

Combating Foreign Bribery and Corruption: An Integrated Corporate Governance, Sustainability and Artificial Intelligence Approach

Context: “Corruption is an ignored pandemic” (Burki, 2019). This statement captures the pervasive nature of corruption in the Global North and South. Although Canada is generally perceived to have low levels of corruption (Transparency International, 2019), there are concerns that the country is not doing enough to mitigate bribery of foreign public officials within host states. According to Transparency International, there has been limited enforcement of the Organisation for Economic Co-operation and Development Anti-Bribery Convention (Transparency International, 2018). Canadian multinationals particularly play a role in these statistics as such companies tend to engage in bribery and corruption in the South where corruption is rampant and anti-bribery enforcement is lax (Cohen, 2019; Puri & Nichol, 2016). The question that therefore arises is “how can companies address foreign bribery and corruption?”

The conventional approach to combating foreign bribery and corruption has been to focus on criminal measures such as the *Corruption of Foreign Public Officials Act* (CFPOA) and the *Criminal Code*. However, scholars have pointed out that private law solutions based on corporate governance and sustainability (in terms of internal compliance, voluntary disclosure mechanisms, ESG), have not been adequately considered as viable anti-corruption tools (Puri & Nichol, 2016). There is also an increasing interest in artificial intelligence (AI), such that AI has been described as “the next frontier in anti-corruption” (Petheram & Asare, 2018) due to its ability to detect and prevent corruption (Aarvik, 2019).

Despite ongoing academic discussions on these issues, there are a number of evident gaps. For one, studies that highlight corporate governance and sustainability as useful anti-corruption tools often focus on the United Kingdom, United States and China, while African countries are not represented. Also, while there is ongoing research on how AI can be utilized in the anti-corruption context, such studies relate to the public sector, with limited research on corporate corruption. Furthermore, no research study has till date, evaluated the possibility of integrating corporate governance, sustainability, and AI as anti-corruption tools.

Research Objective and Question: Flowing from the above, my objective is to explore how corporate sustainability and AI can be integrated into CG processes as an effective anti-corruption tool. I pose this question, “how can corporate sustainability and AI tools be integrated into CG processes to enhance how Canadian multinationals combat corruption while doing business in the Global South?”

Theoretical Framework and Methodology: My research adopts a Third World Approaches to International Law (TWAAIL) framework, which centers the voices of people in the Global South. The methodology includes a doctrinal analysis of Canada’s anti-foreign bribery legislation and case law, an examination of relevant international anti-bribery and sustainability conventions, and a systematic review of interdisciplinary approaches on corporate governance, sustainability, and AI. Qualitative research methods, based on semi-structured interviews with compliance, ethics and anti-corruption professionals, as well as experts in the field of AI and machine learning, will provide insights into the proposed integrated approach.

Research Contribution/Connection to Organizational Governance: My research is remarkably significant for a number of reasons. First, it puts forward a non-legislative approach to fostering an anti-corruption culture within Canadian business operations. A corporate anti-corruption culture is more effective at mitigating corruption compared to legislative criminal measures and will boost Canada’s failing reputation as a ‘clean’ country. To promote this anti-corruption culture, I will develop a framework that sets out how AI and sustainability considerations (ESG) can be (or have been) integrated into corporate governance processes in the anti-corruption context. My research is connected to the theme of organizational governance considering that effective anti-corruption measures are important considerations for directors of Canadian companies especially in light of potential liability that could be incurred for violating the *CFPOA*. My research will therefore help directors to better mitigate this risk.

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Bio

Oludolapo Makinde is a doctoral candidate at the University of British Columbia and a World Bank Group Africa Fellow. She is a Nigerian-trained corporate lawyer specializing in corporate governance, artificial intelligence, and anti-corruption law. Her research explores the intersection of these areas, while her LLM degree focused on a comparative analysis of Nigerian and Canadian corporate governance frameworks. Prior to pursuing graduate studies, she worked as a Legal Associate providing corporate governance advisory services. With a unique blend of academic and practical expertise, Oludolapo aims to contribute insights and innovative solutions to the complex challenges in these fields.

Research Summary

This research examines how Canadian multinationals can integrate corporate sustainability considerations and AI tools into their corporate governance processes to address foreign bribery and corruption risks in the Global South. Grounded in a Third World Approaches to International Law perspective, the study analyzes Canadian legislation, case law, international anti-corruption and sustainability (ESG) instruments and incorporates interviews with compliance, ethics and anti-corruption professionals as well as AI and machine learning experts. The goal is to provide guidance to directors of Canadian multinationals on how to effectively manage foreign bribery risks and ensuring compliance with the *Corruption of Foreign Public Officials Act*.