

### Why do we need financial incentives for whistleblowers?

If no or insufficient legislation exists that do not guarantee society access to information about public service providers and if whistleblowers are not protected and financially rewarded for blowing the whistle, the risks of whistleblowing is just too high compared to doing nothing at all.

People who take the risk of reporting corruption must be protected and rewarded. If not, they will not expose them to unquantified and unlimited risks.

In the United States of America (USA), the Whistleblower Protection Act of 1989 protects government employees from retaliation from their employer. The False Claims Act of 1863 provides protection and incentives for all people inside and outside a company reporting corruption. Under the False Claims Act, if a person (whistleblower) brings a lawsuit to court (and bears the legal cost of the law suit) and is successful, the reward can be 25 to 30 per cent of the penalty as a result of the whistleblowing. If the Justice Department is bearing the legal cost of the whistleblower, the maximum is 15 per cent of the penalty (Rose-Ackerman).

Namibia does not have legislation that is rewarding whistleblowers financially and it is unlikely that it will be included



JOHAN COETZEE

in the bill that is in the process of being drafted. In addition, Namibia does not protect whistleblowers from being victimised (only in theory).

For example, the Namibian Anti-Corruption Act, Act no 8 of 2003, provides whistleblower protection in theory but not in practise. Hopefully, protection that is more effective will be included in the mentioned bill. Given the lack of financial incentives for reporting corruption, safeguarding against such risks is more important than just ethical concerns. The discussion demonstrates that corruption is not only an ethical or moral issue, but also a security and financial issue.

#### • References

- Republic of Namibia. 2003. *Anti-Corruption Act, Act 8 of 2003.*
- Rose-Ackerman, S. 1999. *Corruption and Government.*
- United States of America. 1863. *False Claims Act.*
- United States of America. 1989. *Whistleblower Protection Act.*

[jcoetzee@nust.na](mailto:jcoetzee@nust.na)

*The Republican 22 July 2016*