Lessons From Campaigns of Civil Resistance For the Battle Against Illicit Financial Flows

Adding Citizens To The Global Financial Integrity Equation

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PART I

- People Power Movements against authoritarian regimes.
- Dealing with the perpetrator/beneficiary.

PART 2

- People Power Movements against corruption.
- Dealing both with the perpetrator/beneficiary and the enabler/beneficiary.
What Civil Resistance Is Not

1. Nonviolence or Pacifism.
2. Mediation or Peacebuilding.
4. Only Street Protests.
Erica Chenoweth and Maria Stephan examined nonviolent and violent campaigns between 1900-2006 and found that civil resistance campaigns were more than twice as successful in achieving their objectives than violent campaigns:

“major nonviolent campaigns have achieved success 53 percent of the time, compared with 26 percent for violent resistance campaigns.”

The Success Rate: Insurrectionary Violence and Nonviolent Action

Success Rates of Nonviolent and Violent Campaigns: 1900-2006


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The Success Rate: Insurrectionary Violence and Nonviolent Action

Outcomes: Democratization

According to Freedom House’s “How Freedom is Won” (2005) study:

1. **Nonviolent civic resistance is a major force of decisive pressure in most transitions:**
   - In 50 of the 67 transitions from authoritarianism (75%) in the from 1972-2005, nonviolent civic resistance was a “key factor”.

2. **Transitions that were led by nonviolent civic resistance groups lead to greater increases in freedom:**
   - Of the 50 transitions above, 32 (64%) have led to high levels of respect for political rights and civil liberties.

The Record: Democratization

Outcomes of Transitions from Authoritarianism According to Driver of the Transition: 1972-2005

Probability that a Country will be a Democracy Five Years After a Campaign Ends

“...democratic regimes that last have seldom, if ever, been instituted by mass popular action.”

- Samuel Huntington, 1984
“...contrary to what one might assume, factors such as regime type, level of economic development, literacy rate, or fractionalization of society along ethnic, linguistic and religious lines have not had a statistically significant impact on the ability of a civic movement to achieve success through civil campaigns (Marchant et al. 2008).”

The Checklist for Successful Campaigns of Civil Resistance

Status:
1. **Unifying Vision**
   Has the civil resistance campaign unified around goals and leaders?
2. **Operational Planning**
   Does the civil resistance campaign have an operational plan for victory?
3. **Nonviolent Discipline**
   Has the civil resistance campaign maintained strict nonviolent discipline?

Trend:
4. **Civilian Participation**
   Are the numbers and diversity of participants confronting the tyrant growing?
5. **Diminishing Impact of Repression and Backfire**
   Is the impact of the tyrants’ repression diminishing towards backfiring?
6. **Defections Acceleration**
   Are defections among the tyrants’ key supporters accelerating?
Breakdown of the Checklist for Successful Campaigns of Civil Resistance

Status:

1. Unifying Vision

Has the civil resistance campaign unified around goals and leaders?

• What a post-tyranny future would be.

• Road map to get there.

• A leadership with legitimacy.
Breakdown of the Checklist for Successful Campaigns of Civil Resistance

Status:

2. Operational Planning

Does the civil resistance campaign have an operational plan for victory?

• Are offensive tactical options being maximized?
• Are defensive tactical options being maximized?
• Does the movement have a broad tactical repertoire based on risk (commission/omission) and configuration (concentration/dispersion)?
• Are strategic alternatives prioritized by the dilemmas created for the tyrant?
Breakdown of the Checklist for Successful Campaigns of Civil Resistance

Status:

3. Nonviolent Discipline

Has the civil resistance campaign maintained strict violent discipline?

• With it:
  a) Solidifies credibility of unifying vision.
  b) Maximizes civilian participation.
  c) Accelerates defection.

• Without it:
  a) Allows for mixing methods which dramatically reduces probability of success.
  b) Discourages external support.
Breakdown of the Checklist for Successful Campaigns of Civil Resistance

Trend:

4. **Civilian Participation**

Are the numbers and diversity of participants confronting the tyrant growing?

- Is there a sufficient variety of tactics to accommodate the risk and cultural profiles of every possible demographic?
- Is there an understanding of the strategic purpose of a specific series of tactical encounters?
  
  a) To uncover latent double thinkers and other potential resisters.
  
  b) Undermine tyrants’ perception of control from fear reduction to backfire.
  
  c) Reduce the risks of those who want to defect from the regime.
Breakdown of the Checklist for Successful Campaigns of Civil Resistance

Trend:

5. Diminishing Impact of Repression leading to Backfire

Is the impact of the tyrants’ repression diminishing towards backfiring?

• Is the movement creating safe havens of those who have been targeted for repression?

• Is the movement ameliorating injury to its supporters – physical, legal, financial?

• Is the movement engaging the international community to inhibit repression.

• Is the movement inducing backfire – raising the costs of repression.
Breakdown of the Checklist for Successful Campaigns of Civil Resistance

Trend:

6. Defections Accelerating

Are defections among the tyrants’ key supporters accelerating?

• Discover the least loyal and communicate.
• Plan for a sequence of tactics designed to facilitate defection.
• Think sequentially:
  a) Willingness to defect requires multiple engagements.
  b) Compound the effect of defections so one leads to another.
ADDING CITIZENS TO THE GLOBAL FINANCIAL INTEGRITY EQUATION

The Potential of People Power to Curb Illicit Financial Flows

G20 Global Day of Action

Shaazka Beyerle, Human Rights and Economic Justice Conference, Yale Macmillan Center, October 18, 2013 @ ICNC
Each year, greedy companies and wealthy individuals use tricky schemes to hide away an estimated $1 trillion, depriving governments of tax they need to fix our services and our countries. This year we spotted an opportunity to go after the missing money, built a massive petition and linked up with famous singer Baaba Maal and worked closely with Save the Children, ActionAid and other campaign groups to deliver our voices to David Cameron, G8 summit chair.

Our letter signed by 21,000 business representatives helped position this as a pro-business, pro-citizen issue, and to shift the positions of Germany and Canada, resulting in an historic agreement that can get governments to work together to stop tax evasion. The 'Lough Erne Declaration’ was short on specifics, but gives us huge leverage in chasing governments to block shady tax schemes.


Interim victory
Research project ...

30 nonviolent movements, campaigns, organized grass-roots initiatives → 14 cases, millions of people, around the world – Afghanistan, Bosnia-Herzegovina, Brazil, Egypt, India, Indonesia, Italy, Kenya, Mexico, Philippines, Russia, South Korea, Turkey, and Uganda.
Tactical range of grass-roots civic initiatives targeting corruption:

- noncooperation
- civil disobedience
- low-risk mass actions
- displays of symbols
- street theatre, visual dramatizations, stunts
- songs, poetry, cultural expressions
- humor
- dilemma actions
- candidate blacklists and voter boycotts of corrupt candidates
- monitoring of officials, institutions, budgets, spending, public services (16.10)
- information gathering, Right to Information procedures
- social audits and “face the people” fora
- digital resistance (e.g., FB group digital mobilizations, blogging, exposure of corruption via SMS, e-petitions, Twittering, contacting powerholders directly via online email, Twitter and phone call tools
- education and training
- social and economic empowerment initiatives
- youth recreation
- creation of parallel institutions
- anti-corruption pledges, citizen-sponsored awards
- protests, petitions, vigils, marches, sit-ins
- occupying public spaces
- strikes, boycotts, reverse boycotts
- nonviolent blockades
- nonviolent accompaniment.
A new ten-year meta-case study analysis of citizenship, participation and accountability concluded:

[citizen engagement] “can make positive differences, even in the least democratic settings – a proposition that challenges the conventional wisdom of an institution – and state-oriented approach that relegates opportunities for citizens to engage in a variety of participatory strategies to a more ‘mature’ democratic phase…”

(similarly to corruption)

ILLICIT FINANCIAL FLOWS FUNCTION WITHIN SYSTEMS THAT –

1) Cut across political, economic and social spheres:
   • within a country/territory and across borders

2) Involve legal and illegal activities with:
   • complex, intertwined relationships – some obvious, most hidden
   • established vested interests that reap benefits
     ➢ domestically – state and non-state powerholders, organized crime
     ➢ internationally – professional enablers (lawyers, accountants, etc.), financial institutions, shell (purposeless) company providers, tax havens, property and luxury goods purveyors
Dynamics of Civil Resistance to Curb Illicit Financial Flows

DISRUPTION -

disrupts activities, practices, dishonest relationships, and the overall status quo within systems of corruption and illicit financial

[Interrupts “business as usual”]

ENGAGEMENT -

wins people over/shifts loyalties/produces “defections” from: the public; government(s); financial sector; multilateral institutions, and international groupings (e.g., G20).

[Not everyone is equally loyal – corruptible – wedded to the corrupt system!]

➢ exerts pressure on governments, non-state actors, and international mechanisms (e.g. UNCAC) to enact and implement legal and administrative measures

➢ weakens sources of support and control for unaccountable, corrupt power holders, entities, and their enablers

Movement to Defend Khimki Forest, Russia

Photo: Ryan Morrison

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STRATEGIC DIMENSION OF PEOPLE POWER TO CURB ILLICIT FINANCIAL FLOWS AND CORRUPTION

- adds *extra-institutional pressure* to push for change, when state and non-state powerholders are:
  - indifferent to civic demands
  - beholden to special interests
  - corrupt and/or unaccountable
  - have entrenched vested interests
  - and institutional channels are blocked or ineffective.
Top-down and bottom-up approaches are complementary (not mutually exclusive).

People power movements and campaigns can:

- Empower and protect honest officials and integrity champions pursuing accountability, reform and change from within the system
- Empower and protect honest state and non-state powerholders who are caught in the system, feel outnumbered, and fear repercussions if they don’t go along with the others
- Disrupt vertical and horizontal forms of corruption
- Create political will to enact policies, laws and administrative mechanisms to curb illicit financial flows and/or to implement them
- Contribute to changing behaviors, practices and general norms regarding corruption and, potentially, illicit financial flows.
Thank You.