

JUNE 03, 2021

## Memorandum on Establishing the Fight Against Corruption as a Core United States National Security Interest

Section 1. Policy. Corruption corrodes public trust; hobbles effective governance; distorts markets and equitable access to services; undercuts development efforts; contributes to national fragility, extremism, and migration; and provides authoritarian leaders a means to undermine democracies worldwide. When leaders steal from their nations' citizens or oligarchs flout the rule of law, economic growth slows, inequality widens, and trust in government plummets.

In financial terms alone, the costs of corruption are staggering. It has been estimated that acts of corruption sap between 2 and 5 percent from global gross domestic product. While such costs are not evenly shared worldwide, the abuse of power for private gain, the misappropriation of public assets, bribery, and other forms of corruption impact every country and community. The proceeds of these acts cross national borders and can impact economies and political systems far from their origin. Anonymous shell companies, opaque financial systems, and professional service providers enable the movement and laundering of illicit wealth, including in the United States and other rule-of-law-based democracies.

Corruption threatens United States national security, economic equity, global anti-poverty and development efforts, and democracy itself. But by effectively preventing and countering corruption and demonstrating the advantages of transparent and accountable governance, we can secure a critical advantage for the United States and other democracies.

In issuing this National Security Study Memorandum, I establish countering corruption as a core United States national security interest. My Administration will lead efforts to promote good governance; bring transparency to the United States and global financial systems; prevent and combat corruption at home and abroad; and make it increasingly difficult for corrupt actors to shield their activities.

Sec. 2. Strategy. Accordingly, I hereby direct the Assistant to the President and National Security Advisor, in coordination with the Assistant to the President for Economic Policy and the Assistant to the President for Domestic Policy, to conduct an interagency review process under National Security Memorandum/NSM-2 (Renewing the National Security Council System) and develop a Presidential strategy that will, when implemented, significantly bolster the ability of the United States Government to:

(a) Modernize, increase, coordinate, resource, and otherwise improve the ability of key executive departments and agencies (agencies), including those represented in the review and listed below, to promote good governance and prevent and combat corruption, including, as needed, by proposing relevant legislation to the Congress;

(b) Combat all forms of illicit finance in the United States and international financial systems, including by robustly implementing Federal law requiring United States companies to report their beneficial owner or owners to the Department of the Treasury; reducing offshore financial secrecy; improving information sharing; and, as necessary, identifying the need for new reforms;

(c) Hold accountable corrupt individuals, transnational criminal organizations, and their facilitators, including by, and where appropriate, identifying, freezing, and recovering stolen assets through increased information sharing and intelligence collection and analysis, criminal or civil enforcement actions, advisories, and sanctions or other authorities, and, where possible and appropriate, returning recovered assets for the benefit of the citizens harmed by corruption;

(d) Bolster the capacity of domestic and international institutions and multilateral bodies focused on establishing global anti-corruption norms, asset recovery, promoting financial transparency, encouraging open government, strengthening financial institutions' frameworks to prevent corruption in development finance projects, and combating money laundering, illicit finance, and bribery, including, where possible, addressing the demand side of bribery;

(e) Support and strengthen the capacity of civil society, media, and other

oversight and accountability actors to conduct research and analysis on corruption trends, advocate for preventative measures, investigate and uncover corruption, hold leaders accountable, and inform and support government accountability and reform efforts, and work to provide these actors a safe and open operating environment domestically and internationally;

(f) Work with international partners to counteract strategic corruption by foreign leaders, foreign state-owned or affiliated enterprises, transnational criminal organizations, and other foreign actors and their domestic collaborators, including, by closing loopholes exploited by these actors to interfere in democratic processes in the United States and abroad;

(g) Enhance efforts to quickly and flexibly increase United States and partner resources of investigative, financial, technical, political, and other assistance to foreign countries that exhibit the desire to reduce corruption;

(h) Assist and strengthen the capacity of domestic (including State and local) authorities and institutions, as well as partner and other foreign governments at all levels, to implement transparency, oversight, and accountability measures, which will counter corruption and provide their citizens with accessible and usable information regarding government programs, policies, and spending;

(i) Promote partnerships with the private sector and civil society to advocate for anti-corruption measures and take action to prevent corruption; and

(j) Establish best practices and enforcement mechanisms such that foreign assistance and security cooperation activities have built-in corruption prevention measures.

Sec. 3. Interagency Review. In accordance with this memorandum, the interagency review shall consider the recommendations of expert studies and shall include representatives from the following agencies and offices:

- (a) the Office of the Vice President;
- (b) the Department of State;
- (c) the Department of the Treasury;
- (d) the Department of Defense;
- (e) the Department of Justice;
- (f) the Department of Commerce;
- (g) the Department of Energy;
- (h) the Department of Homeland Security;
- (i) the Office of Management and Budget;
- (j) the United States Mission to the United Nations;
- (k) the Office of the Director of National Intelligence;
- (l) the Central Intelligence Agency;
- (m) the Office of the Chairman of the Joint Chiefs of Staff;
- (n) the United States Agency for International Development; and
- (o) the National Security Agency.

Executive departments and agencies shall be responsive to all requests from the Assistant to the President and National Security Advisor for information, analysis, and assistance related to the interagency review. The interagency review shall be completed within 200 days of the date of this memorandum, and the Assistant to the President and National Security Advisor shall submit a report and recommendations to the President for further direction and action.

JOSEPH R. BIDEN JR.