

The US whistleblower incentives behind FIFA corruption scandal

Friday 29 May 2015 17:39

COMMENT: Michael D. Kohn



Michael Kohn is the author of The Whistleblower's Handbook.(SABC)

Tags:

- [US](#)
- [Fraud](#)
- [Corruption](#)
- [Whistleblower's Handbook](#)
- [Michael Kohn](#)
- [FIFA](#)

Yesterday the world was shocked by well-documented revelations of widespread corruption and bribery within the Fédération Internationale de Football Association (FIFA). Chuck Blazer, an “insider” and a former top FIFA official, provided key evidence relied upon by the United States in securing the indictments. The key to unlocking the FIFA scandal is the long reach of the US’ anti-bribery and corruption laws. These laws form a potent tool available to individuals regardless of nationality or citizenship and provide substantial monetary rewards. If the information leads to a recovery the whistleblower is entitled to a financial reward of 10%-30% of the total recovery. Another key component of the US anti-fraud program is that whistleblowers can anonymously provide information and still recover the reward.

Under the US whistleblower program Mr. Blazer is not a “whistleblower.” He was caught during a criminal probe and pled guilty to various fraudulent acts and, to his credit, became an important US informant and cooperating witness. Under the US anti-fraud laws, a “whistleblower” must provide original information to the US Government.

One of the most important whistleblowers who steps forward under the US anti-fraud laws was Swiss banker, Bradley Birkenfeld. Mr. Birkenfeld came to the United States intending to expose substantial fraudulent banking practices that were the subject of speculation for years. Mr. Birkenfeld provided the United States government with original information of sufficient quality

to force what was then the world's largest bank, UBS, to admit to fraud resulting in the recovery of billions of dollars to the US treasury.

Clearly, Mr. Birkenfeld participated in some of the very violations he exposed. But, he was not responsible for the planning or initiation of the fraud. Instead, this placed him in the position of being able to expose the fraud and, most importantly, he voluntarily chose to disclose critical information before it was known to the government. The end result is that one individual ended the secret Swiss banking system in the United States and was responsible for the recovery of billions of dollars of lost tax revenue.

Mr. Birkenfeld had a comfortable life as Swiss banker and it was his decisions to voluntarily disclose fraud under the US anti-fraud laws that resulted in him receiving a check for \$104 million from the United States Treasury. Mr. Birkenfeld decided not to remain and he voluntarily disclosed his reward so that it might provide insight and incentive to others to do what is right.

The whistleblower anti-fraud laws are complex and so it is important to make sure the attorney has a good understanding of the workings of the law.

The full extent of the fraud within the inner workings of FIFA remains undisclosed. What has emerged, however, is that the US anti-fraud laws are truly capable of rooting out fraud and corruption - not just within FIFA, but elsewhere around the world. International whistleblowers need to take full advantage of the US rewards program. It is critical that individuals come forward as early as possible, and voluntarily provide the US government with original information about bribery, tax frauds and other crimes.

However, in order to become an anonymous whistleblower an individual must work through a licensed US attorney.

However, the whistleblower anti-fraud laws are complex and so it is important to make sure the attorney has a good understanding of the workings of the law.

A good initial resource for whistleblower world-wide to consult is to consult is globalwhistleblower.org.

Michael D. Kohn is a nationally recognized litigator focusing on whistleblower protection law specializing in Qui Tam/False Claims Act, Dodd-Frank Act SEC whistleblower claims, IRS whistleblower claims and whistleblower retaliation litigation.