

## **EMPOWERING ANTI-CORRUPTION AGENCIES: DEFYING INSTITUTIONAL FAILURE AND STRENGTHENING PREVENTIVE AND REPRESSIVE CAPACITIES**

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Co-financed by



ISCTE, Lisbon  
14-16 May 2008

## **New model of intelligence and facing challenges: STT case study**

**Aurimas Kudukis**

*Special Investigation Service of the Republic of Lithuania*

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For a long time, the intelligence activities have been considered to be a part of actions taken by state security agencies. The police, as one of the most numerous law enforcement institutions, acted in a more traditional way: the investigation started when the crime was recorded, later on the evidences were collected and the one or more suspects were brought to court. Such a way of investigation was very appropriate dealing with the crimes, where the evidence were easily gathered and tangible, but did not fit for the investigation of corruption activities. Firstly, the nature of corruption is totally different from the so called "traditional crimes" where you have tangible evidence, the scene and instrument of the crime, etc.

Secondly, there is no victim and caused harm, as both parties are concerned to get the highest possible benefit from the criminal act. Thirdly, differently from "traditional crimes" a part of the evidence has to be collected before the criminal act has been carried out. That means that law enforcement agencies have to be one step ahead.

Such environment and circumstances have showed the need for active and extensive intelligence as well as competent analytical work. Having the right information on the right time is essential for detecting corruption and bribery. For that reason, three years ago the structural reform was carried out in the Special Investigation Service of the Republic of Lithuania (STT) with the view to creating new intelligence and analytical units capable of reacting to social, economical and political alteration quickly and precisely.

This paper briefly describes and portrays the new model of intelligence, which is being implemented now in STT, as well as explores the obstacles for adapting it. The new intelligence system will be fully implemented at the beginning of 2012.

### ***New model of intelligence***

The Special Investigation Services was established in 1997 under the Ministry of the Interior. The tasks of STT were to collect and use intelligence about criminal associations and corrupt public officials as well as carry out prevention activities. In the year 2000, the Lithuanian Government decided to increase the independence of the Special Investigation Service and strengthen its effectiveness as well as to widen its possibilities of combating corruption in the executive branch by separating it from the system of the Internal affair. After the reorganization STT became accountable to the President and the Parliament (Seimas) with its own investigation, operation and technical units acting in the five biggest cities of the country. The main priorities of the Special Investigation Service now are to investigate corruption in the public sector, implement corruption prevention measures and increase anti-corruption awareness of the society. It is important to emphasize that STT deals exclusively with corruption-related crimes in the public sector or in the state-owned enterprises.

The rapidly changing environment showed the demand for the new strategy for combating corruption-related crimes. For that purpose, in 2005 the reform of STT begun. The aim of the reform was to establish independent intelligence units and bring out the functions of the logistic, operational activities and pre-trial investigations. That was needed for several reasons:

1. Unlike pre-trial and operational investigations which are episodic processes the intelligence is a ongoing activity. International and STT experience shows that intelligence

activities have to be excluded from pre-trial investigations and operational investigations and have to be carried out by specialized officers;

2. The necessity to guarantee the continuity of intelligence process. The intelligence shall be sustained and uninterrupted process performed constantly and it must include the collection of relevant information, constant observation of social, economical and political process related to corruption as well as the analysis of information, threats identification and assessment;

The goal of the new STT intelligence is to allow STT authorities to make the decisions founded on the analysis of intelligence information. Therefore, the new units and departments are required.

Before starting the reform, there were five field offices, responsible for the investigations, information collection and pre-trial investigations and one central department responsible for tactical analysis, coordination, technical support and logistics. The problem was that none of the units gathered nor collected information permanently nor did any analysis. Generally, the intelligence process stopped once investigations had been finished. For that purpose in STT field offices (primarily in Vilnius) the intelligence units had been established for carrying out an interrupted intelligence work and constant information gathering. Besides, the central (supervisory) department was split up into two separate divisions, having their own tasks and functions. The functions of the First Department include coordination of the intelligence process, systematization and generalization of intelligence data and information, strategic analysis of all the intelligence information and deduction of intelligence demands. The newly created Second Department is responsible for logistic and technical support.

#### *The process of intelligence*

The new intelligence is divided into two types of activities: tactical and strategic.

The tactical intelligence is the collection of information about the concrete persons and their likely committed crimes, direct or indirect complicity in corruption-related crimes in order to start an operational or pre-trial investigation. The tactical intelligence is carried out by the field offices.

The strategic intelligence is the collection and analysis of information about corruption, economical, political and social phenomena and processes correlative to corruption. The aim of strategic intelligence is to provide STT authorities with the relevant information, to guarantee the strategic planning of prosecution process and resources, assure

coordination of activities, as well as to ensure the interaction between prosecution, corruption prevention and anticorruption education programs.

The intelligence process consists of four stages:

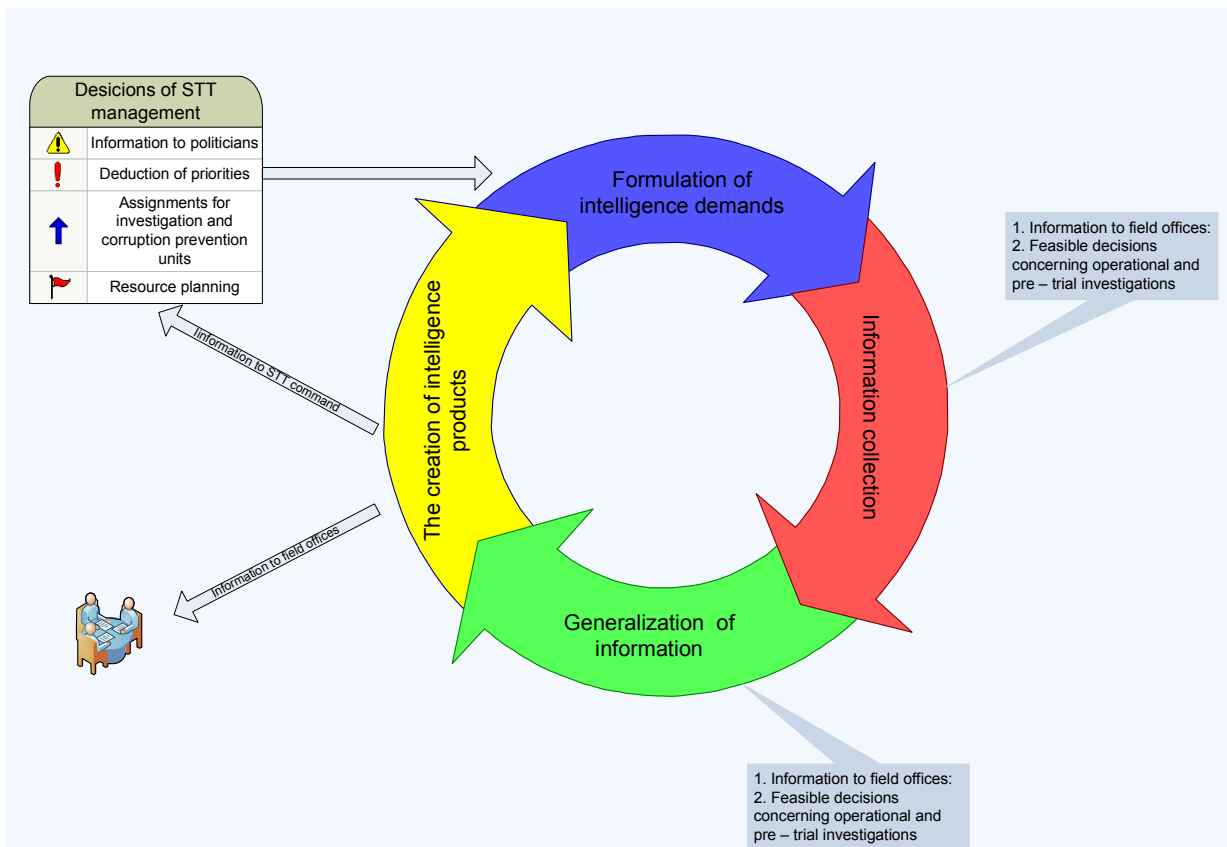
1. Formulation of intelligence demands. At this stage, STT authorities formulate the demands according to the priorities of operational activities and the information, which has been collected previously.

2. Information collection. The collection of all the type of information (including public) is done by all intelligence units. Information collection process is an ongoing process. An STT officer may apply all the methods and technical measures allowed by the Lithuanian Law for accumulation of information.????????/

3. Generalization of information. Here, the information comes to local or strategic analysts. If the information has been obtained by the field office, it is structured and analyzed by the tactical analyst. Once analysis is done, the analytical papers are sent to the central analytical unit. At this stage the exchange of information is done among strategic analysis unit, field offices and strategic intelligence officers.

4. The creation of intelligence products. At this phase, all information is analyzed and structured by strategic analysis unit. The strategic analysts write analytical papers describing the current situation of corruption in Lithuania, underlining new tendencies of corruption, predicting possible threats or social, political, economical phenomena, etc.. The developed papers are sent to a field office and to the STT authorities. Once the analytical papers are revised, the authorities settle new assignments and tasks for the units or take other suitable actions.

## **THE INTELLIGENCE PROCESS SCHEME**



### ***Facing challenges***

#### *Lack of understanding*

The top problem is that the majority of population, including politicians, STT officers and state officials, understand the corruption phenomena in a very primitive way: they accept the fight against corruption as an arrest and imprisonment of the offender. From this point of view, the main target in the corruption cases has to be a grafter, rather than corruption as social phenomena themselves. Too many people and officers underestimate the role of prevention, threat identification or the importance of analysis of intelligence information. Such an approach is deeply-rooted in many officials' minds, so it takes a lot of time and efforts to change that attitude.

#### *Shortage in personnel*

Due to the high level of emigration and fast-growing national economy, there is a shortage in labor force. For the time being, the salaries in private enterprises are almost twice as higher as compared to those in the public sector. Because of the low salaries and the absence of other competitive social benefits, many qualified officers and investigators have left the office. Young employees, especially those who have financial, economical or judicial background prefer choosing a job in private enterprises rather than in the public one. At the moment, there are job vacancies almost in every department of STT. As intelligence and

strategic analysis require qualified, well-educated and experienced officers, the lack of personnel affects the results of investigations, weakens intelligence and analytical activities and enables STT to properly react to uprising challenges.

#### *Pressure from politicians and society*

Since the restoration of independence in Lithuania, the corruption issue has become one of the keystones of each election. Every single political party or politician declares their willingness to eradicate the corruption from public institutions. In order to fulfill the promises and to show their determination, politicians force agencies “to make more arrests.” At the same time agencies experience the pressure from the society demanding tangible results in the short-term. The problem is that the society and politicians do not want to wait for a long time - they expect agencies to achieve results in a short-term and the most obvious (tangible, apparent) outcome of that is imprisonments of the grafters.

#### *No examples to follow*

In developing the new intelligence model, the STT analysts and the management did not have any examples to follow as none of the law enforcement agencies (except from the State Security Department of Lithuania and Military intelligence which almost do not carry investigations) had ever tried to develop a similar model. That’s why many public officials, officers and politicians are uncertain about the success of the new intelligence model. However, the STT management is taking a risk, as there are many doubts whether such a model will be successful.

#### *Absence of public support*

According to national public opinion polls, the majority of Lithuanians recognize the corruption as the top adversity in the country. The researches made by “Transparency International” demonstrated that up to 47 percents of the population have given a bribe once in 5 years. The police, courts and customs were recognized as the most damaged by corruption. Furthermore, one third of the citizens have adjusted to live in the corrupted environment. Such people believe that bribes are a natural thing to which people have to get used. No wonder that the majority of the population aware to assist STT to fight corruption related crimes.

#### *Disbelief in success*

To work in atmosphere with the pervasive corruption in all the spheres of social and economical life is very complicated. Many officers live in the same community, they uphold the same values as the rest of the society and the public opinion has an impact on their minds as well. It is scarcely surprising that belief that corruption can be eradicated disappears, particularly when the significant cases are lost. The negative personal experience and the public opinion on the inevitability of corruption spoil the staff's morality and diminish the efficiency of the agency.

*Technologic and judicial gap*

The STT is facing typical technological and judicial problems related with the fight against corruption that are familiar to many Eastern European countries. These are mainly the lack of experience, corresponding laws and technological capabilities in countering this phenomenon. The key problems are the following: poor access to the database of financial transactions, absence of obligatory declaration of incomes and expenditures, lack of financial control capabilities and abstruse, inadequate or deficient laws. (For instance, according to the Lithuanian laws, the state rather than the suspect has to prove the illegal origin of the assets). That or similar obstacles obstruct the STT from implementing the measures chosen to achieve the set objectives.

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