



**THIRD YEAR EXAMINATION FOR THE AWARD OF THE
DEGREE OF BACHELOR OF LAWS
FIRST SEMESTER, 2022/2023
(SEPTEMBER-DECEMBER, 2022)**

LLBK 313: LAW OF CORRUPTION AND ECONOMIC CRIMES

STREAM: LLBK Y3 S1

TIME: 2 HOURS

DAY: MONDAY, 12:00 – 2:00 P.M.

DATE: 19/12/2022

INSTRUCTIONS

- 1. Do not write anything on this question paper.***
- 2. Answer Question ONE [Compulsory] and any other TWO Questions.***
- 3. Illustrate your answer with relevant cases and statutory provisions where applicable.***

QUESTION ONE

On 13th June 2022, the Government published the Finance Bill, 2019. The Bill seeks to amend section 48 Of the Proceeds of Crime and Anti-Money Laundering Act to compel lawyers to report to the authorities the cash they handle on behalf of their clients. In light of the published Bill;

- (a) Discuss the rationale for current law protecting lawyers from disclosing details of transactions or money held on behalf of their clients.

[8 marks]

- (b) What is the significance of the legal profession in the current war against corruption and economic crimes?

[10 marks]

- (c) What is a reporting institution? Identify three examples.

[5 marks]

- (d) Explain the legal implication for the enactment of the proposed Bill.

[7 marks]

QUESTION TWO

- (a) The Public Officers Ethics Act 2003 requires that all public officers declare their income, assets and liabilities. Discuss the guidelines on the declaration and any consequences for a public officer's failure to comply with the provision. [10 marks]
- (b) Compare the application of the provisions under the Bribery Act with the UN Convention against Corruption [10 marks]

QUESTION THREE

- (a) "Public officials are corrupt for a simple reason: they perceive that the potential benefits of corruption exceed the potential costs." Discuss. [10 marks]
- (b) Explain causes of corruption according to bad apply theory. [10 marks]

QUESTION FOUR

- (a) "Article 10 and Chapter VI of the Constitution contain the most important provisions relating to the required standards for leadership and integrity". Using relevant examples, discuss this statement. [8 Marks]
- (b) Explain any three factors common in favouritism, nepotism and clientelism [6 marks]
- (c) Through identifying various institutions, explain how Kenya Revenue Authority (KRA) partnered with other institution to come up with ways to fight corruption. [6 marks]

QUESTION FIVE

- (a) Rose-Ackerman argues: "in the private sector, gift giving is pervasive and highly valued and it seems natural to provide jobs and contracts to one's friends and relations. No one sees any reason not to carry out over such practices into the public realm. In fact, the very idea of a sharp distinction between private and public life seems alien to many people." In light of above of the above; explain the trends and level of corruption in Kenya's county government, citing relevant counties. [10 marks]
- (b) Explain the two primary objects of a confiscation order as held in the case of *Schabir Shaik & Others v State* CCC 86/06 (2008) ZACC. [4 marks]
- (c) State any five functions of the Asset Recovery Agency in Kenya. [6 marks]