

INTERVIEW OF THE MONTH

Jeffrey Sachs, Director of the Earth Institute at Columbia University



Jeffrey D. Sachs, the world renowned anti-poverty economist, is a travelling campaigner with a head full of figures and solutions. The former advisor to governments, now director of the Earth institute, has been a strong advocate of increasing aid to the developing world. Transparency Watch caught up with Prof. Sachs during his recent visit to Berlin and questioned him on governance and corruption. >> read more

SPOTLIGHT STORY

Corruption and non-violent youth movements: stories from Serbia and Georgia



In the past ten years, youth movements in Eastern Europe have been instrumental in organising citizen resistance to oppressive regimes. These youth movements have had two principal similarities. First, they have committed to using non-violent tactics and focusing instead on designing creative ways of marketing their message. Second, they have used the adverse affects of corruption on people's lives in their messages to motivate them to become actively engaged. >> read more

ANTI-CORRUPTION WORK AROUND THE WORLD



According to the Zambian Auditor-General's report, about K348,244 billion worth of public money is either misappropriated, stolen or grossly mismanaged every year in Zambia. >> read more



A new TI contact group in the Ukraine takes on election monitoring, political party financing, public procurement monitoring and research, and increases its awareness raising effort. >> read more



Recent TI Caracas conference dealt with the developments and failures of the Inter-American Convention Against Corruption and identified major challenges to its implementation in the next 10 years. >> read more

CORRUPTION IN THE NEWS



A crackdown on corruption by Bangladesh's new interim government has led to the arrests of over 30 high level politicians, lawmakers and businessmen. >> read more



Israel's newly appointed police chief was previously suspended from the police force for bribetaking. >> read more



The European Bank for Reconstruction and Development blacklists Lahmeyer for corruption on a World Bank project. >> read more

NEWS FROM THE ANTI-CORRUPTION MOVEMENT

Reports from Transparency International's national chapters, members and Secretariat. Click here to read this month's highlights. >> read more

CORRUPTION IN QUOTES

"The local police are worse than us at taking bribes... every officer from the highest to the lowest is doing their best to take bribes". >> read more

INTERVIEW OF THE MONTH

Jeffrey Sachs, Director of the Earth Institute at Columbia University

By Gypsy Guillén Kaiser



Jeffrey D. Sachs, the world renowned anti-poverty economist, is a travelling campaigner with a head full of figures and solutions. On a recent visit to Berlin, Professor Sachs, 53, traced his passion and idealism to having been "perplexed" as a young man. The former advisor to governments in almost every region of the world has since published or edited many books, directed the United Nations Millennium Project, served as Special Advisor to the United Nations (UN) Secretary General on the Millennium Development Goals (MDGs) and, since 2002, has been director of [The Earth Institute](#), the organisation bringing together talent from Columbia University to address sustainable development and global poverty. His mission to Berlin was a passionate and critical appeal for Group of Eight (G8) countries to resolve three challenges: the environment, poverty and violence.

In a public lecture, Sachs endorsed German chancellor Angela Merkel's plan to deal with climate change and proclaimed his support for nuclear energy. He thoughtfully insisted that the problems of most poor countries are embedded in the lack of sustainable development. While concerns about corruption seem minimal in relation to his concerns about issues of poverty he insists that the two are intertwined. The man who wants to be practical thinks that corruption tends to get lost in a discussion that seldom leads to real solutions. *Transparency Watch* interviewed Jeffrey Sachs for his take on the current anti-corruption state of affairs.

Transparency Watch (TW): *How does your work on sustainable development and environmental change at the Earth Institute relate to corruption? Can you put a number on how much corruption affects the environment?*

Jeffrey Sachs (JS): Corruption certainly threatens reasonable governance on many fronts. Some governments are so corrupt that they think only about the short-term gains they can make from whatever kind of resource exploitation or bribery that comes their way. They are not thinking long term. In the extremely corrupt cases, almost nothing works right: natural resources are not properly managed and there is no protection of the physical environment. A corrupt atmosphere often leads to a lot of poaching, over-hunting and over-fishing.



I worked in one country in the last couple of years, which was a little bit of an ironic case for me. Sao Tome e Principe is a little island off the coast of Nigeria. They think, but haven't yet proved, that there's oil there. In anticipation of future oil income I was asked to help the government work on legislation to ensure transparency with respect to exploitation and revenues.

Photo: David Außerhofer

My work was supported by the Open Society Institute – a big promoter of the Extractive Industries Transparency Initiative, and together with the government we designed some legislative and administrative approaches that could be helpful. The irony is that they still haven't found oil, so I don't know whether this work will be useful or not. But regardless, taking that kind of preparation is important, particularly in areas rich in natural resources.

TW: *How, in your view, does corruption affect a country's economic competitiveness?*

JS: There is little doubt that corruption is harmful for economic development. I don't believe that it's the only thing that hurts development, and I often argue against the idea that it's even the main thing in many of the countries where I'm working. I work a lot in Africa and the first thing that comes to mind for many people is that African countries are poor because they're corrupt. But when I look at countries like Senegal or Mali or Ghana or Tanzania which are very poor, the level of corruption does not seem out of line with the levels of corruption of much richer countries or growing economies. Although corruption is harmful, we shouldn't attribute all suffering and misery or economic failures to corruption. Some places are suffering because of malaria or an AIDS pandemic, others because of a water crisis or because of

they are landlocked. This is not a license for them to be corrupt, but it is to say that their main problem may not be corruption. We need to look at things from the perspective of particular countries and ask the question: For this country, is corruption the number one issue? Or is it the number three issue? How does it relate to other areas? There must be some perspective. For some countries it's just presumed that if you're poor, you're led by a very corrupt government, and that relationship simply is not true.

TW: *What are your views on recent aid programmes, particularly the US Millennium Challenge Account and a number of World Bank programmes, which make aid money conditional to good governance and anti-corruption?*

JS: In general, aid should only go where it can be effectively used and monitored; but there is also a lot of discretion as to how one would judge it. I am not convinced that the right way to handle this question is to declare a certain group of countries corrupt and another group of countries not corrupt and give aid to the second group but not the first. That's too simplistic. What I'd like to do is to think about a specific aid project. Take the example of getting bed nets to people in a malaria region. Here I would ask: 'How can this be done in a non-corrupt way? How can we monitor the process? How can the local community take responsibility?' Corruption can typically (but not always) be controlled by creating well-designed systems of delivery. Now, this begs a question: What if you're just giving money to governments? I'm not in favour of that kind of aid, where it's just a cheque written to a national budget on the basis of trust. I am more in favour of aid that is targeted to specific projects.

TW: *This sounds very much like something done on a case-by-case basis and not like something that would affect the sustainability of aid. Beyond auditing, isn't the question how to help these governments set up basic governance structures and systems so that everything done, even aside from the aid – tax money as well - is properly handled?*

JS: First of all, I think that every country needs a strong Transparency International chapter and a strong and independent civil society. Donors should begin to use aid in a way that leads to a flow of commodities that can be monitored and audited. There are certain countries where the situation is so abusive that what I am saying really doesn't make much sense.

There is, however, a large group of countries in a grey area where there's a fair amount of corruption; systems don't work very well; information flows are not very good; where there is a tradition of mismanagement and irresponsibility; but where the national leadership is still doing a good job at governing. And with these 'grey areas' the idea of cutting off aid because of corruption strikes me as a mistake. What could work in many countries is the creation of an alliance with the government to help build up institutions over time.



Photo: David Außerhofer

The ideal approach would be to work with the government on building roads, building clinics, handling immunisation within specific time limits and, in each of those things, help to build institutional delivery systems. Ideally, these would have computerisation, monitoring, reports, audits and local engagement to increase local enforcement by having more eyes on the process.

TW: *You have said that “we don't need long studies from the World Bank for trying to perfect the imperfectible” and “we don't need workshops on corruption”. What is your reasoning behind this?*

JS: What I mean by that is that we don't need them as preconditions for delivering help right now. We spend most of our time in places where we never get down to making a change. The World Bank will study the problem for two-to-three years before something gets started. On corruption, my view is not to have a general process of anti-corruption seminars, but rather have a process for scaling up the health sector, or improving management in the education sector or the transportation sector. Within that context the focus should be on transparency, bribery, corruption, delivery of services, monitoring and evaluation, and so on. Instead, I feel like countries are being put into black and white categories like 'corrupt' and 'clean'.

How do you clean up? Well, that's going to be a long conceptual process of re-education. I don't buy it, and I don't find it very practical. We've got corruption scandals all through the rich world right now involving the poor countries, which is very disconcerting. We ought to be focusing on our own misbehaviour as well. So the main thing is we have lost a huge amount of time when we could be doing practical and deliverable things, and since I'm against the idea of an 'Axis of Evil', I'm also against categorising countries as good or bad.

TW: *In that context, do you feel that the World Bank's anti-corruption policy is an extension of American foreign policy?*

JS: Well, I think that it's a little bit naïve. I would not have done it as an anti-corruption policy. I would have done it as part of an agriculture policy, a health policy, or some other policy. By having announced it as an anti-corruption policy, the World Bank has spent a year on it, and I don't see a direction on the actual implementation of anti-poverty programmes. So, what happens is what I had predicted. Everybody got into a fight, everyone has discussed theory, and concepts, and accusation and counter-accusations. In the meantime, real things that are urgently needed and absolutely possible, people are not getting done.

TW: *Do you see a connection between democratisation or its failure, and corruption?*

JS: It's very complicated. Some democracies are highly corrupt. Sometimes democratisation opens the space for corruption, but authoritarian rule can also be hugely corrupt. I'm not sure I would say those kinds of systems per se determine corruption levels. I do believe that democracy can control corruption better than authoritarian rule because there is more space for the involvement of civil society, which is absolutely critical to controlling corruption. In the Russian case, the Soviet system was incredibly corrupt, but it was a little harder to steal assets. In the post-Communist/post-Soviet system there was a lot of corruption, and you could more easily steal assets. So they changed the nature of this a bit, but neither of these are intrinsically related to democracy.

TW: *Is Russia still paying the price for what you termed a "corrupt privatisation" in the 1990s? What role did the Washington Consensus play in this context?*

JS: What happened was (I left advising Russia in early 1994 and the big corrupt privatisations came in mid-1995), the so-called 'share of the oil fields'. The idea was a give-away of the biggest natural resource assets in the oil and gas sector to private hands. Those became the oligarchs by and large. The process was very illegitimate as well as destructive; giving away tens of billions of dollars in improper ways hurt the state's finances and de-legitimised the market economy. I was very perturbed.

This wasn't part of the Washington Consensus, but it was definitely done with Washington watching. They thought it would be helpful for Yeltsin's government, but I think it was a big mistake. I think we should have given more warning. I'm not sure it could have been stopped but there was complacency in Western governments about it that was completely inappropriate. At the end of the 1990s I advocated re-nationalising a lot of the oil and gas sector because of the way it was given away. I am not involved in any of the details. I would not have recommended the oil and gas privatisation to begin with. This would have been the foundation of fiscal policy in the government.

SPOTLIGHT STORY

Corruption and non-violent youth movements: stories from Serbia and Georgia

By Veronica Rossini



Photo: Igor Jeremić

"When liberty comes with hands dabbled in blood, it is hard to shake hands with her" Oscar Wilde

In the past ten years, youth movements in Eastern Europe have been instrumental in organising citizen resistance to oppressive regimes. These youth movements have had two principal similarities. First, they have committed to using non-violent tactics and focusing instead on designing creative ways of marketing their message. Second, they have used the adverse affects of corruption on people's lives in their messages to motivate them to become actively engaged.

Bringing Down A Dictator is a recent documentary film telling the story of Otpor, the non-violent youth movement which organised the resistance against Serbian dictator Slobodan Milosevic. Corruption was a major factor in generating popular discontent in Serbia and the documentary highlights how Otpor used the issue of corruption to delegitimise Milosevic's regime. To find out more about how youth movements have employed corruption as a rallying point to generate mass engagement in non-violent movements *Transparency Watch* talked to Srdja Popovic, one of the founders of Otpor, and Giorgi Meladze, a founding member of Kmara, the student organisation behind the Rose Revolution in Georgia.

While Slobodan Milosevic will be remembered for his administration's human rights abuses his repertoire of atrocities extended into other realms as well^[1]. Before being tried for war crimes at the Hague, Milosevic was arrested by the Serbian authorities on charges of corruption and abuse of power^[2]. According to Mr Popovic, the popular belief that there was widespread state-sponsored corruption "was an important factor in delegitimising Milosevic's regime" and a unifying force behind the anti-Milosevic movement.

The Otpor youth movement arose from a wish to beat Milosevic at the ballot box; a difficult feat considering the regime controlled the electoral system. Refusing to align with any of the political parties, Otpor was able to distance itself from the perceived political corruption that was the order of the day in the late 1990s. With activists on the ground spreading the message in rural areas, membership grew by 1000 percent from 4,000 student members in 1998 to an astounding 40,000 activists in 2000. "If you consider that these people were working for Otpor for two hours a day, that makes 80,000 labour hours, which would amount to a workforce of 10,000 people."



Photo: Andrija Ilić

Mr Popovic explains that "one of the reasons behind Otpor's success was its ability to recruit such a broad base of activists, particularly grassroots activists... [This was] because we were able to share a vision of tomorrow which attracted a wide audience".

Bringin Down a Dictator shows how the use of creative tactics involved the people at an emotional level too. On Milosevic's birthday, Otpor baked a cake and cut it into many slices to represent the divisions within Serbia. In January 2000, Otpor organised a rock concert to celebrate the new Millennium. The party ended abruptly when photographs of the victims of Milosevic's regime were projected onto giant screens around the arena. Otpor's message was clear: Go home and think about how we can create change. Let's celebrate when we have a reason to do so.



It was these creative and non-violent tactics that ensured Otpor's success. In the two years preceding the 2000 election, Otpor trained activists in non-violent resistance so that when the time was ripe, Milosevic's overthrow would be a peaceful one. The indisputable success of the non-violent strategy is reflected in hard facts. When the anti-Milosevic demonstrations reached their peak on 5 October 2000, only two people of the hundreds of thousands involved in them died: an elderly man of a heart attack, and a second in a car accident.

Photo: Igor Jeremić

Corruption also was a unifying factor in the non-violent resistance against the repressive regime of Eduard Shevardnadze in Georgia. Shevardnadze's Georgia was perceived to be crippled by corruption and bribery. Some politicians accumulated astounding amounts of wealth by setting up informal institutions, or "clans", whilst a deficit plagued the budget and poverty spread throughout the country[3].

Giorgi Meladze was one of the founding members of Kmara, the student organisation behind Shevardnadze's overthrow in 2003. He says that of the many problems afflicting Georgia in the early 2000s, "corruption was number one." In Meladze's view, "corruption deteriorated the regime and made it illegitimate. It was impossible to deliver any services and there was no written law...If it were not for Kmara, the Rose Revolution would not have happened in 2003 or at any other time".



Kmara learned from Otpor's non-violent philosophy and non-partisanship and applied it to the Georgian context. Through creative strategies like street theatre, the use of humour and graffiti, Kmara "showed the people what the regime was really about" and broke the political apathy in Georgia.

Despite the successes of the peaceful revolutions in Serbia and Georgia, Otpor and Kmara did not survive the fall of the regime. The movements had been united by a common cause: bringing down a dictator. And once the common enemy had disappeared from the scene, there was little else to keep them together.

Otpor promised to continue corruption-monitoring after Milosevic's overthrow, but it proved to be unable to transform itself into a popular watchdog. Srdja Popovic was elected Member of Parliament with the Democratic Opposition of Serbia and acted as special environmental advisor in the Zoran Djindjic administration. In Kmara's case, Meladze reflects that "(the movement) simply didn't have anything further to do. People started doing the things they wanted to do: some went into civil society, some into government, others into academia and others went back to university." Mr Meladze currently works for the [Liberty Institute](#), the civil rights organisation supporting Kmara during the Rose Revolution.

Kmara and Otpor bused corruption to bring down their dictator. However, this did not lead to the complete eradication of corruption. Popovic explains that there has been a dramatic change in the Serbian political climate, as people have become increasingly aware of corruption; but corruption continues to dominate headlines. Meladze, on the other hand, points out that in Georgia, "corruption doesn't exist as a political concept anymore", but the misappropriation of funds particularly in public services and bribery among officials still remains a problem.

[Transparency International \(TI\) Serbia](#) and [Transparency International Georgia](#) have been continuing Kmara's and Otpor's work on the corruption front. TI Georgia is active in election monitoring, promoting accountability and access to information in government and in scrutinising the use of government resources. Otpor's work paved the way to open more space for civil society organisations in Serbia. TI Serbia is currently active in raising public awareness activities, organising public campaigns and proposing legislative solutions to corruption-related issues.

The Serbian experience has become a source of inspiration for young people to take action against oppressive regimes across the globe. Thanks to films such as *Bringing Down a Dictator* and the soon-to-be released documentaries *The Orange Revolution* and *Confronting the Truth* by the [International Centre of Nonviolent Conflict](#), non-violent action is being employed successfully by groups of young people as a response to oppressive regimes. This is also thanks to the work of the [Centre for Applied Non-Violent Action and Strategies \(CANVAS\)](#), where Mr Popovic currently works. CANVAS provides practical tools for non-violent resistance to movements around the globe, using the Serbian success as blueprint for action. On top of Georgia, Otpor has inspired civic youth organisations in Belarus, Albania, Kyrgyzstan and the Ukraine. The peaceful "uprising for independence" following Hariri's assassination in Lebanon and, although less successful, opposition to Mugabe in Zimbabwe, are examples of how non-violent resistance has moved beyond Europe and influencing movements around the world to campaign for peaceful change.

[1] Milosevic: Accused mastermind of ethnic cleansing, March 30, 2001, CNN Archives
<<http://archives.cnn.com/2001/WORLD/europe/03/30/milosevic.profile/>>; THE INTERNATIONAL

CRIMINAL TRIBUNAL FOR THE FORMER YUGOSLAVIA Case No. IT-01-51-I, THE PROSECUTOR OF THE TRIBUNAL AGAINST SLOBODAN MILOSEVIC <<http://www.un.org/icty/indictment/english/mil-ii011122e.htm>>

[2] Courts to decide on Milosevic extradition, 2 March 2001, BBC News, <<http://news.bbc.co.uk/2/hi/europe/1199404.stm>>

[3] Georgia as a clans' National State was discussed by Soeren Theisen in his article *Georgien-Klaners nationalstat: Post-electorale noter om State og Politik i Georgien* (2000)

This area provides highlights of the valuable work of the anti-corruption movement, championing a world free of corruption.

This month highlights the following stories:

- [TI Zambia launches its new publication "Show me the Money!"](#)
- [Reinvigorating anti-corruption work in the Ukraine](#)
- [Caracas meeting to consolidate change](#)

TI Zambia launches its new publication "Show me the Money!"

By Georg Neumann



According to the Zambian Auditor-General's report over a 20-year period, about Kwacha 348,244 billion (Euro 64,5 million) worth of public money is either misappropriated, stolen or grossly mismanaged every year in the country. That translates to K6,964 trillion (Euro 1.3 billion) between 1984 and 2004, based on the average of misappropriated monies, revenue and expenditure losses.

Aiming to stimulate greater public interest in how public money is allocated, spent and accounted for, TI Zambia launched its new book, *Show me the Money! Where the Money Goes* on 26 February 2007. The book will be complemented by an advocacy campaign to create greater transparency in public finance management by raising awareness for this issue among citizens.

Reinvigorating anti-corruption work in the Ukraine

By Alesia Kachur



The TI movement is reinvigorating its anti-corruption work in Ukraine by making the *Anticorruption Committee (ACC)*, its new contact group. Since its foundation in 2001, ACC's work has focused on monitoring election campaigns and political party financing. Now they are expanding their efforts into public procurement monitoring and research, as well as raising awareness about corrupt practices in higher education in Ukraine.

The establishment of a new TI contact group in Ukraine coincides with the start-up of several major programmes funded by USAID's Millennium Challenge Corporation (MCC), the World Bank and the European Union (EU). In early December 2006, Ukraine was approved for the MCC Threshold Program and received \$45 million USD to fight corruption.

It is already apparent that a TI presence and anti-corruption efforts in the country have been missed. The revitalised work is not only welcome, but necessary to create a strong push from civil society for more effective reform in curbing corruption. TI looks forward to working with ACC in its efforts to restore some hope to Ukrainian citizens that they can influence the reform process.

Caracas Meeting to consolidate change: the Anti-American Convention Against Corruption in its second decade

By Johanna von der Weppen



In 2006, the Inter-American Convention against Corruption (IACAC) celebrated its tenth anniversary. Transparencia Venezuela and the Americas Department of Transparency International's Secretariat organised a joint conference in Caracas from 12-14 February to discuss the developments and shortcomings of the Convention as well as to identify major challenges to its implementation in the next 10 years.

TI's Chair, Huguette Labelle, Transparencia Venezuela's Executive Director, Mercedes de Freitas, and the Ambassador from Canada, Renate Wielgofz, inaugurated the conference. During the two days, representatives from several Latin American governments, TI national chapters, civil society

organisations (CSOs) and experts of the IACAC monitoring mechanism discussed issues such as access to information and citizen participation. On the theme of public integrity, a TI study was presented giving an overview of the laws and practises pertaining to issues of conflicts of interest, whistleblower protection and asset declaration in nine Latin American countries. The conclusion of the study stated an urgent need to show more development in the implementation of existing laws.

A [final declaration](#) summarized the areas where improvement and more straight forward action from governments would be required, including: removing all obstacles for civil society participation as an independent and qualified observer in the implementation of the IACAC; reporting at the OAS 2007 General Assembly on any developments in the implementation of the IACAC; and generating and disseminating official statistical information to better monitor the implementation of the IACAC.

All documents and presentations from the Conference can be downloaded at:
www.transparency.org/regional_pages/americas/convenciones

Corruption stories of note in the news this month:

- [Bangladesh cracks down on corruption](#)
- [Public outrage at appointment of Israel's police chief](#)
- [EBRD blacklists German company for corruption](#)

Bangladesh cracks down on corruption

By Stephanie Don



A crackdown on corruption by the interim government of Bangladesh has led to the arrests of more than 30 high level politicians, lawmakers and businessmen and a new proposal "to bar anyone convicted of wrongdoing from running for election under new anti-corruption legislation," reports the *Financial Times*.

The online commercial news and intelligence service *Asia Pulse* writes that the arrests follow a government-issued list naming 50 prominent individuals suspected of corrupt activities, and requiring them to submit statements on their wealth within 72 hours or risk having their property and assets seized. "The Bangladesh army chief said Tuesday that a corrupt elite had accumulated huge wealth meant for the poor," writes the *Financial Times*.

As leader of the interim government charged by the constitution to oversee elections between presidential terms, Fakhruddin Ahmed vowed last month to flush out corrupt elements before holding elections. Originally scheduled for January 11, 2007, the *International Herald Tribune* reports that Bangladesh's presidential election was postponed indefinitely due to political impasse and social unrest.

Public outrage at appointment of Israel's police chief

By Veronica Rossini



On 18 February, Israel's Police Chief Moshe Karadi resigned after a government commission found him guilty of misconduct whilst serving as head of the Israel Police Southern District, the *Jerusalem Newswire* reports. Kanadi's resignation comes a few days after Army Chief of General Staff Dan Halutz stepped down after an investment portfolio scandal, writes *The Jerusalem Post*.

Public outrage surrounds the choice of his successor, Prisons Service Commissioner Yaakov Ganot, reports the Israeli daily *Haaretz*. In the 1990s, Ganot was suspended from the police force for three years for "taking bribes, fraud, breach of trust and abuse of police power", writes *Haaretz*.

Security Minister Avi Ditcher made it clear at a press conference that "the police just hasn't been delivering the good for too long... The public just don't have a feeling of safety at home and on the streets", explains the *Jerusalem Post*.

The appointment of Ganot comes at a sensitive time for Israel. when, according American Jewish newspaper *The Forward*, "the president, prime minister, defence minister, justice minister, finance minister, military chief of staff and Tax Authority director are, or were, under investigation".

EBRD blacklists German company for corruption

By Veronica Rossini



The European Bank for Reconstruction and Development (EBRD) set a precedent for development banks when on 26 February it blacklisted Lahmeyer, a German engineering company found guilty of corruption on a World Bank project, reports *The Guardian*.

Three years ago, the German company bribed an official working for the Lesotho Highlands Water project. In November 2006 Lahmeyer was blacklisted for a seven-year period by the World Bank, a punishment which could be reduced by four years if the company were to implement a corporate ethics programme, reports *The Guardian*.

The Financial Times points out that it is the first time that a multilateral development bank debars a company for bribery in a project funded by another bank.

The decision taken by the EBRD follows discussions among the multilateral banks on whether or not to accept 'cross-debarment'.

The *Financial Times* reports that the news was hailed by anti-corruption campaigners around the world including Transparency International as a success for the drive towards cross-debarment.

For more information, see Transparency International's [press release](#).

NEWS FROM THE ANTI-CORRUPTION MOVEMENT

Anti-corruption march in Honduras

On 10 February, a march against corruption was organised by the Honduran National Anti-corruption Council (Consejo Nacional Anticorrupción), the Catholic Church of Honduras and ACI-Participa, TI's national chapter in formation in Honduras. Nearly 30,000 people responded to the invitation to protest against corruption and to give a clear vote in favour of integrity and honesty in Honduras. ACI-Participa, took the opportunity to convene a three-day conference reminding people of the commitments and anti-corruption approach already in place. These include Honduras' ratification of the United Nations Convention against Corruption in March 2005, and the Guatemalan president's signing of the Guatemala Declaration against Corruption, committing himself to a set of concrete anti-corruption reforms together with other 8 Central American Presidents and representatives. ACI-Participa is monitoring the implementation of these commitments with the help of other civil organisations.

Cameroon: new project "NIS Study and Awareness-Raising within the Judiciary"

The project NIS Study and Awareness-Raising within the Judiciary in Cameroon kicked off with a groundbreaking workshop in Yaoundé, Cameroon in February. The National Integrity System (NIS) Study and Awareness-Raising within the Judiciary project in Cameroon kicked off with a groundbreaking workshop in Yaoundé, Cameroon in February. The project includes the elaboration of a study of the country's NIS and a series of workshops to train representatives in the judicial system, including leading officials from the ministry of justice, judges, magistrates, and lawyers. Seventy representatives from different levels of the country's judiciary system attended the successful two-day workshop. The project will lead to a multi-stakeholder action plan, based on the findings of the NIS study. The project will run through the end of 2007. The project will run through the end of 2007.

New national contact group in Albania

Transparency International has signed a 'National Chapter in Formation' Agreement with its national contact group in Albania, Citizen's Advocacy Office (CAO), on Tuesday, 20 February. The Citizens Advocacy Office was established in October 2001, with the purpose of encouraging citizens to denounce corruption and power-abuses by officials and bureaucracy. CAO's strategy combines professional and legal approaches and strategic cooperation with the media, and is supported by a team of young and experienced professional. The organisation focuses on legal advice against corruption, legal education, constitutional and legal initiatives and awareness raising in the media. One example of CAO's work was a televised panel organised for the local elections in February 2007 where politicians and the private sector were invited to discuss transparency in public contracting. www.cal.al

CELAM conference

With the support of Transparency International and the Konrad Adenauer-Foundation, the Latin American Bishops Conference organised a two-day seminar on corruption in February. Their objective was to prepare concrete proposals for the Latin American bishops' council (CELAM) taking place in Brazil in mid-May. Representatives from the Catholic Church, governments, academia and NGOs discussed the social and political consequences of corruption, including the links between corruption, violence and security. During the conference, TI elaborated on the role of civil society in monitoring anti-corruption conventions. Transparencia Mexicana gave an overview of the fight against corruption in Mexico and Transparencia por Colombia presented a recent study on corruption and violence in Colombia.

The final declaration acknowledges the link between poverty and corruption and encourages different sector - among them the Church - to collaborate with different social actors and take action in the fight against corruption.

For more information, go to: www.adenauer.org.br/atual.asp#

TI India's new study uncovers rampant corruption in India's trucking sector

Transport plays a very important role in sustaining India's economic progress as roads carry three-fourths of the freight traffic. TI India's new *Report on Corruption in Trucking Operations* suggests that truckers are required to pay bribes at every stage of their operations, including for registration and fitness certificates, and for issuance and renewal of interstate and national permits. One of the major findings of the study is that a truck operator pays between Rupees (Rs) 211 (Euro 3.6) and Rs 266 (Euro 4.5) per day as bribes. Based on this estimate, Rs 79,920 (Euro 1369) are paid annually by a single truck. The report also includes suggestions on how to tackle the major issues. To read the

executive summary of the *Report on Corruption in Trucking Operations in India*, visit: www.transparency.org/content/download/15626/169071

Pakistan: Report on Transparent Use of Earthquake Reconstruction Funds

The report *Ensuring the Transparent Use of Earthquake Reconstruction Funds* is now available in both English and Urdu and can be downloaded here:

www.transparency.org/content/download/14385/151311. This report outlines the recommendations made at the TI International Workshop on Ensuring the Transparent Utilisation of Earthquake Reconstruction Funds, held in Islamabad in February 2006.

TI report investigates strength of institutions of oversight and accountability in East and Southeast Asia

On 01 March 2007, TI released a report investigating the health of oversight and accountability institutions on the front line of the fight against corruption in East and Southeast Asia. The *Regional Overview Report on National Integrity Systems in East and Southeast Asia* identified regional trends and best practice based on nine National Integrity System (NIS) studies undertaken in the region in 2006, in Cambodia, China, Hong Kong, Japan, Korea, Philippines, Singapore, Thailand and Vietnam. The report found that the NIS in East and Southeast Asian countries still have profound weaknesses. Even Hong Kong and Singapore, recognised as the strongest in the region, still show significant room for improvement, for example in involving civil society in government decision-making processes. Download the report at: www.transparency.org/news_room/in_focus/2007/nis_in_east_and_southeast_asia

Transparency Palestine: Capacity building program for professional associations

Transparency Palestine organised a training workshop on enhancing integrity, transparency and accountability in the work of professional associations. The workshop targeted 23 trainees from the Palestinian Engineers Association and is the first in a series of training sessions to be implemented by Transparency Palestine to target active professional associations in Palestine. The training focused on building values of integrity and systems of transparency as means for combating corruption. It also highlighted professional standards and ethics required in the work of professional associations, particularly in preparing budgets. The training also concentrated on the importance of developing a good and accurate reporting system within unions as a means for ensuring transparency.

Transparency Morocco roundtable

On 16 February, Transparency Morocco organised a roundtable conference on "Elections Transparency and Citizens' Participation." Nouredine Ayouch, president of the association 2007 daba, was invited to promote participation and transparency in the 2007 elections, while Abdallah Harsi, Professor of Public Law at University of Fez, from Transparency Morocco, presented the conclusions and recommendations on the electoral framework of the study *Democracy Reporting International* which he co-authored. After the closing by Azeddine Akesbi, Secretary General of Transparency Morocco, art pieces by young artists resulting of a workshop on "creativity and raising awareness of the struggle against corruption and promoting transparency" were honoured.

TI Romania successfully obtained ISO 9001-2001 certification

After several months of establishing the required internal procedures, TI Romania has successfully passed its institutional audit and obtained ISO 9001-2001 certification, with the help of internal auditors and a final external audit carried out on 8-9 February. The certification was obtained through the SGS Group, based in Geneva (in conformity with the HU0174QYR standard of London). The certification awards standards in quality management systems of organisations.

Bosnia and Herzegovina: National Integrity System Study released

TI's national chapter in Bosnia Herzegovina (TI BiH) released a National Integrity System Study on 13 February 2007. The NIS Study was presented at a roundtable organised by TI BiH after almost a year of analytical work in co-operation with some thirty eminent experts from across the country. The key findings of the study emphasise a picture of contradictory and complex legislation, weak and politicised mechanisms and law enforcements structures, and a bureaucratic apparatus much larger than the European average involving numerous administrative procedures all of which can contribute to the growth of corrupt practices. Conflicts of interest dominate public institutions, while prevention mechanisms and legal solutions are either not being observed or applied. Please visit: www.ti-bih.org/Articles.aspx?ArticleID=970fb1d7-47e1-49dd-afab-82a03b8eb03c

Armenia: Launch of 2006 Corruption Perception Survey

The 2006 *Corruption Perception Survey for Armenia* was publicised in January at an event bringing together public figures, representatives of NGOs and international organisations, as well as mass media. The survey was implemented by Center for Regional Development / Transparency International Armenia (CRD/TI Armenia) with the support of United Nations Development Programme Armenia Office and is comparable to a similar survey carried out in 2002. The main results indicate that citizens are very concerned about corruption. Of the citizens surveyed, 89 percent see corruption as a problem in Armenia. Most people thought that bribery and abuse of public office for personal gain are the main manifestations of corruption and believe that it is the state authorities who initiate corruption. The traffic police, the electoral system, and the tax service were perceived as the most corrupt sectors and services. Please see: www.transparency.am

Georgia: Four reports issued within the framework of the Georgia's International Commitments Assessment Programme

TI's national chapter in Georgia prepared four reports within the framework of Georgia's International Commitments Assessment Programme.

The reports focus on the following issues:

- 1) *Georgia's Achievements and Challenges through Different Lenses* describes achievements and challenges of the Georgian government in relation to the requirements of the European Neighbourhood Policy Action Plan (ENP AP) as seen by the authority, opposition and civil society representatives.
- 2) *Reforming Georgia's Social Welfare System* looks at the recently established system of social protection for the extremely poor in Georgia.
- 3) *Reform in Georgia's Defence Sector* analyses structural reforms of the Ministry of Defence aimed at meeting NATO's entry requirements.
- 4) *Budgetary Priorities of Georgia* focuses on the dynamics of governmental priorities and expenditures since the Rose Revolution.

The programme is supported by the government of Finland and was implemented by TI Georgia. To access the reports, please click here: www.transparency.ge

Implementation of the Integrity Pact on the Latvian culture buildings

In February, Transparency International Latvia published a report on the anti-corruption efforts of the state agency, New Three Brothers (J3B), in their supervision of the construction of the National Library of Latvia, the Acoustic Concert Hall and the Museum of Contemporary Art. TI Latvia serves as an independent public representative and watchdog on the J3B projects as part of an Integrity agreement made in September 2005 by the Ministry of Culture, J3B and TI Latvia.

The report states that the agency must continue to improve its communications with the public and with specific target audiences. Based on a previous TI Latvia recommendation, J3B has established a procurement procedure which exceeds the minimal requirements of the law and is an example of good governance. However, J3B is still not requiring the implementation of anti-corruption measures by its business partners. In its previous report, TI Latvia suggested that J3B draft an anti-corruption plan for the upcoming six months but J3B fulfilled only part of that goal.

CORRUPTION IN QUOTES

"The local police are worse than us at taking bribes... every officer from the highest to the lowest is doing their best to take bribes".

Police officer recruited in Kabul
The Daily Telegraph, UK; 27 February 2007.

"Morals have become a key problem in our society, especially official corruption... It stems from the remnants of the Cultural Revolution".

Danchoe Triley, a delegate to the Chinese People's Political Consultative Conference from Tibet
South China Morning Post, China; 9 March 2007.

"I turned some very tricky corners, to put it mildly' that 'kept Mr B out of a great deal of trouble he would have been in had I said all I knew".

David Mills on payments he received for evidence he gave in Italian courts regarding the media empire of Silvio Berlusconi
The Independent, UK; 13 March 2007.

"The losses that accrue from a culture of permissiveness with respect to corruption include a loss of revenue, trust, values, credibility, legitimacy, democratic ethos and impulse within institutions and organizations".

Geraldine Fraser-Moleketi, South African Public Service and Administration Minister
Xinhua General News Service, China; 1 March 2007.

"The only people [whose crops are] being eradicated are those without money or connections... On the eradication force, this is being called 'the season to make money".

Unidentified Afghan policeman
The Daily Telegraph, UK; 27 February 2007.

"There are more than 1 billion people worldwide surviving on 1 dollar a day, and corruption threatens their hopes for a better quality of life and a more promising future".

Paul Wolfowitz, World Bank President
Xinhua General News Service; China, 6 February 2007.

"We recognize that there is a need for a convergence strategy among different stakeholders in society for collective and coordinated action to achieve national anti-corruption goals with clear and accountable performance targets".

Merceditas N. Gutierrez, on the launch of a new Multi-sectoral Anti-Corruption Council by the Office of Ombudsman in the Philippines
BusinessWorld, 2 March 2007.

MASTHEAD

Transparency Watch is a monthly electronic publication of Transparency International. It is produced by the Communications Department.

Transparency International accepts no responsibility for opinions expressed in interviews or for the information provided through external weblinks.

Barbara Ann Clay, Director of Communications

Phone: +49-30-343 82042

Email: bclay@transparency.org

Amber Poroznuk, Online and Publications Editor

Phone: +49-30-343 820664

E-mail: aporoznuk@transparency.org

Transparency International- International Secretariat

Alt-Moabit 96

10559 Berlin, Germany

Phone: +49-30-343 8200

Fax: +49-30-3470 3912

E-mail: ti@transparency.org

Web: <http://www.transparency.org>