who we are and who we aspire to be.

Our ongoing investigation into FIFA would not have been possible without the cooperation of several of our international partners – including our partners here in Italy, who helped us apprehend one of the defendants last December. Our coordinated efforts in the FIFA case show what is possible when the international community takes a united stand against corruption. They demonstrate that no one is beyond the reach of the law. They prove that we do not have to accept corruption as a way of life, or simply the “cost of doing business.” And they show that we can uphold the basic values of trust, transparency and good faith that form the bedrock of our societies.

In the days ahead, we will continue the hard work of rooting out corruption. And we will remain determined to protecting and strengthening our values – not just for ourselves, but for our children – who deserve the benefit of every dollar their governments devote to their education and healthcare; who deserve to know that the athletes they admire and the games they love are governed by honesty and integrity; and who deserve to inherit a society where success depends not on deceit and dishonesty, but on hard work and fair play.

I want to thank you for your commitment to building that brighter future. I want you to know that you will continue to have a determined ally and a willing partner in the U.S. Department of Justice, and I look forward to all that we will accomplish together in the days to come. Thank you.

Speaker:
Attorney General Loretta E. Lynch

Office of the Attorney General

Updated October 20, 2016