

U.S. Checking Microsoft's Alleged Bribery in Russia

By [The Moscow Times](#)

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Software producer Microsoft has opened an internal investigation into earlier corruption allegations. **A. Makhonin**

A U.S. probe into Microsoft's involvement in business partners' alleged bribery of foreign officials has expanded to include Russia and Pakistan, the Wall Street Journal reported.

Details of the investigation being undertaken by the U.S. Justice Department and the Securities and Exchange Commission first came to light last March, focusing on activities in China, Italy and Romania.

Since then a whistleblower in Russia told Microsoft that a reseller of its software allegedly provided kickbacks to executives of a state-owned company in exchange for a contract.

In Russia, Microsoft and other Western firms often work through distributors who are more familiar with the local market.

In Pakistan another whistleblower said Microsoft had paid a consulting firm to take a government official and his wife on a five-day trip to Egypt in order to win a tender.

These announcements came after Microsoft opened an internal investigation into earlier corruption allegations. Such investigations often run into the millions of dollars with the results being turned over to investigators in the hopes of leniency.

The legal basis comes under the 1977 Foreign Corrupt Practices Act, which prohibits U.S.-traded companies from bribing foreign officials. Companies can be held liable even when their partners pay bribes they do not know about.

In a blog post, Microsoft vice president John Frank acknowledged receiving tips from Russia and Pakistan as part of the internal investigation. He drew attention to an earlier post where he emphasized that Microsoft's 98,000 employees and 640,000 partners are a huge number that makes it impossible "to say there will never be wrongdoing."

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