ETHICANA™
Training Guide

ETHICANA™ and associated education and training materials are provided throughout the world in a concerted effort to reduce corruption in the engineering/construction industry, involving contractors, governments, financial institutions, equipment providers, and consulting firms in engineering, architecture, construction, and management.

The Global Anti-Corruption Education and Training (ACET) Initiative that produced the ETHICANA™ project was conceived by American Society of Civil Engineers Past President William P. Henry, and directed by National Institute for Engineering Ethics Past President Jimmy H. Smith, both of whom also served as executive producers of this Global ACET Initiative.

Co-Executive Producers are Arthur Fox, Robert Crist, Howard Schirmer, Jr., Steven Nichols, Wendy Hallgren, Carl Skooglund, Lee Tashjian, and Michael Sanio. Joseph Manous, Kamel Ayadi, and 47 other technical advisors and assistants from mining and construction firms, development banks, and engineering firms and societies helped create this global anti-corruption project.

For further information, updates, and additions to the training materials for ETHICANA™, contact ASCE, 1801 Alexander Bell Drive, Reston, VA 20191, USA, www.ethicana.org. ISBN 978-0-7844-1033-2 © 2009 American Society of Civil Engineers, All rights reserved.

Corruption in the global construction industry is a huge economic burden estimated at $500 billion annually.
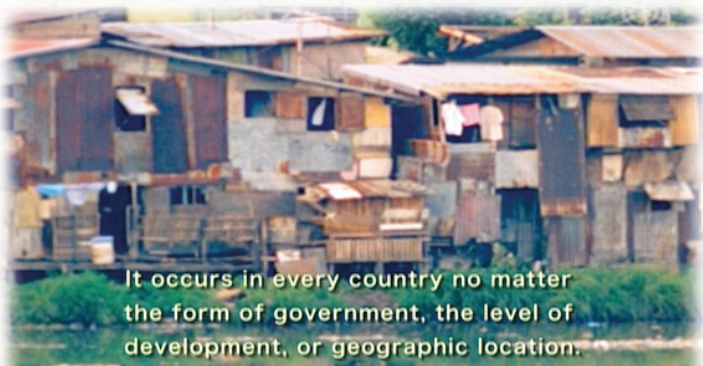
It occurs in every country no matter the form of government, the level of development, or geographic location.
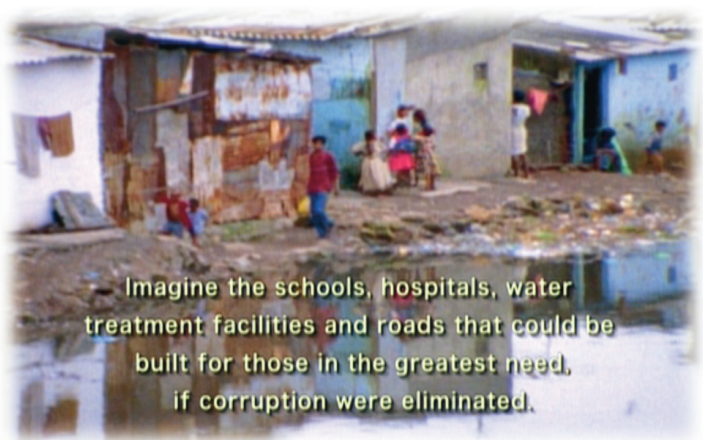
Imagine the schools, hospitals, water treatment facilities and roads that could be built for those in the greatest need, if corruption were eliminated.

ADB Photos

Contents

Henrytown is on this coast, Port Hope is on the "other side."

Photo purchased from Dreamstime.com

Part A: Purpose, Goal, Rationale, and Global Impact

The training focuses on the importance of *individual integrity* and will result in information conveying the negative aspects of corruption. The intended audience includes owners, engineers, architects, consultants, contractors, suppliers, and lenders involved in the production of engineering and construction projects. The training is also designed to be useful for engineering students.

Purpose: This training is intended to provide decision makers, practitioners, employees, and students with fundamental tools for guidance when confronted with corruption in its many forms.

Goal: The goal of this training is to promote

- **Understanding:** a clear understanding of what is expected of people placed in positions of responsibility and trust by employers, the professions, and the public
- **Communication:** an increased ability to effectively communicate ethical concerns and potential conflicts with colleagues and supervisors
- **Insight:** a talent for recognizing the importance of ethics in design and construction, an ability to recognize corruption in its many forms, and a better understanding of one's own values and commitment to moral integrity
- **Problem Solving:** an ability to apply ethical analysis to problem solving skills
- **Greater commitment** to ethical conduct and moral courage
- **Strengthening** global principles of professional conduct
- **Involvement** of educators and professionals in opposing bribery, fraud and other corrupt activities in engineering and construction.

Rationale: The primary reason for producing products stressing *individual integrity* is that a number of resources that provide professional and ethical guidance to engineering and construction firms, societies, and other organizations are available. However, many, if not most, corrupt actions begin with poor decisions made by *individuals*. Thus, the *rationale* of the entire project is to develop products for promoting greater *ethical decision making and moral courage* among individuals who work in the design and construction industries.

The education and training program will focus on corrupt activities that occur in the procurement and performance of engineering and construction work, such as pressures (and expectations) to provide excessive gifts and gratuities; improper political contributions or excessive entertainment; significant personal favors, bribery, kickbacks, extortion, blackmail, and falsification of documents.

Emphasis is placed on the disastrous effects that corrupt activities have on technical and non technical individuals, on the profession, on the integrity of the project, and most importantly on humanity.

Examples of situations or activities envisioned in the training materials include those providing guidance to individuals concerning the elimination of fraud, bribery, and corruption in the engineering and construction industry by

- Not being personally involved in activities that permit the abuse of power for private gain

- Recognizing that funds intended for projects for the benefit of mankind worldwide too often go to dishonest individuals
- Understanding that corruption occurs in the public and private sectors, in the procurement and execution of projects, and among employers and employees
- Realizing that corruption can occur in all countries, rich and poor, developed and less developed
- Refusing to condone or ignore corruption, bribery, extortion, or payments for favors
- Urging professional engineering societies to adopt enforceable guidelines for professional and business practices
- Enforcing anti-corruption guidelines by reporting infractions by members or non members of the engineering profession.

Global Impact: Worldwide distribution of ETHICANA™ and its training materials provides a springboard to stimulate communication among those involved in engineering and construction work.

This collaborative initiative engages worldwide affiliates to join major corporations, the consulting engineering business community, the construction industry, equipment and material suppliers, major lenders, architects, and the legal profession in the battle against corruption.

The training program is developed to complement and support the existing efforts of others, including

More women in Nepal now enjoy potable water through ADB's 4th Water Supply and Sanitation project. *ADB Photo*

- Asian Development Bank
- Inter American Development Bank
- International Federation of Consulting Engineers (FIDIC)
- Pan American Academy of Engineers (API)
- Transparency International
- Unión Panamericana de Asociaciones de Ingenieros (UPADI)
- World Bank
- World Economic Forum Partnering Against Corruption Initiative (WEF PACI)
- World Federation of Engineering Organizations (WFEO)
- World Justice Project, and others.

ETHICANA™ is a product of the combined efforts of a team with representation from industry, universities, and individuals with experience in various disciplines.

ETHICANA™ is an extension of the work produced for NIEE's *Incident at Morales* © 2003, the *International Edition of Incident at Morales* © 2005, and training materials © 2004, with permission from the Executive Producer and NIEE Past President and current Director, Jimmy H. Smith.

Part B: Objective and Expected Outcomes

Objective: The principal objective of the ACET Initiative is to reduce corruption worldwide. To do so, ACET has developed this comprehensive education and training program devoted to the importance of *individual integrity* among all participants in the performance of engineering and construction projects. The materials that have been created for the program include a high-quality DVD entitled ETHICANA™, PowerPoint presentations, a training guide, and train-the-trainer materials.

ETHICANA™ is not intended as a "quick fix" but as one tool that should be utilized to augment programs fighting corruption. Typical programs have several goals:

- *Sensitivity:* to raise awareness of ethical aspects of professional work
- *Knowledge:* to learn about professional standards
- *Judgment:* to develop skills in moral reasoning
- *Commitment:* to strengthen personal dedication to exemplary conduct.

Expected Outcomes: Individuals involved in and completing this training program should be expected to:

1. Review basic knowledge and fundamental definitions of:
    a) Corruption in engineering and construction
    b) Fraud and bribery in engineering and construction

2. Develop an understanding and comprehension of:
    a) What it means to be a professional, and what is expected
    b) Whom do you contact for guidance, within or outside your organization

3. Apply the concepts of fighting corruption to:
    a) Simple actions of living and working
    b) Complex actions in the workplace
    c) Numerous case studies of actual and illustrative work situations

4. Relate consequences resulting from both simple and complex corrupt activities to:
    a) Their immediate supervisor
    b) The employees whom they supervise
    c) The public

5. Analyze case study examples and situations to distinguish between:
    a) Choosing between right and wrong
    b) Choosing among competing goods

6. Develop skills to formulate, analyze, and compare solutions to:
    a) Ethical dilemmas involving corruption encountered in the workplace
    b) Relationships with others

7. Learn to evaluate the value and effect of the various solutions by:
    a) Obtaining facts, listing, and testing options
    b) Making a decision and knowing when and how to take action
    c) Having the willingness and courage to do so!

Part C: Synopsis and Uses of ETHICANA™

ETHICANA™ is a movie about construction in an inherently corrupt political and social environment. The story includes international investments as well as an expatriate Ethicanian construction engineer who returns to his homeland to build a major infrastructure project and finds the pervasive culture of corruption as bad as ever.

This two-part DVD-based educational program is designed to create lively and in-depth discussions about the nature of corruption among a wide range of construction industry and engineering design professionals, students, and others who want to fight corruption. Two 21-minute segments facilitate scheduling and presentations.

ETHICANA™ is designed for interactive use with a discussion facilitator. The total running time of the DVD is 42 minutes; there is an opportunity to pause for discussions at the approximate mid-point of the movie.

After the pause, the facilitator may engage viewers in a discussion of the ethical issues raised in the segment.

Participants could benefit by viewing ETHICANA™ in advance of a professional development workshop, seminar or training session. The facilitator should preview the DVD and plan the discussion periods. The facilitator may decide to break a large audience into smaller groups—each consisting of three to six participants—for a more effective discussion period.

The facilitator should assign specific tasks to the participants. For instance, participants may be asked to generate questions for further discussion; suggestions for discussion questions appear later in this guide. Specific questions might require participants to:

- Identify issues involved in corruption
- Identify the consequences of corruption
- Identify ethical, technical, and economic issues and problems
- Identify affected parties (stakeholders) and their rights and responsibilities
- Identify social, political and cultural constraints on possible solutions
- Determine whether additional information is needed to make a good decision
- Develop alternative courses of action for the principal characters
- Examine possible consequences of those alternative actions
- Evaluate or analyze those alternatives according to basic ethical values.

Actions can be evaluated by whether they honor basic ethical values such as:

- Transparency
- Honesty
- Fairness
- Civility
- Respect
- Kindness.

Consequences of the following activities should be considered:

- Greed
- Abuse of Power.

Tests to Evaluate Actions

Actions may also be evaluated by the following tests (cf. Davis, 1997):

- *Harm test:* Do the benefits outweigh the harms, short term and long term?

- *Reversibility test:* Would I think this was a good choice if I traded places?

- *Colleague test:* What would my professional colleagues say?

- *Legality test:* Would this choice violate a law or a policy of my employer?

- *Publicity test:* How would this choice look on the front page of a newspaper?

- *Common practice test:* What if everyone behaved in this way?

- *Wise relative test:* What would my wise old aunt or uncle do, and do I want them to know what I'm doing?

- *Hiding test:* Do I want others to know what I am doing?

- *Self-respect test:* How will I feel about myself after making this choice?

These tests are available with related graphics in a PowerPoint file on the ETHICANA™ DVD.
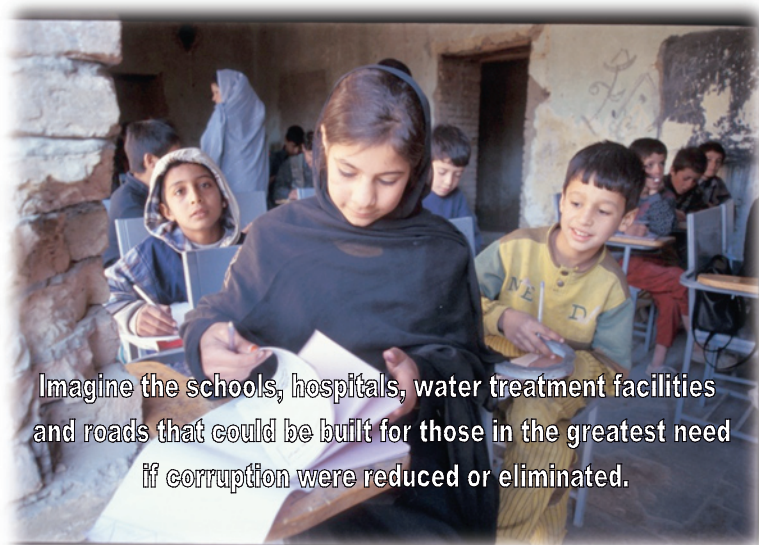
Imagine the schools, hospitals, water treatment facilities and roads that could be built for those in the greatest need if corruption were reduced or eliminated.

ADB Photo

Principal Characters in Ethicana™

Grisman Grove
Interior Minister of Ethicana

Unoco
CANT Construction Executive

Barrere
Behemoth Mining Executive

François
Agent for Behemoth and CANT

Victoria
IIEDA Executive
Institution for International Economic Development Assistance

Maddie
IIEDA Project Line Manager

Desmond
Project Mgr., CANT Construction

Giselle
CANT Ethics & Legal Officer

Rudy
Behemoth Mining Attorney

Mano Paulo
CANT Construction Engineer

Martine Paulo
Mano Paulo's Uncle

Andres
Chairman of IIEDA

These photos are available as PowerPoint slides on the ETHICANA™ DVD

Andres .... Chairman of IIEDA
                       (**I**nstitution for **I**nternational **E**conomic **D**evelopment **A**ssistance)
Barrere .... Behemoth Mining Executive
Desmond .... Project Manager, CANT Construction
François .... Agent for CANT and Behemoth Mining
Giselle .... CANT Construction Ethics and Legal Officer
Grisman Grove .... Ethicana™ Interior Minister
Maddie .... IIEDA Project Line Manager
Mano Paulo .... Chief Construction Engineer for CANT
Martine Paulo ...... Mano Paulo's Uncle, brother of the former Interior Minister
Rebecca .... CANT Field Engineer, required to pay "grease" payments
Rudy .... Attorney for Behemoth Mining
Unoco .... CANT Construction Executive
Victoria .... IIEDA Executive

Part D: Anti-Corruption Issues and Training Strategies

Anti-Corruption Issues

A wide variety of anti-corruption issues surface in ETHICANA™, including:

- Corruption exists in all parts of the world
- Corruption causes harm to the poor and underprivileged in all parts of the world
- Ethical responsibilities and obligations do not stop at national borders
- Ethics are an integral (and explicit) component of ordinary technical and business decision making in engineering practice
- Engineers impact people and should be more concerned about people than objects
- Technically competent, ethically sensitive, reasonable people may have different perspectives and can disagree when faced with complex ethical issues
- Market stresses arise from competition for project acquisitions, budgets, and completion schedules
- Decisions are commonly made under pressure with incomplete data, insufficient time, and/or insufficient information
- Guidance to help resolve ethical problems is available in the form of corporate and professional codes of ethics
- Compliance with laws (such as the Foreign Corrupt Practices Act in the United States, which regulates dealings with foreign government officials).

Unethical and corrupt activities can result in serious long-term consequences for individuals, corporations, governments, and most importantly for *humanity*.

Training Strategies:

Corruption is basically two people making one bad decision. Training sessions should regularly raise questions regarding each participant in the bad decision.

The purpose of the ETHICANA™ production and Training Guide is to improve the judgment and decision-making ability of the participants in the training.

Generally speaking, people learn best not from judging others, but by trying to place themselves in the role of the engineers, laborers, administrators, and other decision makers and to identify how they might be able to make better choices and/or to create and pursue alternative actions that better position the organization (and the decision maker) for a more positive outcome.

Thus, it is recommended that the participants be placed in the character's position in considering a question, situation, or problem. Getting participants to feel comfortable talking to each other about potential unethical actions is a vital step in anti-corruption training. Participants need to understand that it is not only necessary but also appropriate to talk about ethical issues with colleagues. It is also valuable for participants to understand that raising ethical issues to the appropriate decision makers within an organization is not only their right but also a *personal obligation*.

Example: (From Part 1, Scene 1) *Unoco seems to be uncomfortable at the lunch meeting and references CANT's pay-to-play fine from a few years prior. Question: Should Unoco be consulting with someone at CANT about the structure of the Ethicana™ deal and whether CANT should be involved or not?*

This is a great question. The question addresses important issues and is well designed to bring those issues to discussion.

The following suggested questions encourage the participant to analyze the scenarios on a personal basis and to potentially "feel some of the pain" that such a scenario may not place on a judge of the character, but would definitely be felt by the character. The questions can also assist the facilitators in tailoring the training to their particular situation and company.

From Unoco's perspective:

Are you uncomfortable at this lunch? Why? Or Why not?

Given CANT's previous pay-to-play fines, how might you proceed?

Who could you contact to discuss how you should proceed?

From Rebecca's perspective:

Can you consider alternative approaches to generating a receipt?

Does your company have policies that address this?

Where could you turn for assistance?

Bribery cannot happen without at least two people. We have control over our own actions, at least usually.

Is there anything we could (or should) do about the other individual?

Part E: The Role of Trust, Candor, and Ethical Theories; and "If You Were in Charge"

The Role of Trust and Candor

Several relevant questions are:

- What is the most critical element in effective relationships? Loyalty? Obedience? Money? Trust? Openness? Candor?
- What roles should trust play in our professional and personal interactions?
- What role should candor play in a professional or personal relationship?
- Would candor imply effective communications?
- Could you envision one definition of ethics as being "those activities and practices that tend to enhance trust?"
- Although there are many things that one will gain during the course of a professional career, there may be some things that can be taken away. Your job could be taken away (we see that happening all too often with downturns in the economy).
    - o Can you think of something that can never be taken away unless you allow it to be? Your "reputation for integrity"?
- If someone says "I trust you," how does this make you feel about the relationship?

The Role of Ethical Theories: Our thinking about ethical issues can be clouded by our intuitions and/or biases. One way to make sure our intuition or biases do not control our final decisions is to approach issues in a systematic, well-reasoned way, considering fundamental ethical theories or principles to guide our decision-making process.

Several moral theories are commonly invoked when making decisions about ethical issues, but the most common three follow, with a very brief description:

> **Utilitarianism:** The right thing to do is to promote the greatest amount of good for the greatest number of people.

> **Respect for Persons:** Individuals should be treated with a fundamental level of consideration.

> **Virtue Ethics:** Right and wrong is about being the right kind of person; cultivating morally desirable traits such as honesty, courage, and compassion.

Applying these theories to issues, such as those raised in ETHICANA™, can help us reason about the issues in a clearer, more rigorous way. In some instances, these theories will all prescribe the same action or decision, which can bolster our confidence in the course of action we are contemplating. Yet, in other instances, these theories may lead to conflicting guidance. Here, we must determine which principle is most important and why.

Individuals using ETHICANA™ for training are encouraged to think about and discuss how the ethical theories would apply to the various ethical issues introduced in ETHICANA™.

For example, consider the following:

- Several characters—perhaps most notably Victoria—seem to endorse the view that one must participate in a certain amount of corruption to complete projects. That is, playing into Ethicana's™ corrupt practices is a "necessary evil" to complete infrastructure projects that will benefit the impoverished Ethicanians. This describes the Machiavellian theory – "the ends justify the means." Would any of the three ethical theories justify, or condemn, such a view?

- At several points in the video, Unoco, who appears to be one of the more ethical characters in the video, adopts a position of intentional ignorance. That is, he comments several times, "*I'd rather not know that.*" Does this raise any ethical issues? What guidance would the three theories provide to Unoco?

- In Ethicana™, we saw that ethical decisions not only had an effect on other people but also how the decision changed the moral character of the decision maker. If an action has a positive impact on a large group of people but will result in a serious negative impact on the moral character of the decision maker, should that action be performed? How do the three theories relate to this dilemma? Do all three theories provide similar guidance in this dilemma?

If You Were in Charge: When we are involved in our day-to-day work, we tend to look up to our leaders, supervisors, and/or bosses for guidance and inspiration for how we should conduct ourselves. It is also important for us to put on another hat and say to ourselves, "Okay, we are in charge; we are the boss; we own the company; we have all the money we need to decide what we want to produce, where we are going to produce it, how we are going to produce it, and how we're going to set up the whole organization." We now need to ask a couple of questions:

- What would you do if you were the leader with all the controls at your command to set up your organization any way you wanted to, in order to make sure all employees in that organization conduct themselves to the highest professional and ethical standards?

- What are the specific attributes or policies that you would implement in your company to make sure that happens? Would some of the following actions come to mind?
    - ο Clearly define your expectations of professional/ethical actions
    - ο Communicate those expectations effectively and continuously
    - ο Live the standards personally. What people see in actions is what they are going to believe
    - ο Create candor and open communication in the corporate environment so everyone within the organization feels free to bring up and discuss thoughts, opinions, and ideas
    - ο Create an environment where employees feel safe to bring up their concerns, problems, and news, be it good or bad, without fear of retribution or reprisal.

Part F: Questions ETHICANA™ Raises

Political and Social Environment

1. What constitutes "corruption?" Is corruption cultural?

2. Define the terms: bribery, extortion, embezzlement, grease payment, commission, and finder's fee.

3. How do the above terms differ?

4. Are payments to government officials always wrong? Are they bribes? How do they differ from a simple "tip" that would be made in recognition of a service that is being provided? How do they differ from donations or (political) contributions?

5. "Pay-to-play": what does it mean? Does size and intent of contribution make a difference? Does this happen in countries such as the United States? Does pay-to-play ever occur in our work? If so, how do you handle it? How should it be handled?

6. Do you believe pay-to-play is a major problem, minor problem, or not really a problem? Can you think of any time when pay-to-play would be OK?

7. Is pay-to-play simply a matter of local culture? If so, should we conclude: "When in Rome, do as the Romans do?" Always? Sometimes? Occasionally? Depends on the circumstances? Never?

8. If everyone knew "how much was paid" for "how much play," would we feel more comfortable? If so, can we conclude that a major element of corruption is the "secrecy" of the act?

9. What is being conveyed when Grove refers to Port Hope as "this side" and to Henrytown as the "other side"?

10. What does Grove mean when he tells François to 'handle' the IIEDA regulations concerning inclusion of minorities and other political constituencies? Is there an ethical way to do it?

11. What is meant by the term "appreciation" in the culture of Ethicana™? Does it fit the definition of bribery? If not, what is the difference between an appreciation payment and a bribe?

12. Are appreciation payments always improper or are there situations in which they are useful, legal, and ethical? How do they differ from a facilitation payment such as a gratuity? Would it make a difference if the payments went to a worthy cause rather than to an individual?

13. When making a deal, is it appropriate to follow local customs and give gifts and appreciations? Are there limits? Is this a cultural issue?

14. Is an appreciation payment legal when developing large infrastructure projects?

15. When CANT refuses to pay the appreciation payment, GROVE suggests a surrogate or middleman. What does this mean?

16. How does corruption impact free market competition?

17. When are political contributions legal? What is the difference between political contributions and appreciation payments?

18. Are Mano's intentions for the technical college to be built in Henrytown admirable or selfish? Can he ignore Grove's wishes for the technical college to be built in Port Hope and build it in Henrytown instead? What consequences should he and CANT anticipate because of his decision?

19. Are the charges of embezzlement, extortion, and bribery appropriate for Martine and Mano, who asked potential suppliers/contractors for contributions for the technical college?

20. What could either party to the corrupt activity do to eliminate corruption?

21. Were the right people punished for the corruption in the Ethicana™ story? Who lost the most?

22. Was the entire project stopped once the corruption was discovered? If yes, why? If not, should it have been?

23. What do you suggest should happen to the various characters?

24. To whom can you report unethical practices?

25. Can people's behavior be effectively changed (and therefore a company's culture) through anti-corruption or ethics training?

Financial Institutions

26. What is the role of a development bank? What can a participant learn from the funding authorities?

27. What is the responsibility of the lending agency (IIEDA)? Did it appear that they had a good process in place for approvals to begin with?

28. Should IIEDA have waited to have a complete understanding of expectations in place before making the loan? What are some good practices?

29. What is Grove "inside track" at IIEDA? Does this represent anything unusual about which CANT and Behemoth Mining should be concerned?

30. What is your reaction to "having an inside track" after the first meeting?

31. Is IIEDA a reputable organization if its members are using a beach house in the Caribbean purchased by Grove? Do the actions of two individuals, one in particular, speak for the "character" of the entire organization? In addition to the due diligence for this project, should CANT and Behemoth Mining have done some research on the integrity of IIEDA?

32. Once IIEDA discovered that money was missing, should the project have been immediately stopped, even though that would have adversely affected the people in Ethicana™?

33. What should Maddie do when she is confronted with Victoria's ambivalence?

34. Should IIEDA have monitored the project more closely? What financial stewardship and accounting controls are appropriate for this type of project?

35. Is it correct for Andre NOT to press charges against Victoria? What are the possible consequences? What would you do?

Management of Construction or Engineering Firms

36. How does corruption affect the private sector? Can a company's employees affect change when there is corruption at the top?

37. If you were the president of the company, and your employees faced a pay-to-play environment, what advice would you give to your employees?

38. What is an "agent?" Is there a legitimate role for an agent? What is the difference between an agent, sponsor, and a middleman?

39. What actions should a corporation take before hiring an agent? What due diligence should be done? What are the usual terms of the agreement regarding services and compensation?

40. Is it normal to share an agent? Is there a conflict of interest in serving multiple parties? Should the government official assign the agent? Is having the agent named by the government official a violation of the law? What message does that send? Should the assignment of this agent be accepted?

41. The agent is retained to represent both Behemoth and CANT, yet he is taking money from the minister. Is it acceptable for money to be passed between the agent and the government official?

42. Should CANT and Behemoth Mining have been concerned about the relationship between Grove and François?

43. Is it wise to sole-source contracts? If so, when? What are the benefits? What are the consequences?

44. Is having a sole-source construction contract or right to develop a mine a corrupt activity?

45. Is paying an agent fee higher than company guidelines acceptable? What is a reasonable agent fee?

46. Should we do the right thing out of fear of being caught and punished, or simply because it is the right thing to do?

47. Can making a charitable contribution such as building a school to secure a project be a violation of anti-corruption laws?

48. Should CANT willingly disclose their records to the IIEDA audit? What are the considerations?

49. What can be done if the retainage is unilaterally increased? What do we mean by "retainage?" Is this the same as an "appreciation?" Or bribe?

50. Could CANT be held responsible for losses by Behemoth Mining?

51. Is it extortion for other contractors to be asked to contribute to the technical college at this point? Is it improper? Is getting money from contractors to pay for the technical college a Foreign Corrupt Practices Act violation? Does it violate laws in your country?

52. Is there a potential conflict of interest in CANT buying the land for the technical college from Mano's uncle?

53. Why is Mano's uncle leading the fund-raising for the technical college when he has no association with CANT?

54. Should CANT get Mano out of jail? What is the responsibility of the company to support their employees? What is the employee's responsibility?

Project Manager

55. Should CANT and Behemoth Mining take notice of the support being given to Henrytown?

56. When should a company add a project to its forecast? Once added, does that preclude the company from changing its mind?

57. What should Unoco do with Grove's statement about having an inside track with IIEDA? How would you have responded?

58. What do you believe motivates Barrere? Is he trying to advance his career at the expense of the company?

59. If Unoco knows corruption is endemic in Ethicana™, should he have advised CANT to pursue the project? Is it appropriate to exclude your company from doing business in places you know corruption exists? Can you do good business with bad people? If you serve on the CANT Board of Directors, what policy would you develop? Why?

60. Should Unoco have briefed his team before sending them down? What is the company's responsibility before sending people down to manage a project?

61. Why is Unoco not more involved in the project? Is it really Giselle's responsibility to keep him informed?

62. What are your obligations to monitor the agent's activities on your company's behalf? If something happens that gives you cause for concern, what should you do about it?

63. What is an integrity agreement (Integrity Pact)? What are the benefits? Are there any drawbacks?

64. When the direct request is made for $10 million to the minister's account, what should Unoco do? What response should the company make? What are the options?

65. One place where Unoco shows weakness is when François tells him that there were no competitive bids. What should Unoco do? Is ignorance an excuse?

66. Should François' statement about having a way to handle exceptions with IIEDA concern Unoco?

67. Should Unoco have noticed François' reaction to Mano Paulo's name?

Project Engineer

68. With François' threat of IIDEA delaying or canceling the project, how should Desmond handle François' demands for Mano's dismissal and relocation of the technical college?

69. Is it appropriate for Desmond not to notify the home office until he has "a better idea of what is going on?" Are there situations in which limiting communications is the proper thing to do? If so, when is it clearly not appropriate?

70. Is paying $20 per truck to get over the bridge a Foreign Corruption Practices Act violation? What if the charge is not $20 per truck, but $1,000 per truck? Does this make a difference? Where is the line?

71. Will keeping a record or getting a receipt of a payment be a protection against later accusations of wrongdoing? Could a receipt demonstrate that an action was transparent and not "covered up?" Does that make a difference?

72. Should Rebecca pay the money to release the equipment and have the "One Way" sign reversed? Are these bribes or facilitation payments? What is the difference? What are the consequences if she does not pay? How should companies deal with small bribery requests?

73. Define "facilitation payment." Are permit processing fees essentially facilitation payments?

74. What do you do when you are on a project and suddenly everywhere you turn there are roadblocks? To whom should you turn?

75. What are Mano's options when he is advised that the contractors are providing unacceptable materials and equipment? Should companies in Port Hope be hired, even though Henrytown companies have made donations to build the technical school?

76. Should the contractor's meeting have been clandestinely taped? If you find yourself in the middle of a meeting like this, what would you do?

77. Is doing business with your cousins necessarily a conflict of interest? Has it all been disclosed? Have the solicitations been proper?

Legal Community

78. Does the lawyer have any responsibility to do something once he hears the project is "dirty?"

79. Why is extortion sometimes considered an acceptable defense to bribery?

80. What is the difference between bribery and extortion? Is extortion (financial or physical) a defense to a Foreign Corrupt Practices Act violation or similar law?

81. What is the difference between the law and ethics? Should the attorney have addressed the ethical aspects as well as the legal? Should companies do more than just comply with the law? How do ethical obligations differ from legal requirements? Can you think of an example of something being ethical but illegal?

82. Would you hire Rudy to be the attorney for your company?

Regarding International Cultural Issues

83. What different challenges do international engineering practices offer?

84. When working in a foreign country, what rights do contractors really have?

85. What different opportunities do international engineering practices offer?

86. Do legal obligations change when we cross a state or national border?

87. Do our professional technical responsibilities and our ethical obligations change when working overseas?

88. Do our obligations for the safety of our employees, the protection of the health, safety, and welfare of the public, and our environmental responsibilities change as we cross international borders?

89. Should we take the local culture into account? If so, how?

90. How should respecting the local business "culture" and customs play into contract negotiations and performance?

91. When is it okay to go along with local practices and when is it not? On what basis do we make that decision?

92. Should we have different ways of meeting our obligations?

93. Should engineers or other employees act or react differently if they are owned by a foreign corporation?

MAJOR DEVELOPERS

American Society of Civil Engineers Committee on
Global Principles for Professional Conduct

Murdough Center for Engineering Professionalism,
National Institute for Engineering Ethics,
Texas Tech University

COLLABORATING PARTNERS

American Institute of Chemical Engineers
American Institute of Mining and
Metallurgical Engineers
American Society of Civil Engineers
American Society of Mechanical Engineers
Asian Development Bank
Institute of Electrical and Electronic Engineers
International Federation of Consulting Engineers
Institution of Civil Engineers, UK
Transparency International
World Bank
World Federation of Engineering Organizations
World Justice Project

ANTI-CORRUPTION EDUCATION & TRAINING INITIATIVE (ACET)

HONORARY ACET CHAIRMAN
Alan Boeckmann, Chairman and CEO, Fluor Corporation

PROJECT DIRECTOR and EXECUTIVE PRODUCER
Jimmy H. Smith, Texas Tech University

CO-EXECUTIVE PRODUCERS
Robert A. Crist, Black and Veatch
Arthur J. Fox, Jr., Editor Emeritus, ENR, ACET Fundraising Chair
Wendy A. Hallgren, Fluor Corporation
William P. Henry, ASCE President, 2004-2005, Originator of ACET
Steven P. Nichols, University of Texas at Austin
Howard Schirmer, Jr., Transnational Associates, Inc.
Carl M. Skooglund, Texas Instruments, Retired
Lee Tashjian, Fluor Corporation

PROJECT MANAGER
Michael R. Sanio, American Society of Civil Engineers

PROJECT ASSISTANT
Patricia M. Harper, Texas Tech University

TECHNICAL ADVISORS
Kamel Ayadi, WFEO, Republic of Tunisia
N.K. Balu, Fouad Alghanim & Sons, Kuwait
Carlos E. Bertha, US Air Force Academy
Peggy Bowen, Fluor Corporation
Lisa Boyette, Fluor Corporation
Emmanuel Dada, AIChE

Jorge Diaz Padilla, FIDIC, Mexico
Han Fraeters, World Bank
Kathrin Frauscher, World Bank
K. N. Gunalan, Parsons Brinckerhoff
Michael Jarvis, World Bank
Russell Lefevre, IEEE-USA
Marc LeVier, AIME
Joe D. Manous, Jr., Institute for Water Resources, U.S. Army Corps of Engineers
Margaret McLean, CH2M HILL
Jose Sanjuan Medem, WFEO, Spain
Greg Metzger, Parsons Brinckerhoff
Kathleen M. Moktan, Asian Development Bank, Philippines
Djordjija Petkoski, World Bank
Jaime Santamaria-Serrano, ASCE, UPADI, API, Colombia
Rizwan Shah, Deloitte Financial Advisory Services LLP
Stewart Thomson, Fluor Corporation, Retired
Reginald I. Vachon, ASME, US UPADI Taskforce

SCRIPT REVIEWERS AND OTHERS ASSISTING THE ACET TEAM

Nancy Boswell, Transparency International
Jermyn Brooks, Director, Global Private Sector Programs
Transparency International UK
Dr. Ernesto De Castro, CEO, ESCA, Philippines
Maarten de Jong, former Head, Integrity Unit, World Bank
John Faulkner, Chairman, Leighton International Limited, Australia
Rich Gottbreht, President, Global Insights
Richard Hirsch, Senior Vice President, The Berger Group Inc., Philippines
Steve Komatz, President, Decision Display
Michael Kramer, Integrity Unit, World Bank
Potenciano A. Leoncio, Jr., P.A. Leoncio, Jr. & Associates, Philippines
Jacob Lipa, President, PSOMAS
Abe Utu Malae, President, Development Bank of American Samoa
Dan Millison, Manager, Transcendergy, L.L.C.
Hamzi K. Moghrabi, President, IBC, Inc., Lebanon
Dr. Za-Chieh Moh, Chairman
MAA Group Consulting Engineers Taiwan, R.O.C.
Kathleen Moktan, Director, Public Management, Governance and Participation Division
Asian Development Bank, Philippines
James E. Nelson, Attorney, Lindquist & Vennum
Jorge Diaz Padilla, Past President, FIDIC, Mexico
Dr. Gajanan M. Sabnis, Principal, GSNA Worldwide, India
Hajime Sakurai, Member, Association of Japanese Consulting Engineers
Dr. Byong-mu (Dan) Song, Vice President, Technical Kun-ah Enterprise, Korea
Kent Troup, Principal, Troup Environmental Alternatives L.L.C.
John Trudinger, Principal, Trudinger Consulting, Australia
Jose Carlos Ugaz Sanchez-Moreno, Benites, Forno, Ugaz Peru Abogados
John G. Whitcomb, Entrepreneur
Christine Wiliams, Executive Vice President, ASCE Foundation
Mike Williamson, Managing Partner - Sydney, ERM Australia
Rocky H.T. Wong, ASEAN Engineers Register, Head Commissioner
The Institution of Engineers, Malaysia

Global Sponsors

Fluor Corporation
United Engineering Foundation
Washington Division of URS
Asian Development Bank
KBR, Inc. and BE&K, Inc.
Parsons Brinckerhoff
Chicago Bridge & Iron Company (CB&I)
Ernst & Young International, Ltd.
Fouad Alghanim & Sons Company
GHD
AECOM Technology Corp.
Associated Consulting Engineers Int'l

الهندسي الاستشاري آيس

Balfour Beatty PLC
The Louis Berger Group
CH2M HILL
Deloitte Financial Advisory Services LLP
DHV Group
Granite Construction Inc.
HDR Inc.
Jacobs Engineering Group
Odebrecht Construction
Skanska AB
Texas Engineering Foundation
U.S. Army Corps of Engineers Institute for Water Resources
Murdough Center for Engineering Professionalism
Whitacre College of Engineering, Texas Tech University
Chair of Free Enterprise, Cockrell School of Engineering
University of Texas at Austin
OBERMEYER Planen + Beraten GmbH
Wilbur Smith Associates, Inc.
RBF

Global Anti-Corruption Education & Training Initiative
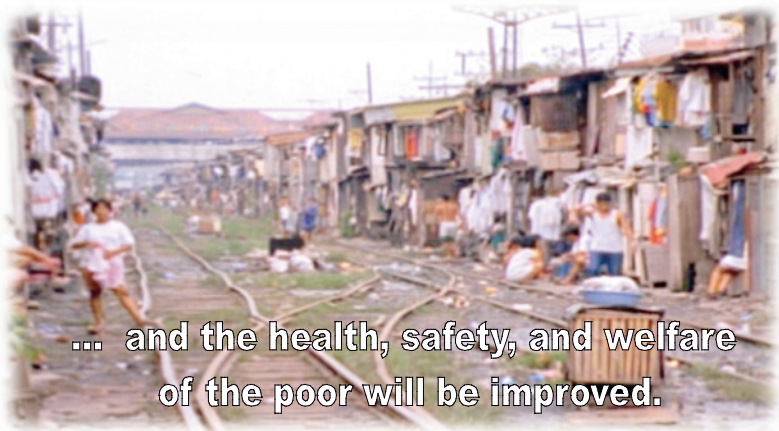
Global Sponsors

Collaborating Partners

ETHICANA™

If corruption can be reduced,
this young woman's life will change....

... and the health, safety, and welfare
of the poor will be improved.

ADB Photos

ETHICANA™ recognizes that the poor of the world will be helped if corruption can be diminished…and it can. To be effective in reaching this objective, this anti-corruption movie and its training materials are provided for educational purposes in individual companies, governments, development banks, and universities.

When used in seminars, workshops, presentations, etc., where fees are charged for attendance, royalty fees may apply. Contact ASCE or www.ethicana.org for details.