



Strategic corruption



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This Quick Guide is the second in a two-part series on the tangible yet under-addressed impacts of corruption on security and the complex power dynamics at play.

This second guide goes deeper into a specific security threat: when states use corruption to gain power and influence over other states and even as a geopolitical tool.

Corruption as a tool for geopolitical influence

Conventional definitions of corruption focus on the abuse of entrusted power for private gain, with the emphasis on monetary gains through bribery or embezzlement.

But governments, researchers and anti-corruption practitioners are increasingly paying attention to how corruption can also be used as an instrument for *political* gain – including geopolitical power.

Under the umbrella concept of “strategic corruption”, journalists have warned of the “weaponization of corruption by a country against other states in pursuit of national goals” while researchers have analysed “the entire system connecting private-public collusion at the domestic level, illicit financial flows across borders, and the erosion of legitimate institutions in foreign jurisdictions.”

Examples of states covertly using money to influence or undermine another state are not new. A US anti-communist campaign around Italy’s 1948 general election is alleged to have involved “bags of money” given to “selected politicians”, as well as fake news about sex scandals and fearmongering about the fall of the Catholic Church. And even the High Priestess at Delphi is accused of accepting a new temple in return for political influence, ending in the overthrow of Athens more than 2,500 years ago.

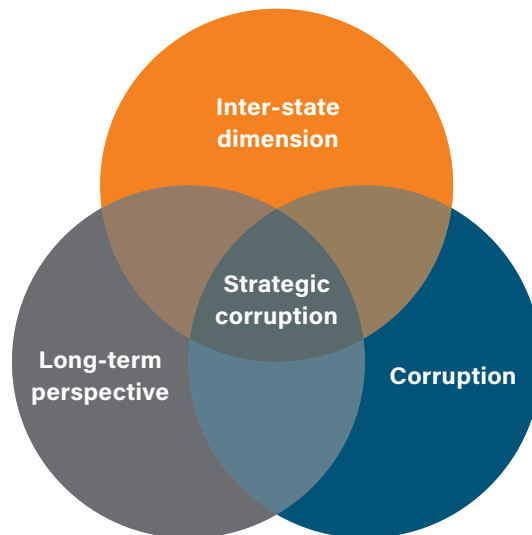
Today, in times of geopolitical uncertainty, it certainly demands more attention.

Understanding strategic corruption

Analysing this concept requires a nuanced understanding of how corruption is both:

- **A functional tool** to achieve an objective – not just for enrichment but also to strengthen political power and achieve specific goals.
- **A networked phenomenon**, often involving collusive informal networks cutting across societal groups and even states.

With this in mind, it is helpful to identify the cross-cutting features characterising strategic corruption cases. These common features include:



1. **An inter-state dimension**, usually when a state seeks to gain power or influence over one or more other states. Shady, informal networks develop corrupt links between states in pursuit of their own domestic and international objectives.
2. **A strategic and long-term perspective.** Corrupt actions build upon each other to gradually shift the balance of power between

states. Over time, corrupt networks between states may solidify and become more powerful.

3. **Proactive use of corruption.** Practices of corruption, such as bribery, are deployed to compromise individuals or weaken institutions in the targeted jurisdictions. Mechanisms common in corruption and money laundering schemes, such as the use of shell companies to funnel money, are also a prevalent element.

Surrounding these elements is a large grey area. Actions that are not “corruption” per se – such as covert lobbying or political financing, disinformation or smear campaigns, and blackmail – may contain elements of corruption or be part of a wider influence effort that includes strategic uses of corruption.

What is *strategic* about strategic corruption?

How can states use corrupt means and corrupt networks to further their national interest and achieve their (geo)political goals?

Common mechanisms include:

- **Attempts to subvert the political system**, such as by bribing or co-opting influential politicians and public officials, including in key security and policy institutions. In this category are cash-for-influence scandals like the alleged attempts by Azerbaijan, Qatar and Morocco to influence EU decisions and debates affecting their countries. This may also include covertly funding political parties and movements with the goal of threatening political stability, such as Russia is accused of doing in relation to Catalonia’s independence from Spain.
- **Commercial activities** such as corruptly obtaining control of critical natural resources and infrastructure. The originating state’s aim may be to gain a geopolitical edge generally or gain influence over the economy. It may also seek to make a targeted country dependent upon it in key supply chains and sectors such as energy, as Bulgaria’s former prime minister has accused Russia of doing.
- **Abuse of financial systems and structures**, such as when high-level actors from corrupt regimes channel money of questionable origin into property, businesses or educational, sporting or cultural institutions in another state in order to gain influence over politics, business and public opinion. This overlaps with broader concerns over illicit finance or so-called active financial measures.

Some oft-cited examples of strategic corruption contain all of these elements, as exemplified by the Putin regime’s “playbook” in Europe.

What does this mean for governance and security?

All of the mechanisms above play on governance vulnerabilities in affected states, such as weak rules on political financing, conflicts of interest and lobbying, or gaps in anti-money laundering systems that enable shady money to leave and enter a country from unknown sources.

At the same time, strategic uses of corruption can trigger a downward spiral, increasingly weakening governance institutions and practices in affected states.

In this way, strategic corruption doesn't only increase the originating state's power and influence; it undermines and weakens governance in other states. And weak governance in turn fuels strategic corruption, by making it easier and more attractive to build power and achieve goals through corruption rather than formal political structures.

This downward spiral of governance is a clear threat to global security and stability.

A useful concept?

As an analytical concept, "strategic corruption" emphasises how corruption is a *functional* tool to gain and preserve not only money but power and highlights the transnational and networked nature of corruption. It also usefully recognises the role of external forces in exacerbating corruption within a state.

Optimistically, drawing attention to strategic uses of corruption by state actors – including state-owned corporations – could help to ensure that corruption is taken seriously as a security threat. It may also trigger important reforms to close loopholes and strengthen safeguards against illicit money, such as more effective regulations on beneficial ownership transparency, political financing or conflicts of interest.

But caution is important when using the concept of strategic corruption to guide domestic security or foreign policy decisions, or approaches to countering corruption. Why?

- First, because of the **slippery nature of the term and lack of a coherent definition or scope**. It is often used to promote a simplistic and unhelpful dichotomy between democracy (as non-corrupt and vulnerable to external threats) and authoritarianism (as corrupt and a threat domestically and internationally). More evidence and nuanced understanding are urgently needed.
- Second, because **states may blame "external forces"** for (strategic) corruption and frame themselves as victims to negate their own responsibility – even when much of the vulnerability is

home grown. That might lead to states fixating on specific foreign corruption threats while ignoring more pressing domestic ones.

- Third, because states may implement **divisive and retaliatory measures** against specific states suspected of strategic corruption. That could even worsen international relations and decrease geopolitical stability while doing nothing to strengthen resilience to corruption.

Learn more

See related [Quick Guide to corruption and security](#).

Interesting perspectives on strategic corruption or similarly named concepts include:

- [Corruption as Statecraft: Using Corrupt Practices as Foreign Policy Tools](#) (2019) by Transparency International.
- [Is money laundering a form of strategic corruption?](#) (2023) by Robert Barrington, Centre for the Study of Corruption, University of Sussex.
- [The Development Response to Kleptocracy and Strategic Corruption](#) (2022) by Josh Rudolph, Alliance for Securing Democracy.
- [In Defense of 'Strategic Corruption'](#) (2024) by Joseph Pozsgai-Alvarez, for the Corruption in Fragile States Blog.

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