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**MAYOR BLOOMBERG DELIVERS KEYNOTE ADDRESS AT THE NEW YORK CITY  
GLOBAL PARTNERS 'PUBLIC INTEGRITY: ANTI-CORRUPTION STRATEGIES,  
ECONOMIC DEVELOPMENT AND GOOD GOVERNANCE' SUMMIT**

*The following are Mayor Michael R. Bloomberg's remarks as prepared for delivery  
Thursday June 7 at Fordham University School of Law:*

"Thank you, Meyer, for your gracious introduction, and for everything you've done to support New York City Global Partners. I want to acknowledge four of my fellow mayors who are with us today: the Honorable Antonio José Ledezma, the mayor of Caracas, Venezuela; his Excellency Hussain Nasser Lootah, director-general of the Dubai municipality; the honorable Anibal Gaviria, the mayor of Medellin, Colombia; and the Honorable Regis Labeaume, mayor of Quebec City, Canada. And to all of our 'global partners' who've come here for this conference, let me say with typical New York humility: welcome to the world's greatest city. After all, I am the mayor; did you really expect me to say anything different?"

"I want to acknowledge my sister, Marjorie Tiven, the City's Commissioner for the United Nations, Consular Corps, & Protocol, for her leadership in organizing this conference and Professor Ester Fuchs of Columbia University's School of International and Public Affairs for all her hard work on this conference.

"I also want to thank Father McShane, Law School Dean Michael Martin, and the entire Fordham University community for hosting today's conference. One that is utterly in keeping with one of this school's proudest traditions. Because when it comes to preventing the abuse of public and private authority for personal gain, and to providing public servants of unquestioned integrity – few schools have records that can match Fordham's. Two examples in particular leap to mind.

"The first is John Feerick, distinguished former dean of Fordham Law School and author of the Feerick Commission report, a seminal work on strengthening honest government in New York. And the second is someone from whom you've already heard today. She's not only a graduate of Fordham Law; she is also, in my opinion, the finest leader that New York City's Department of Investigation has ever had: Commissioner Rose Gill Hearn.

"Like Fordham, the agency that Rose heads has its own proud history. Today, as it has for nearly 140 years, it aggressively protects New York City taxpayers from deception and fraud. We recently saw a prime example of such work when, in cooperation with federal prosecutors, it secured

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repayment of hundreds of millions of dollars in fraudulent overcharges associated with instituting the City's computerized timekeeping system. In that case, the Department of Investigation exercised its authorities in exactly the right way – without fear or favoritism.

“In addition to its investigative work, Rose's agency also plays a crucial role in educating City employees about their obligations to report corruption, and in helping close the door on opportunities for such corruption before it occurs. Those efforts are complemented by the excellent work of the City's Conflicts of Interest Board, and also by many steps our Administration has taken to strengthen integrity in City government. They include new lobbying reforms, and limits on campaign contributions from those who do business with the city. Taken together, they express our determination to give New Yorkers a City government whose integrity is beyond reproach.

“As this conference demonstrates, city and local governments around the world – like those in Hong Kong and Quebec, whose work has already been presented today – are on that same page. That's welcome news, coming at an historic moment because it coincides with the increasing urbanization of our planet.

“Today, for the first time in history, the majority of the people on Earth live in cities – and that trend is rapidly accelerating. In fact, it's estimated that by mid-century, up to three-fourths of humanity will be urban dwellers. Whether or not authority has been devolved to cities, we remain the level of government closest to the people. And in democracies, voters therefore hold city governments accountable for the services that affect their day-to-day lives.

“As chair of the C40 Cities Climate Leadership Group, that's something that I see, and that city leaders everywhere tell us. Cities also have long been hubs of commerce. And in the globalized economy, we're increasingly where the economic action is. The cities of the United States, for example, generate 90 percent of our Gross Domestic Product, and 85 percent of our jobs.

“The same pattern holds in the rest of the world. Tokyo alone, for example, accounts for a third of Japan's GDP, and Mumbai produces 40 percent of tax revenues in India. With that growing economic power comes, unfortunately, greater opportunities for corruption at the city level. And that makes it imperative that cities everywhere develop and support strong, independent public integrity measures and institutions: measures and institutions that harmonize with such strong international agreements as OECD's Anti-Bribery Convention, and the United Nations Convention Against Corruption; effective anti-corruption efforts in the private sector, including those of the International Chamber of Commerce, as well as the codes of integrity carried out by many leading multinational corporations; and also the indispensable work of the leading non-governmental organization in this area, Transparency International.

“As we intensify our work, we have a particular responsibility to lay to rest three insidious myths that allow corruption to flourish. The first is the myth that corruption is somehow a 'victimless crime.' And if no one really gets hurt by corruption, then what's all the fuss about? The answer to that is: Corruption in fact victimizes everyone: Business, government, and society as a whole.

“You know, because I've worked in both the private and public sectors, people often ask me what the difference is between them. I tell them that in business, it's dog-eat-dog. But in government, it's just the other way around. I can also tell you that corruption is a dog that bites

everyone. And our best tool in debunking the myth that corruption is a victimless crime is transparency – bringing all of its evils into the light.

“Just start with the fact that, as the World Economic Forum has reliably estimated, corruption siphons off more than 5 percent of global GDP every year – the equivalent of more than \$2.6 trillion. That’s money not being invested productively and generating jobs, or not being used to improve public health, public safety, or other essential public services. In the private sector, corruption increases the costs of doing business. It distorts the market. It deters investment. It stifles innovation, by penalizing entry-level entrepreneurs who lack ‘connections’ or deep pockets. And it can cloud or even ruin the reputations of otherwise respected corporate citizens.

“Little wonder that firms detest and avoid doing business where corruption is rife, and embrace transparency as an economic asset. In the public sector, corruption can skew government priorities by, for example, shortchanging funding of effective but low-cost programs in favor of big-ticket projects where the opportunities for rake-offs and kickbacks are richer.

“Corruption also victimizes everyone in society. For example, it often weakens enforcement of laws that protect us all against pollution or shoddy construction of the infrastructure we rely on, or even from being preyed on by violent criminals. And at a fundamental level, confidence in the law is the foundation of democracy itself. And the cynicism that corruption breeds among city employees and the people they serve saps confidence in and support for government and the political process.

“When citizens believe their government is corrupt, they disengage from the activities essential to democracy’s very survival. Voter turnout declines; so does respect for the law; and in the worst case scenario, people instead take the law into their own hands. So the dangers of corruption are clear – and so is the first step toward combating them. One of our nation’s great jurists, Louis Brandeis, once famously wrote that when it comes to preventing corruption ‘sunlight is the best disinfectant.’ And in killing the victimless crime myth, transparency is the best way to make its true costs, and the steps that we’re taking to stop them, apparent to all.

Now, even some who recognize these tolls taken by corruption shrug them off by saying that corruption is a necessary evil – a cost of doing business if you want to ‘get things done.’ This seeming ‘realism’ is the second myth we need to discredit. Because a true realistic view of corruption shows that it doesn’t permit economic progress. Instead, it impedes it, and ultimately, destroys it.

“Where bribes and kickbacks are a cost of doing business, progress is made in spite of such corruption, not because of it. Corruption creates myriad inefficiencies, delays, and costs for businesses. And at the macro-economic level, corruption is ruinous. Healthy economies are sustainable and self-renewing. But corruption prevents those processes.

“It closes off opportunities for small businesses. It undermines free markets. It makes a mockery of the competitive forces that spur economic growth. So it’s a perverse myth that corruption is a catalyst to progress. And efficiency is an effective way to give the lie to that myth. Streamlining regulatory processes and eliminating red tape and bottlenecks prevents corruption from taking root. It creates an environment that demonstrates to businesses that government agencies can do things promptly and well, without requiring bribes or other favors.

“The third myth cities can and must help explode is that corruption is simply inevitable, and therefore beyond our power to eradicate. As with many myths, there’s an indisputable grain of truth here: and that is that we are not and never will be saints. People will always be tempted to cheat, lie, bribe, and find new and imaginative ways to game any system to personal advantage. But that’s no excuse for complacency. Crime will never be eliminated, either. Nor, sadly, will disease.

“Nevertheless, we’ve shown that we can do a lot to prevent both, and in the process, save lives and make lives better. We can also do a lot to prevent corruption and its poisonous effects. And the key is replacing a culture of complacency about corruption with a culture of accountability for preventing it. That’s a big part of the mission of New York City’s Department of Investigation.




“They tirelessly and effectively reach out to City managers and employees, letting them know about their obligations to report suspected corruption and also about the legal protections we extend to those who step forward.

“A great philosopher, Rabbi Abraham Joshua Heschel, once wrote that in a democracy, when terrible things happen, ‘some are guilty, but all are responsible.’ I think that speaks directly to the subject of corruption. Because when it comes to ensuring integrity in government, we not only must identify and punish the few engaged in corrupt activities;

“We also all have a strong responsibility to prevent corruption from occurring at all. And we can do that by attacking the myths that allow corruption to flourish – and by promoting transparency, efficiency, and accountability at the city and local government levels. I salute all of you for your commitment to achieving those goals. And I wish you all a very successful conference.”

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