

**Octopus Interface "Corruption and Democracy"
Workshop on conflicts of interest**

CONFLICTS OF INTEREST, CORRUPTION AND DEMOCRACY - ISSUES FOR DISCUSSION

Throughout Europe numerous reports on corruption and abuse of power are linked to elected representatives and members of government pursuing private business interests. Controversies often focus on the compatibility of elected or political office with remunerated outside activities, or on post-office private sector functions (revolving doors). In most countries, however, an elected office is found to be legally compatible with private sector employment and other professional activities.

Nevertheless, there is growing concern about conflicts of interest in the public and political sector, that is, "when a public official has private-capacity interests which could improperly influence the performance of his official duties and responsibilities" (OECD). It may entail actual, apparent or potential future situations.

Conflicts of interest among elected representatives or members of government may contribute to the corruption of democratic principles and processes, that is:

- Abuse of political office for private interests
- Political inequality
- Government for particularistic interests
- Unequal access to public resources and decision-making
- Clientelistic politics
- Evasion of transparency and accountability
- Corporate democracy
- Declining trust and participation in democracy

In a range of European countries, conflict of interest regulations or compatibility rules pertaining to elected representatives or members of government have been in place for some time. In some, such interests must be registered and made public. At the international level, the OECD approved the "Guidelines for Managing Conflicts of Interest in the Public Service" in 2003 and recently reviewed its implementation in 30 developed democracies. In several countries conflict of interest policies are being introduced or reformed.

However, many conflict of interest rules only apply to public officials and not necessarily to elected representatives or senior members of government (at the European level this is also true for the Council of Europe's "Model Code of Conduct for Public Officials" (Recommendation R(2000)10).

On the one hand there is now considerable experience with regard to the regulation and management of conflicts of interest. On the other hand, public perception and reported cases of abuse of power and conflicts of interest persist. The following issues are thus to be discussed:

- How effective have conflict of interest regulations been so far in terms of preventing political corruption and increasing trust in democracy?
- What lessons have been learnt and what good practices can be shared?
- In addition to rules for public officials, is there a need for further regulating conflicts of interest of elected representatives and members of government in European countries?
- What should be the scope and key elements of a conflict of interest policy/strategy?
- How can the implementation of such a policy or strategy be ensured?
- Is there a need for common standards throughout Europe?