Corruption Risks and Corporate Social Responsibility Spending

Global companies have been embracing socially responsible spending projects to build stronger relationships with local communities, writes **Michael Volkov** in his firm's **Corruption, Crime & Compliance** blog. He writes that the idea makes a lot of sense and real projects can result in real benefits.

"As with any significant source of money, there are risks. Major global companies have been caught in some embarrassing situations, some of which can have real legal and reputational consequences," he explains.

In an attempt to promote the goodwill of the company in emerging markets, companies sometimes spend large amounts of money, only to find out later that foreign leaders have lined their pockets with the funds to the detriment of the locally intended beneficiaries, he adds.

Read the article.