

India Abolishes 500 and 1,000 Rupee Notes to Fight Corruption

Bloomberg



Brazil's President, Michel Temer, Embroiled in New Corruption Scandal

The New Hork Times

Brazil's Dilma Rousseff impeached by senate in crushing defeat theguardian

With Arrest of Marcelo **Odebrecht, Brazil's Corruption** Probe Moves to the Penthouse

THE WALL STREET JOURNAL.

Nigeria's anti-corruption crackdown creates political gridlock FINANCIAL TIMES

AAP storms to power in Delhi, wins 67 of 70 seats

Business Standard

Suddenly, over the last few years, hundreds of millions who long accepted corruption as a given stood up and are insisting on corruption no more. They have impeached presidents (two so far in Brazil), upended legislatures (winning 67 of 70 seats in Delhi), and given everyone digital tools to nail those who have long exploited them. Political leaders have to respond — hence India's Prime Minister just killing the 500 and 1000 rupee notes because that's where much of the black economy has been hiding.

This is a revolution. It is also another proof that the world has entered the final tipping zone to the far, far better "everyone a changemaker" world that is Ashoka's goal. Here everyone has their power, everyone is a giver.

This revolution's roots lie in social entrepreneurship and Ashoka — going back decades.

FIGHTING CORRUPTION

Ashoka has been fighting corruption always.

Every Fellow says, "no," often when doing so is hard, day in and day out. That's what "ethical fiber", one of Ashoka's four criteria, means.

Moreover, Fellows everywhere are enabling others to find their power and therefore also to stand up.

And Fellows and the Ashoka community have steadily been building the movement that is now cresting. They have built the tools, the global connections, and a new mindset.

The following pages focus on (I) the power of shining a light into corruption's dark places, (2) changing the economic incentives, and (3) loosing antibodies against corruptors (e.g., the Mafia).

The Fellows also have contributed hundreds of other anticorruption engines that are now at work. Here are just a few:



Photo Credit: Smithsonian/Charles Bergman

- A confidential website to report trafficking in wild animals (the third biggest illegal trade) tied to effective follow-up (including helping the police manage truckloads of wild snakes) (Brazil)
- A platform that collects reports of voter and other frauds and ensures highly visible follow-up (Mexico)
- Introducing responsive local police forces, a political win for new mayors displacing corrupt, vigilante patterns (Brazil)
- One of the world's largest women's' organizations whose creative grassroots integrity systems allow it to bid on and deliver many women-run construction projects safe from corruption (Bangladesh)

CORRUPTION NO MORE

Suddenly, just over the last several years, people all over the world decided they no longer had to accept corruption as a given. They stood up, and they took personal action to insist on a *corruption-no-more* future.

In Brazil, the courts, pressed and protected by the citizen sector and supported by the constitution, are wrestling age-old systemic corruption to the ground -- and in the process sending much of the country's political and business elite to jail. That includes several large corporates; federal, state and local representatives; and a host of government officials. It also includes unseating two Presidents (one this summer, another earlier) and having the current President and a recent predecessor in the dock.



In India, the Prime Minister just canceled the 500 and 1,000 rupee notes because that's where much of the black money was being held; and Arvind Kejriwal (elected an anticorruption Ashoka Fellow in 2004) recently launched a clean-up party that won 67 of the 70 seats in the Delhi legislature.

Corruption hurts the economy. Far worse, it makes everyone afraid. How can you own your fate, let alone be a changemaker, when you can't protect yourself against a hundred injustices, big and small, day in and day out? When the law doesn't reach you?

That's why this is such a thrilling, profound historical turning point. All the more so because it is a necessary building block for and herald of the conscious emergence of the "everyone a changemaker" far better world that is Ashoka's central objective and that is now entering its awareness tipping, turning point years.

Continued on next page

When everyone knows they can confidently be changemakers, (I) there is no way the problems can outrun the solutions; (2) the world becomes structurally dramatically more equal; and (3) all can experience the deep happiness of giving.

A dramatic turning point like this does not come about by magic. The engine largely is the independent citizen sector, led by its cutting-edge top social entrepreneurs, mainly Ashoka Fellows.

They have imagined and put in place the necessary tools (e.g., building accountability by ensuring wide access to information). In significant part through the Ashoka community, they have woven their ideas together into an ever more powerful whole and spread them across the world (e.g., incorporating India's Fellow-championed Right to Know laws into Nepal's constitution).

The following pages introduce a sample of the hundreds of Ashoka Fellows who, with their ideas, lie at the heart of today's corruption no more breakout. Each individual Fellow's approach has proven, powerful, big impacts. Together they multiply one another's confidence and impact -- across ideas, geographies, subject matter areas, and generations. For example, recent Fellows like Nigeria's Oluseun Onigbinde and India's Anjali Bharadwaj use technology to build on the access to information wrenched free by an earlier generation. Similarly, such power of light ideas mutually reinforce approaches based on changing economic incentives and/or building systemic antibodies against corrupters such as the Mafia. Much of Ashoka's special power flows from its helping everyone see the historical moment and engineering these crosscutting multipliers.



The quality of life in any society depends on the quality of its leaders. Citizens who care enough and are skilled enough to press for social change are especially critical: they open new opportunities; they keep old institutions on their toes; they are democracy's vitality. Ashoka's work of launching the best of these social innovators is central to building a better future."



Senator Richard LugarFormer Chair, U.S. Senate Committee on Foreign Relations

THE POWER OF LIGHT

Free-flowing information is like beams of light. It enables people to see and therefore decide, give, and be changemakers. That is exactly why it is a prime tool for Ashoka's anti-corruption Fellows.

Bright Simons

(Ghana, 2008)

There is a pretty big hole in Africa's health care system if a person has perhaps only a 50/50 chance that the medicine he or she buys will work.

An Interpol survey of pharmacies in Lagos, Nigeria, discovered that 80 percent of the medicines for sale were fakes. Other surveys on the continent suggest 30-40 percent. Counterfeit drugs are believed to be responsible for 20 percent of malaria deaths--killing one million people a year and contributing to overall drug resistance. The harm, of course, extends to all the other illnesses as well.

Bright gives control to the consumers. His simple and easy-to-use cell phone verification system, which is compatible with all types of cell phones, including smart



Photo Credit: mPedigree

phones, allows consumers to use their cell phones to scan a 12-digit code on a medicine packet. They receive an instant SMS verification from the drug manufacturer and/or the national regulator, letting them know if the product is legitimate and safe. This works in even the world's poorest regions.

Bright's mPedigree approach has reduced counterfeiting and is spreading rapidly.

It works because it provides major benefits to all parties involved--pharmaceutical companies, regulatory agencies, phone companies, retailers, and consumers. When he started in Ghana, he quickly won the support of the Ghanaian Ministry of Trade & Industry, the Pharmaceutical Society of Ghana, the Consumer Association of Ghana, and major media houses. The four major cellular telephone providers agreed to provide a single, universal access number to mPedigree, discount the SMS charge by 80 percent, and charge manufacturers a premium of 10 percent to fund Bright's operations. The Ghanaian government has now made the mPedigree platform the national standard.



Now, mPedigree's solution reaches beyond medicine to encompass other similarily important areas such as agro-inputs, crop seeds, cosmetics, and auto components that are implicated in vehicular deaths and disabilities. In the pharmaceutical and cosmetics categories, label coverage now exceeds I billion packages, with 100 million consumers directly benefitting.

mPedigree works with multinational clients, including pharmaceutical giants AstraZeneca, Abbott, Roche, and Sanofi, and consumables giants PZ Cussons and SC Johnson. Additional partners – telecom operators, Fortune 500 technology companies, and regulatory agencies – also work alongside Bright and his team, filling out a cross-sector alliance that supports reform efforts in over a dozen countries in Africa, the Middle East, and South Asia – with plans to expand to Latin America in 2017.

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Most exciting, perhaps, is that [Simon's] system is now being taken beyond Africa. It's become a model for the industry in India and is being extended across South Asia."

theguardian

IMPACT: CORRUPTION NO MORE



Oluseun Onigbinde (Nigeria, 2012)

Despite its size, lead in higher education, and huge natural resources, Nigeria molders -- largely because of extraordinary levels of corruption.

Oluseun is developing information tools that help Nigerians and their citizen groups to track projects, budgets, and progress. His BudglT breaks the government's budgets down to understandable pieces and then creates tailored reports that allow citizens and their organizations to take action.

He has recently added a crowd-sourced tool, Tracka, that allows local citizens to report on and share data regarding local projects where funds may be disappearing. In 2015 alone, this nascent online platform tracked the progress of 436 projects in 16 Nigerian states.

Oluseun hs already served over 750,000 Nigerians. BudgIT now receives over 2,000 unique data requests from institutions per month and is widely respected as a trusted hub for public finance data and discussions in Nigeria. This respect recently has enabled it to expand into Sierra Leone and Ghana.



Donors interested in transparency need to pay greater attention to supporting ... efforts from civil society on the demand side of good governance, such as YourBudglT.com, which educates citizens on how the national budget allocates resources"

Ngozi Okonjo-Iweala

Nigeria's Finance Minister, Former World Bank Managing Director, Op-ed in the Financial Times





Anjali Bharadwaj (India, 2009)

Using India's Right to Information (RTI) law and other sources, Anjali develops regular report cards comparing public officials' promises with their performance. For legislators, for example: Did they pursue and win the legislation they promised to press? How was appropriated money actually spent?

Anjali has also strengthened the RTI law, and she is steadily widening her reach. She started with the national Parliament and is now steadily extending her work into the states.

ECONOMIC LEVERS

Correcting market failures is a second major anti-corruption lever.

Felipe Vegara

(Colombia, 2006)

When young students arrive in school or college and know that most of their classmates are there due to "influence", they are learning something fundamental about how their society works and about what they must do to succeed.



Photo Credit: DW

That is what happens in much of the world. There aren't enough places, and price is not used to allocate this scarce resource. As a result, "influence" allocates the places.

Felipe Vergara, having struggled to finance his own college education in Colombia, set out ten years ago to end the education shortage and the corruption. He has built a successful prototype, which he is steadily improving and pressing forward towards changing the system.

Felipe and his Lumni team bring together students, aligned investors, and educational institutions in shared revenue partnerships called "human capital contracts". Financing to the students is for a fixed term (for example, 10 years after graduation) at fixed rates as a percentage of income during that period. If someone is ill and cannot work, there is no payment due. The payments for a low-income profession such as teacher will be modest, whereas those who do well will pay, for example, 15 percent of a lot. This removes family-destroying risks and leaves career choice open.

Using this mechanism, Lumni now has active funds in Colombia, Chile, Mexico, Brazil, and Peru. Early results show good financial promise: The two pilot funds that have (after ten years) closed so far – both of them in Chile – show **returns of around 10 percent**.

Felipe is pushing the frontiers of his prototype out towards full, society-wide change. He is supporting -- and learning from -- a growing body of practice among lending institutions, universities, and philanthropic organizations that come to Lumni for design input and specialized support in areas such as student selection and coaching, and also for access to its data. These exchanges and inputs help to embed principles of human capital financing across the set of actors involved in financing higher education.

Another dimension of Felipe's push towards breakout is his constantly developing new products. One that is now emerging, "Empty Seats", helps universities enroll all admitted students, including those who cannot pay and would otherwise leave vacant spaces in the classroom, by tapping endowment and other funds and making these available through human capital financing.

As more of Lumni's early funds mature and show good returns -- financial and social -- the banks will follow the universities and recognize that they can offer their clients both good returns and reliably top-quality social results -- very much including banishing "influence".

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In a region where many students cannot even afford to study in free-tuition state universities, let alone private ones, because they need to work, and where low-interest student loans are a rarity, income-share agreements are an idea worth pursuing. With proper regulation, Lumni-styled companies could help millions to finish college across the Americas."

The Hiami Herald

ANTIBODIES AGAINST THE CORRUPTORS

Two Italian Fellows are cutting away at the deep roots of the Mafia in its Sicilian and Calabrian home bases.



Dario Riccobono (Italy, 2016)

When Dario Riccobono was 13, living in Capaci, Sicily, a massive explosion set off by the Mafia took down a portion of a nearby highway and with it a renowed anti-Mafia prosecutor. Dario decided he had to do something and, that year, became the leader of an anti-mafia student group.

Years later, he and several other young friends decided to attack the Mafia's juglar vein, its huge income (estimated in the billions) from its protection tax, the pizzo. Knowing how much Sicilians value personal dignity, here is how they took action as reported in **Newsweek**:

Late one night in June 2004, they pulled on black balaclavas and stole through the streets of Palermo plastering clandestinely-printed stickers all over the city. Designed to resemble a black-bordered death notice, these proclaimed: "A people that pays the pizzo is a people without dignity."

The sticker offensive grabbed media headlines all over Italy, as well as providing the sole topic of conversation for Palermitans taking their morning shot of caffeine...Over a bitter ristretto at the Antico Caffe Spinatto, an experienced organised crime investigator predicted gloomily that 'one killing will stop this campaign in its tracks'".

Dario and his Addiopizzo ("goodbye pizzo") group moved quickly to get businesses publicly to commit not to pay the pizzo and thousands of citizens publically to promise only to buy from firms displaying Addiopizzo's distinctive logo. No one is left to face the Mafia alone.

Giovanni Di Giacomo, the boss of one of the Mafia's most powerful Sicilian families, was secretly recorded talking to a colleague:

Yet this seasoned capo, survivor of brutal power struggles within Cosa Nostra, can only look on in dismay from behind bars as his empire begins to crumble under a challenge from a wholly unexpected quarter: a grassroots civic movement called Comitato Addiopizzo, set up by idealistic young Sicilians committed to ridding their island of the scourge of organised crime."

Di Giacomo raged against Addiopizzo's bold campaign to shut down the Porto Nuova clan's hugely lucrative extortion rackets... "It's a f — disaster," Di Giacomo lamented..."

Newsweek



The Mafia's pizzo revenues are **down an estimated 10 percent**. More importantly, the old psychology and fear are **weakening**.

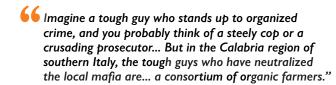
Today, AddioPizzo Travel, a mafia-free travel agency Dario created, organizes trips to Sicily for tens of thousands of tourists and schools -- building a support system for businesses that do not pay the pizzo and empowering youth to stand up to injustice.



Vincenzo Linarello

(Italy, 2016)

In Calabria, the 'Ndrangheta, Italy's biggest crime group, is up against another Ashoka Fellow, Vincenzo Linarello. He is building an alternative Mafia-free economy in one of Europe's poorest regions. Their organic oranges get 40 cents a kilo, not 5. When the Mafia retaliates by cutting down 13 olive trees, the group plants 26. Vincenzo's progress is such that he is winning over some of the lesser Mafia adherents to his safer, more profitable, as well as more ethical alternative.







Yet this seasoned capo, survivor of brutal power struggles within Cosa Nostra, can only look on in dismay from behind bars as his empire begins to crumble under a challenge from a wholly unexpected quarter: a grassroots civic movement called Comitato Addiopizzo [led by Ashoka Fellow Dario Riccobono]."

See prior two pages for more

Newsweek



Corruption has deep roots. That is why Ashoka's success in launching hundreds of top level social entrepreneurs in the field is so critical. Their solutions are big."

Alice Tepper Marlin President & CFO



Social Accountability International's (SAI) mission is to advance the human rights of workers by developing systems of accountability through socially responsible standards, promoting ethical working conditions, labor rights, and corporate social responsibility. SAI has improved the lives of workers in 63 countries.



Ashoka and the field of social entrepreneurship it built are giving millions the power of knowing they can change their worlds. Nothing undercuts corruption more effectively or more permanently."

Peter Eigen

Founder



Transparency International fights and publicizes corporate and political corruption and is known for its annual Corruption Perceptions Index, a comparative listing of corruption worldwide. It operates through more than 70 national chapters.



HOKA INNOVATORS FOR THE PUBLIC