



**WEEKLY RADIO ADDRESS BY
THE STATE PRESIDENT OF THE REPUBLIC OF MALAWI,
HIS EXCELLENCY DR. LAZARUS MCCARTHY CHAKWERA.**

25TH JULY, 2020

Fellow Malawians,

Before I took office, the culture of corruption had already spread across every arm and vital organ of the state, from the presidency all the way down to district councils. Corruption is nothing new, for it has been the bane of our governance system for 25 years. What is new is the nauseating level of corruption under the two terms of the DPP Administration. Although that Administration ended three weeks ago, the rotten agents who facilitated and executed its pillage of our national treasures year in and year out remain throughout the state machinery, hiding in plain sight.

Their evil works, however, are now coming to light, some of which are clearly spelled out in the Auditor General's report on the accounts of the Government for the fiscal year that ended on June 30th, 2019. That report exposes the following: 8.2 billion kwacha was paid or transferred without supporting documents; 1.2 billion was spent on construction works that were never finished; another 1.2 billion in revenue was left uncollected, while 425 million in revenue was collected and spent at source; close to 600 million was spent on suspicious pension schemes, while 1 billion was spent

on items that were either never delivered or never receipted; close to 300 million was spent on fuel without being recorded; 175 million was misallocated; 91 million was paid out without internal audit certification; 86 million was spent on buying cars without proper procurement procedures; 81 million was spent on projects for which there are no reports; 72 million was spent without approval; 53 million was spent on allowances for activities that never took place; 30 million was spent on goods that were never delivered; 19 million was spent without any authorization; 15 million for airtime was not accounted for; 425 billion in payments from Account Number 1's cashbook and bank statement do not match. These are just a few of the irregularities reported, but taken as a whole, what they paint is a portrait of a criminal state of public waste and theft. Though many did not believe me fifteen months ago when I said that the total sum of money stolen by the DPP was 1 trillion, it is now becoming clear to everyone that the DPP is guilty of a crime worse than Cashgate. Its crime is cash treason.

As more instances of this crime come to light, it is important that we avoid three common mistakes. The first is the mistake of leniency. It is common practice for those who facilitate and execute the wanton theft of our national treasures to suddenly start acting innocent in the hopes of gaining sympathy from a new Administration. This is not going to happen. In fact, although it was among my promises to give those who have stolen from Malawians a period of amnesty, I am now persuaded that the looting committed by DPP agents against Malawians was so great that it would be morally wrong to offer such an amnesty. Instead, what my Administration

is doing is drafting new legislation to empower law-enforcement agencies to conduct lifestyle audits of public servants and to freeze and seize any accounts or properties that defy legal explanation. After all, the current laws already presume that a public official who has inexplicable wealth warrants a corruption probe. So, my intent is to empower state agencies to enforce both the existing laws and the new laws we will design to tackle new forms of corruption, such as the hiding of ill-gotten wealth under the names of proxy owners. The bottom line is this: any public official suspected of having ill-gotten wealth must be suspended and be forced to forfeit it until their wealth is found to be legitimate. No one should imagine that they will hide stolen wealth behind the constitutional right to private property, for that provision applies to lawfully acquired wealth, not stolen wealth. Should any person voluntarily return the public funds they stole, it will be for the Court, not the President, to determine what effect such a gesture should have on the severity of the sentence. But in general, my Administration will push for the toughening of penalties against corruption crimes, for I am decidedly against leniency, even leniency in the form of delayed court proceedings against corruption suspects. That is why to expedite these cases, I have directed the Minister of Justice to work with the Judiciary and other institutions to create special courts to dispose of corruption cases with speed and to hand down befittingly harsh punishments against culprits. However, I must hasten to add that even those controlling officers who did not participate in the theft but failed to guard the gates to our national treasures will be held accountable for that failure.

The second mistake we must avoid in the fight against corruption is the mistake of selectivity. While some may agitate for the arrest and prosecution of the so-called “big fish” and others may pick on low-level public servants who stole public funds on behalf of their superiors, my Administration will not focus on suspected personalities at all, for that is the work of law-enforcement agencies. Instead, we will focus on empowering those agencies and institutions to create and run efficient and credible processes and systems of investigating, prosecuting, and punishing all suspects and accomplices of corruption, regardless of whether or not they have political connections, powerful positions, or deep pockets. Under my presidency, there will be no witch hunt against anyone, but neither will anyone be immune from the reach of the law.

If the Auditor General’s report is anything to go by, there is no Government Ministry, Department, or Agency where the culture of impunity for wastage, misappropriation, and theft is not entrenched, and so we cannot afford to deal with corruption selectively by focusing on the tip of the iceberg. It is the whole system that is corrupt and therefore it is the whole system we must clean up. Doing so demands that we all be patient, courageous, and vigilant as we work department by department to clean up the system. We will all need to be patient because cleaning up this sewage will take time; we will need to be courageous because catching the perpetrators will require those who have information about illicit transactions to come forward as anonymous whistle blowers, for we will soon put measures for safely reporting corruption crimes in every government office; and we will

need to remain vigilant against new acts of corruption and waste, even from those who may have joined my campaign out of a desire to secure public offices in which they can have their turn at thievery. To set the pace in treating public funds and property as sacred and in vigilance against its abuse, I have directed that my convoy be cut down to less than 10 secondhand vehicles left by my predecessor, and I fully expect my cabinet members to find similar ways of cutting costs across the public sector. I am ending the practice of spending needlessly on officials, for my priority is lifting the standards of public services and assets for Malawians.

The third mistake we must avoid is the most complex. It is the mistake of maintaining legal forms of greed. One form is the abuse of the allowance system in the public sector. This is probably the most difficult form of corruption to fix because those who benefit from it do not see it as corruption and are sworn to defend it. But the time for defending self-enrichment schemes is past. To be fair, public servants are not the only ones to blame for abusing the system of allowances. Even Non-Governmental Organizations and Foreign Aid Agencies are willing enablers of this toxic culture. For this reason, the only way to fix it is for all of us who have created and perpetuated this culture to come together at various points in the next six months to create a common approach to allowances that makes sense and stops waste.

Another complex form of greed is the practice of concentrating government contracts in the hands of a few business enterprises. For 25 years, a small

cartel consisting of politicians and politically connected Asian-Malawian businesspersons has conspired to control billions of our taxes by hoarding most government contracts and inflating the prices of goods and services acquired by the State. This practice has been enabled by controlling officers within the public service who allow businesses of scale to submit multiple bids under different companies, which in turn allows those large businesses to win most of the contracts, leaving little to no opportunities for smaller ones. While this kind of greed may be happening without flagrant violations of the law, it is just another form of theft, for it takes money out of the pockets of millions of poor taxpayers and concentrates it in the hands of a few. What is worse is that it has damaged the working relationship between indigenous Malawians and Asian-Malawians origin in the private sector. This cannot go on. We cannot continue to run a system of contracts that takes tax money from the majority indigenous Malawians and channels most of it into the minority Asian community through a rigged system of monopolizing government contracts. We need a better system and it is my mission to build one. I am aware that breaking free of this culture is no small task, but it must be done. As a starting point, my Administration will see that across all Ministries, Departments, and Agencies, a full-scale audit and review of the contract-awarding and procurement system is done. Come what may, the shackles of this cartel of greed will be broken.

Corruption is a national crisis, and I am determined to lead the fight. I will also see that the State Vice President has all the support he needs from my office to deliver the critical components of our Public Sector Reforms that

will make corruption history. Dr. Chilima and I are committed to building a new Malawi free of corruption. But let me conclude by speaking to you not as a President, but as a citizen. Corruption happens not just because of porous systems being run by dishonest officials. It also happens because we as citizens are complicit. Corrupt officials take bribes only where corrupt citizens are willing to pay them; porous systems are used to siphon public funds only where watching citizens raise no alarm; credible processes are circumvented only where citizens do not respect them. In short, Malawi has a corrupt government because all of us in some way have corrupted it. Since we are all to blame for this problem, we are all responsible for fixing it, and fixing it we must, starting with the corruption we each find in ourselves, in our workplace, in our home, and in our business. The time is now.

I thank you for listening. God bless you.