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Transparency tripping



I had the good fortune of "having to go" on a visit to the headquarters of the international secretariat of Transparency International in Berlin, Germany, as part of the curriculum of my eight-week course here. A segment on "Reporting Corruption" gave rise to the trip.

TI is quick to point out that contrary to popular notion, it is not a watchdog on corruption. That function, it says, belongs to the media and the public. It says it is a mere facilitator on reporting corruption. Its reports are not end-products on their own.

Perhaps the organization is best known for the Corruption Perception Index it publishes every year. This index reflects how corruption in public and private business transactions is perceived within a particular country. It is based on extensive opinion polls among business people and country analysts—residents and non-residents, both.

The index rates countries according to their scores, with 10 being "cleanest" and zero being "most corrupt." The latest report was published in early November last year.

The next logical question would be: So how did the Philippines fare?

Not good, actually—but the sadder story is that people—politicians, mostly, and why are we not surprised?—made a lot of noise over wrong aspects of the survey results. But perhaps I need to refresh your memory.

According to the 2006 report, the Philippines ranked 121st among 163 countries assessed. One hundred twenty-first most corrupt would have been acceptable, except that it would be the wrong way to appreciate the data. It went in fact the other way around: Our country was perceived to be the 121st least corrupt. The previous year, the ranking was 117th. Noisemakers became fixated on this drop.

For an embarrassing few days, everybody was in denial. Public officials, business leaders, as well as some opinion writers, lambasted Transparency International and downplayed its credibility. They said the survey was biased and hastily done. They claimed that the organization didn't know the conditions in the Philippines and hence could not have known what it was talking about. Heck, they even threatened to write a letter demanding an explanation for the country's poor showing in the surveys.

(This newspaper ran an editorial on this matter in Nov. 11 2006, titled "Splitting hairs").

During my visit to the TI headquarters, I had the occasion to ask the coordinator for Asia-Pacific, Nikola Sandoval (who is, by the way, half Filipino and who actually spent her school days in Manila), whether there was any such letter actually sent to their office.

Sandoval said they actually received this letter, and that they very calmly and patiently replied to this letter by pointing out some basic facts about the survey:

One, the rankings were not made by Transparency International. The country listing was based on a perception survey conducted in a most professional

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manner by an independent and credible agency. Hence, the results were not statements of findings of actual cases of corruption.

Two, the rankings are not as important as the scores themselves.

Let us look at scores then, and stretch our horizons further back to the earliest data available in the Web site of TI.

In the 2006 survey, more than two-thirds of the countries assessed scored less than 5. Remember that the extremes 10 stood for (perceived to be) cleanest and zero for (perceived to be) most corrupt.

Indeed, the Philippines slipped four notches year-on-year. But the number of countries assessed also increased by four. Do you want to have something more to complain about? In that case, may I also offer the information that in 2004 our rank was 102nd, in 2003 it was 92nd, in 2002 it was 77th, and 2001 it was 65th, in 2000 it was 69th, in 1999 it was 54th, and in 1998 it was 55th. It is easy to feel bad if you want to feel bad. Just look at the wrong things. But the fact is this: The number of countries assessed grows every year.

It is indeed better to evaluate our survey performance in terms of the scores obtained. We scored 2.5 for both 2005 and 2006. It was 2.6 in 2004, 2.5 in 2003, 2.6 in 2002, 2.9 in 2001, 2.8 in 2000, 3.6 in 1999, and 3.3 in 1998.

As you see, there is not much cause to celebrate either. Our performance in the index as reflected in the score has degenerated in a matter of eight years. The score would have been the same and would have been equally telling even if there were 50 or 150 countries assessed. Corruption is a problem from within; you don't deal with it by comparing notes with others.

But I think I've made my point. Unknown to many, there is still another index published by the organization—the Bribe Payers Index which reflects the propensity of companies from the world's top exporting companies to pay bribes in exchange for business contracts. In the Philippines when we say corruption, government and politicians are the first things that come to mind. But no, corruption thrives in business, too.

There is one other interesting aspect of the operations of Transparency International. Founded in 1993, it now has around 100 national chapters all over the world. These individual chapters, however, are not attached to the international secretariat, at least organizationally. They are more or less autonomous and serve as conduit as the group assists that specific country in implementing anti-corruption programs.

What happens, you ask, if there are irregularities within the national chapter itself?

Transparency says that the most it can go is to suspend the membership of that country until the chapter shapes up. There is not much influence or pressure from the international office. To me, this illustrates very clearly that in fighting corruption, TI offers a hand to nations, but it is up to the countries themselves to take this hand and thus accomplish anything significant on the fight against corruption. As TI said, it is a mere facilitator. There must be, above everything else, political will on the part of the individual countries.

The former secretary-general of the United Nations, Kofi Annan, said this of corruption: It is the abuse of entrusted power for private gain. And, indeed, corruption distorts public policy and undermines good government. It harms private sector development. Misallocates resources. Ruins lives. Shatters dreams.

I can go on and on about this but I must stop soon in the interest of space. Watch out for May 24, though, because on this day, Transparency International is launching its Global Corruption Report 2007. We were assured that the soft copy of this report would be available in PDF format promptly on this date, at TI's Web site, www.transparency.org

This year's report focuses on Corruption in the Judiciary. This should be interesting, especially to the legal community, given our own Supreme Court's thrust to overhaul the Judiciary.

More on that some other time.

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