

INTERVIEW OF THE MONTH



Liberian President Ellen Johnson-Sirleaf

The Chair of Transparency International, Huguette Labelle, was lucky enough to speak with Liberian President Ellen Johnson-Sirleaf directly about the obstacles her government faces in combatting corruption and the extent of the reforms already undertaken. Other issues discussed include the "ghost workers" in the civil service, the return of refugees and formerly internally displaced persons, the Liberian Extractive Industries Transparency Initiative, regulations in the diamond industry, and foreign direct investment in the country. This frank discussion is featured here. >> read more

SPOTLIGHT STORY



A little known story of asset recovery

Indonesia's former President Suharto has been topping news headlines in recent weeks. But there is another recovery story from this country – one that shows how much more easily corrupt funds cross borders on their way out. This story is one familiar to Indonesians, but not on the international radar. The story begins with the East Asian Financial Crisis, where between 1997 and 1999 the central bank of Indonesia extended US \$16 billion in liquidity assistance to help protect private banks from the massive withdrawal of foreign capital from the country. >> read more

ANTI-CORRUPTION WORK AROUND THE WORLD



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More than 30 of TI's national chapters around the world held launch events for the Corruption Perceptions Index 2007 - this is a brief summary of what they did. >> read more

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Investigations are underway regarding allegations of criminal misconduct and economic mismanagement related to US \$6 billion worth of contracts for Iraq and Afghanistan. >> read more



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"A senior corrupt official has been brought down by his 11 mistresses, according to reports in the state media ... According to one recent survey, 90% of the senior officials convicted of serious corruption in the past five years kept mistresses." >> read more

INTERVIEW OF THE MONTH

Liberian President Ellen Johnson-Sirleaf

By Huguette Labelle



Ellen Johnson-Sirleaf assumed the office of President of Liberia just under two years ago, voted in on an anti-corruption platform. Transparency International wrote an online piece on [new anti-corruption governments](#), including Liberia, and their challenges to deliver, in early 2006. The Chair of Transparency International, Huguette Labelle, was lucky enough to speak with President Johnson-Sirleaf directly to hear firsthand about the obstacles her government faces and the extent of the reforms already undertaken.

Huguette Labelle (HL): *You have been in government just under two years now. What have been some of the greatest obstacles to reform?*

President Ellen Johnson-Sirleaf (EJS): The greatest obstacles have been our pillars of integrity. These are the constitutional institutions that are responsible for accountability – specifically the judiciary and the general auditing office. Although we may come up with other short term or ad-hoc bodies to address the severity of corruption, they do not hold the primary responsibility.

My government met these institutions in a state of non-functionality. People who had been working there were not well qualified, in some cases, their integrity had been compromised; perhaps because there are low levels of compensation. Because the whole system has bred corruption, it has plagued the entire society.

We are in the process of setting up an anti-corruption commission, to address the problem, and are taking measures to prosecute people when we have evidence they have engaged in corruption.

But when judicial corruption exists, it presents a tremendous roadblock. To put it bluntly, the guilty can bribe; the courts give way to the highest bidder. Efforts are being made to clean this up. We have a new Supreme Court, with very qualified people. We are trying to see how we can make more changes, offer better compensation, offer more training and opportunities, and make changes in personnel and staffing. That has proved to be a big obstacle.

The same applies to the General Auditing Commission, which has not functioned at all in the last few years. The staffing over the years was done by interim governments, largely composed of warring factions.

HL: *I don't know if you have seen our Global Corruption Report for this year, but it focusses on the judiciary. Unless the justice system and the audit office work, you can really have a lack of accountability at the state level.*

On a different track, I think it has been great to see the openness your government has shown about the 'ghost workers' – people on the payroll of the public service, who do not actually exist, or do not actually work for the government. There have been some quick steps taken to institute some controls, for example the biometric system. When do you think the biometric system will be implemented, and how are the people of your country responding to it?

EJS: The biometric system is now very much on the agenda. The resources to finance it have already been put in this year's budget, I expect that it will be in place by early next year.

Public reaction is not negative. When we began to undertake a restructuring of the public service – what was seen as 'downsizing' – we received a lot of concern and comments from the public because of the high levels of unemployment that exist. But when we began to let them know that 17,000 people were registered as ghost workers, the public began to understand why it was necessary for us to move in this direction. The biometric system will allow us to keep the payroll much more structured and compliant.

HL: *Former internally displaced persons and refugees have begun to return to Liberia. Have you already begun to see some of the effects of their return?*

EJS: Yes we have. For example, a group of returned refugees from Ghana have benefited from skills training. Groups of market women have receiving training in non-traditional skills, for example, masonry, electrical trade, tailoring, as well as more traditional skills such as sewing and computer skills. Many of these women go on to start their own small businesses and employ others.

HL: *That's great – they are creating employment for themselves and others. Listen, you and I have*

known Peter Eigen for a long time, and I've got a special interest in the Extractive Industries Transparency Initiative (EITI), so let me ask you about the Liberian Extractive Industries Initiative (LEITI) – what do you think? Is it going to be difficult to implement?

EJS: Absolutely not. We have already signed on to EITI and we are now taking the requirements to get it started. We created a secretariat in our ministry of finance to carry it out. We also have an EITI Secretariat with representatives from civil society.

HL: *It seems like you've been hitting the road running on this one.*

ESJ: Yes we have. And we have gone one step further, to include our forestry industry, because forestry has been one of the sources of corruption here.

HL: *What about diamond mining in Liberia? How far has your government come towards instituting controls on this sector?*

EJS: Well, one of the conditions towards the lifting of sanctions on the country was to meet the standards in the Kimberly Process. Liberia is now fully Kimberly-compliant. We have met all the requirements. We now only ship diamonds when we know there has been full compliance at all levels of the chain of command, right down to the importer. This includes the necessary steps of verification, proper transfer, and the proper tracking of public resources.

HL: *That is great, because a lot of countries have had to take a very long time to get to the point where you are already.*

EJS: What very much helped was the support we received from the US Geological Society, and from South Africa. They helped us to train our people, to set up different institutional arrangements. With that help, we've been able to move along at a little bit of a faster pace.

HL: *What is interesting is that you came to office with a commitment, but also with knowledge of what is happening around the world, in terms of linking up and getting the kind of assistance you require.*

One of the things which struck us here at Transparency International is the amount of positive press your country has received under your leadership. Has this helped to secure more foreign direct investment and private investment in the country's business sector?

EJS: Absolutely. We have been encouraged by the responses. We started off renegotiating an agreement with Mittal Steel – the number one steel maker in the world – whose contract with the previous government included a lot of concessions for the firm, that my government felt did not properly meet the national interest.

So we started off with that renegotiating, and concluded successfully with more for our government. That operation involves a US \$1 billion investment in the re-opening of one of our iron-ore mines. Operations are now starting. We also have new investors coming in, looking at our oil palm industry, our rubber industry or building on existing industries like firestone. Right now we have two proposals to re-open our other iron-ore mines, from 10 well-established, international mining companies.

We are excited. We just have a timing issue. These processes take a while and our people are obviously impatient for the jobs, and the pay raises, these opportunities bring.

Infrastructure has also been a big impediment. We have roads and bridges that have been collapsing around us all around the country, especially now with the heavy rains. This proves very much a challenge for us, and for investors.

The response we've gotten to our agenda, to the measures we've taken, has just encouraged us tremendously, both from the investor side and the official side.

HL: *Natural disasters are so unfortunate, both in human costs and how they push back opportunity. I can also relate to what you say about people's expectations – the more you are able to show change, the more people want to see its tangible results. But you seem to have been doing just extraordinarily well, in just a short period of time.*

Do you have any additional plans over the next two or three years, that you would want to share?

EJS: We want to double our performance on the Millennium Development Goals (MDG). Liberia is way behind on all of the indicators. Our goal of doubling performance may not get us to reaching the target goals by 2015, but it will make a difference. There has already been a big difference. We now have a 40 percent enrolment in our school system, and most of the increase in enrolment is girls. This is because we have focussed in compulsory primary education.

But I doubt if with all of our best efforts, if we would meet the MDGs by the target year; and I don't think we will be the only African country. We have done a lot on anti-corruption, but I don't want to underestimate the challenges ahead...

We also have growth targets. We had negative growth for a while. But during the transition government growth increased to five percent, last year we had over seven percent growth and we will reach nine percent this year and expect to be in double digits next year.

HL: *That is so important – the pie has to be bigger to address all of the priorities you talked about.*

Thank you again so much for your time and candour. I would like to offer my support as Chair of Transparency International, for your long fight against corruption and my sincerely best wishes for the future.

SPOTLIGHT STORY

A little known story of asset recovery

By Amber Poroznuk



Indonesia's former President Suharto has been topping news headlines in recent weeks. But there is another recovery story from this country – one that shows how much more easily corrupt funds cross borders on their way out.

This story is one familiar to Indonesians, but not on the international radar. The story begins with the East Asian Financial Crisis, where between 1997 and 1999 the central bank of Indonesia extended US \$16 billion in liquidity assistance to help protect private banks from the massive withdrawal of foreign capital from the country.

Rather than using the money to help stabilise the economy, some bank owners simply took the money and ran. Most fled to Singapore or Hong Kong, countries with whom Indonesia has no extradition agreements.

Hendra Raharja fled Indonesia following the liquidation of his two banks, Bank Harapan Sentosa and Bank Guna International. Arrested trying to enter Australia from Hong Kong in 1999, Raharja was arrested by Australian immigration officers but was never extradited before his death in 2003.

In 2002, an Indonesian court sentenced him to life in prison for misusing 1.95 trillion rupiah [US \$216.7 million] in central bank liquidity credits. By 2004, Indonesia had recovered only AUS \$642,000 [US \$574,784].

There have recently been some developments and cooperation - Australia is currently in negotiations with Hong Kong to bring US \$800 million of Raharja's assets back to Indonesia. Australia is said to be involved because the money was channelled through Australian banks, but also because Indonesia was having no luck on its own.

Indonesia is reported to have contacted Hong Kong directly to return the assets, but was asked to pay a 20 percent administration fee and then to split the remaining 80 percent between the two countries.

This story highlights the urgent need of international cooperation on the many legal and technical issues involved in getting stolen money back, and in prosecuting those responsible.

This was one of the main messages surrounding the launch of the [Corruption Perceptions Index 2007](#) last month.

Global financial centres, found in some of the world's wealthiest countries and territories, play a pivotal role in allowing corrupt officials to move, hide and invest their illicitly gained wealth. In many cases, asset tracing and recovery are hindered by the laundering of funds through offshore banks in jurisdictions where banking secrecy remains the norm. Through the UNCAC, priority should be given to improving international cooperation and mutual legal assistance, expediting action to recover assets and developing legal and technical expertise in nations requesting the return of looted assets.

Often asset recovery cases involve corrupt state officials – who are well known due to their positions as presidents or ministers, or due to their extravagance with land, cars, or clothes. But there are also so many more cases, largely removed from the media spotlight, that do dramatically affect the financial stability of a country and the relative livelihood of its people.

The case of Hendra Raharja is one of these cases – and there are other bankers like him. In Indonesia, state audits showed that more than 95 percent of the total 144.5 trillion rupiah [US \$15.96 billion] in Bank of Indonesia liquidity credits had been misused. The Attorney General of Indonesia had questioned 65 people in regards to this matter by the end of 2006, but of them, only 16 had been taken to court and only one had gone to prison.

Not only is important to recover stolen funds and to bring the corrupt to justice, but it is important that the cases are made public to bring attention to the specific case. Doing so raises public expectations that it be resolved, raises the international profile of a case, thereby perhaps better stimulating international cooperation.

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:

- [The Dominican Republic marches against corruption](#)
- [Anti-corruption hotline launched in Czech Republic](#)
- [Transparency International launches the Corruption Perceptions Index 2007](#)



Participación Ciudadana, TI's national chapter in formation in the Dominican Republic, together with 12 other civil society organisations in the country, organised a walk against impunity and corruption at the end of September. Thousands of people showed up to take place in the march, to express their concern for the lack of judicial trials for corruption issues. In the last 25 years, 250 proceedings have been reported to the judicial system in the country of which only 8 have concluded in a definite sentence and only tree people have been convicted by the tribunals.

After the walk was concluded, the organisers of the event read a manifesto in order to mobilise citizens to fight together against corruption.

Anti-corruption hotline launched in Czech Republic

By Georg Neumann



On 19 September, a new anti-corruption hotline "199" was launched in Czech Republic. The special three digit code has been assigned to corruption help, similar to three digit codes for police or fire assistance. The service will help citizens obtain access to free legal advice in corruption-related situations.

The 199 hotline is one of the measures introduced by the Czech Ministry of the Interior as part of the "Government Strategy for the Fight Against Corruption in the Period 2007 through 2011". Transparency International - Česká republika (TI C) won the bid to operate this service during its pilot stage. The Advocacy and Legal Advice Centre currently operated by TI C has acquired professional call centre equipment to handle the expectedly large number of incoming calls.

The new hotline will provide: i. free legal advice to the public in situations involving corruption; ii. qualified advice as to which government institution they should be contacting with their information; iii. help in filing corruption complaints; and iv., in selected cases, the TI C ALAC will file a complaint on behalf of the client.

The total cost of the 199 hotline project is estimated at CZK 1.8 million [US \$72, 116]. For more information please see: www.mvcr.cz and www.transparency.cz

Transparency International launches the *Corruption Perceptions Index 2007*

By Georg Neumann

On 26 September, Transparency International launched its *Corruption Perceptions Index* (CPI) 2007, with the message that rich and poor countries need to make a concerted effort to stem the flow of corrupt monies and make justice work for the poorest. The CPI 2007 looks at perceptions of public sector corruption in 180 countries and territories - the greatest country coverage of any CPI to date.

More than 30 of TI's chapters around the world held national launch events such as discussions and press conferences, highlighting concrete problems in their countries and calling for outstanding reforms and national strategies. Some of these chapters included [TI Papua New Guinea](#), [Transparence Maroc](#) and [TI's chapter in Argentina, Poder Ciudadano](#). In their launch event, [TI Georgia](#) gave the government eight concrete measures such as civil society reform and scrutiny of public official's assets to fight corruption, while [TI Korea](#) identified a need for a countrywide ethics infrastructure. [TI Malaysia](#) was particularly concerned about large scale public procurement projects run by the government. In Austria, the chapter presented its catalogue of suggestions to fight corruption and commented on the draft of the Ministry of Justice regarding the Anti-Corruption Law 2008.

[TI Germany](#) focussed on the responsibility of German companies operated in international markets, highlighting foreign bribery and the supply side of corruption. On this point, TI's chair, [Huguette Labelle](#), stated: "The bribe money that buys a champagne lifestyle for corrupt officials in the poorest nations often originates in multinational companies based in the world's richest countries – the CPI's top scorers".

Detailed information about the CPI can be found here:
www.transparency.org/news_room/in_focus/2007/cpi2007

Corruption stories of note in the news this month:

- [Corruption in the reconstruction of Iraq](#)
- [ZTE Broadband deal cancelled amid allegations of corruption](#)
- [Suharto wins lawsuit against TIME Magazine](#)



In September, a senior American Pentagon official, quoted in the [Associated Press](#), revealed that investigations were underway regarding allegations of criminal misconduct and economic mismanagement related to US \$6 billion worth of contracts for Iraq and Afghanistan. His choice of words reflects the severity of the situation.

[Vanity Fair](#) writes that “between April 2003 and June 2004, [of] \$12 billion in U.S. currency... shipped from the Federal Reserve to Baghdad... incredibly, at least \$9 billion has gone missing or unaccounted for, in a frenzy of mismanagement and greed.” They further write that the American company (NorthStar) hired to provide accounting and auditing services for the reconstruction was in fact “based in a private home in San Diego, [and] was a shell corporation with no certified public accountants.”

The [International Herald Tribune](#) notes the difficulties encountered by Bryon J. Young, a retired Army colonel and the current director of the Army Contracting Agency, in dealing with the large influx of funds for reconstruction, writing that the Army Contracting Agency entrusted nearly \$4 billion to “a B team of civilians and military officers with limited contracting experience”.

As at 12 September, the US Army reported that it had 78 cases of fraud and corruption under investigation, had obtained 20 criminal indictments and had uncovered over US \$15 million in bribes, the [New York Times](#) writes.

ZTE Broadband deal cancelled amid allegations of corruption

By Bryan Li



A planned US \$329 million deal to provide internet connection through broadband in the Philippines fell through amid allegations of bribery and graft connecting the president’s husband, Filipino government officials and the Chinese telecommunication company ZTE Corp., the [Manila Times](#) reports.

Investigations into the allegations have plagued news headlines in the Philippines.

On 1 October, Filipino elections chief Benjamin Abalos resigned, having been accused in Senate hearings of brokering the broadband contract with China’s ZTE Corp. and of trying to bribe a Cabinet official and a Filipino businessman in connection with the deal. During the 26 September Senate hearing, former Socio-economics Secretary Romulo Neri claimed Abalos offered him US \$4.4 million to endorse the Chinese company’s bid, [the Manila Times](#) writes.

The broadband contract, originally signed in April 2007, was suspended by the Supreme Court on 22 September and, according to the [Financial Times](#), President Gloria Macapagal Arroyo was forced to create a special panel to review all China-funded projects amid a political backlash.

ZTE Corporation has denied bribing or soliciting anyone in connection with the deal, the [Business Mirror](#) reports. The charges and counter-charges could hurt investors’ confidence to invest in the country, according to the [Financial Times](#).

President Arroyo traveled to China on 2 October for a two day visit to meet with Chinese President Hu Jintao to boost trade and political ties amidst the unfolding scandal, the [International Herald Tribune](#) reveals.

Suharto wins lawsuit against TIME Magazine

By Bryan Li



In September, former President Suharto of Indonesia won a Supreme Court ruling in a libel suit against TIME magazine, ordering the periodical to pay US \$106 million in damages in connection with an article published in the magazine. The article in question was a 1999 investigative piece on how Suharto and his children had enriched themselves during his 32-year rule as President, [BBC News](#)

The TIME magazine Asian edition article claimed that the Suharto family amassed a US \$15 billion fortune during his three decades in power until his ousting in 1998, the [Wall Street Journal](#) writes. In announcing their verdict, the court overruled two previous rulings on the lawsuit by lower courts in 2000 and 2001.

The day following the unfavourable verdict, [TIME](#) responded in an article by saying: "This is a blow to freedom of the press, and it means it is not safe for the press to work," Todung Mulya Lubis, an Indonesian lawyer representing TIME is quoted as saying. The magazine also reaffirmed that it stands by the original article.

TIME magazine has said they will fight the ruling, according to the [BBC News](#). "We will use all means available to challenge this decision," Mr Lubis told during a news conference... what is at stake here is not only TIME but also the freedom of the press."

In a separate case, Indonesia's long delayed civil lawsuit seeking US \$1.54 billion from the former President in damages and stolen funds, commenced in August after long delays due to his ill health, the [International Herald Tribune](#) reports.

NEWS FROM THE ANTI-CORRUPTION MOVEMENT

New project on environmental transparency in Mexico

The Mexican Fund to preserve natural resources (Fondo Mexicano para la Conservación de la Naturaleza) and Transparencia Mexicana, TI's national chapter in Mexico, are working together on a project to increase transparency with regards to the environment. This joint effort aims to strengthen citizens' capacity to be informed on the country's natural resources in order to participate in the decision-making process that affects the environment. The project, Environmental Transparency, is based on an interactive and dynamic on-line platform that serves to share information on efforts that promote transparency in the decisions that affect Mexican natural resources.

Centre for Justice in the Americas looks at corruption in the judiciary

The board of directors of the Centre for Justice in the Americas (CEJA) met in Santiago de Chile in September to discuss corruption in the judicial sector. Transparency International (TI) was invited to participate in the meeting, and asked to share the results of the Global Corruption Report 2007, looking at corruption and the judiciary, and to present, and get feedback on, a diagnostic tool developed by TI to identify corruption problems in judicial systems.

CEJA is an international organisation composed of members from the Organisation of American States, and its objectives are to promote research on judicial systems, advocate for judicial reform and facilitate exchange of experience among key regional actors in the Americas. More information on CEJA at: www.cejamericas.org

Agreement signed between TI in Nicaragua and municipality

Ética y Transparencia, TI's national chapter in formation in Nicaragua, signed an anti-corruption agreement with the city hall of the municipality of San Marcos Carazo. It aims at increasing accountability and transparency in public administration, and informing and generating knowledge among local authorities and social leaders on anti-corruption tools and mechanisms to fight corruption, as well as evaluation and monitoring indicators. As part of the agreement, local authorities and civil servants also are going to be trained in the issues dealt with by the Inter-American Convention against Corruption (IACAC) upon which the agreement is based.

New group to promote citizens' involvement in public issues

In early September leaders from civil society and the private sector from different Latin American countries met in Brazil to discuss the role of civil society in public issues. The meeting was convened by the Avina Foundation, an organisation committed to sustainable development in Latin America. TI contributed to the meeting by explaining how TI initiatives help create changes in the public and private spheres and presenting its experience in fighting corruption through coalition building and civil society engagement in the region.

Participants from many different backgrounds agreed on the importance of including politics as one of the four pillars for sustainable development in the region (besides social, economic and environmental pillars) and decided to further cooperate by sharing knowledge and experiences on how civil society helps to create change on political issues in Latin America, as well as to further identify opportunities for collaboration.

TI East Asia regional meeting in Mongolia

From 31 August to 2 September, 26 representatives from TI's East Asian chapters, chapters in formation, national contacts as well as the host of the meeting TI Mongolia, came together to share experiences and update each other on projects and experience at the 2007 East Asia Regional Meeting in Ulaanbaatar, Mongolia. The meeting declaration highlighted the importance of youth integrity and embraced a region-wide Youth Integrity Programme that will be led by TI Korea. Chapters agreed to continue strengthening the pillars of the national integrity system (NIS) and underlined the relevance of addressing corruption in the private sector. The meeting also called upon the Governments of Japan and Korea, who have not yet ratified the UN Convention against Corruption (UNCAC) to do so without any further delay.

TI New Zealand calls for independent commission

TI's national chapter in New Zealand (TI NZ) has called for the government of New Zealand to establish an independent commission to set the rules for election spending. TI NZ was called to give evidence following their written submission on *Parliamentary Justice and Electoral Select Committee on Electoral Finance*, by the Parliamentary committee looking at the Electoral Finance Bill. The written submission reflected the conclusions of a recent symposium organised by TI NZ and the Institute of Policy Studies at Victoria University of Wellington. It acknowledges that modern politics needs money to function properly, and that partial state-funding can be considered legitimate; that the identity of donors should be made clear to voters; and that consolidation of electoral machinery was a critical aspect of any proposed reforms. The written submission is available at the TI NZ website at www.transparencynz.org.nz/TINZsubmissions.html

TI Papua New Guinea signs new Project Partnership with US Embassy

In September, TI's national chapter in Papua New Guinea (TI PNG) signed an agreement with the United States Department of State for funding of a new project titled Youth Democracy Camp. The project aims to implement a democracy and advocacy skills building camp for youth in Papua New Guinea and engage young people to participate in activities of democracy, good governance and transparency advocacy. A total of 50 young people will be selected from around the country to participate in the seven day camp in Eastern Highlands in June 2008. Participants will go through a programme that will look at governance, the causes and consequences of corruption, as well as skills training in how to advocate for greater transparency and democratic rights. The agreement is the first ever to be signed by TIPNG and the US Department of State.

Preliminary statement on parliamentary elections in Morocco

TI's national chapter in Morocco, Transparency Maroc (TM), and the international organisation Democracy Reporting International (DRI) have assessed selected aspects of the 7 September Parliamentary elections in Morocco, by issuing a preliminary statement with their early findings. This follows up on a comprehensive review of the electoral framework published in January. Overall, the review concludes that the election process was more transparent than in previous elections. However, the extremely low voter turn-out reflects limited confidence in the Parliamentary process. Moreover, the election system appears to combine negative aspects of several election systems. The statement analyses the questions of international observers of the election, the question of vote-buying and other forms of electoral corruption, the electoral system and the question of unequal votes per districts. Final conclusions will be published once the organisations have the opportunity to analyse the detailed voting results due to come out in October.

Good governance in Latvian health care

In September, Transparency International Latvia submitted a proposal to Latvian President Valdis Zatlers on subjects that could be discussed in the context of improving the management of health care. The various subjects included accessibility to health care services, exchange of information and transparency, prevention of corruption, establishment of professional standards of ethics, legal security for doctors and patients and the ability of health care specialists to participate in management of the health care system. TI Latvia also confirmed that it will work with the Presidential and the Ministry of Health to organise a public forum on ways in which the management of health care can be improved.

TI Croatia holds rock concert on Right to Know Day

Transparency International Croatia has organised a rock concert on Cvjetni trg in Zagreb to celebrate the Right to Know Day on 28 September. The well-known Croatian bands Majke and Zabranjeno pušenje attracted thousands people to the concert. The Right to Access Information Act and the Law of Financing Political Parties and Electoral Campaigns have been promoted during the concert where key parts of these laws have been screened on two screens. The results of the surveys conducted by TI Croatia and additional material about the laws have been distributed. The concert is part of the chapter's "We have the right to know campaign!" which started at the beginning of September and will run until mid October.

Zero tolerance for corruption in Macedonia

In October, TI's national contact in the FYR of Macedonia, Transparency-Zero corruption, held a press conference to present conclusions of the projects "Monitoring of the Implementation of Declaration on Zero Tolerance to Corruption" and "Improvement of Corporate Governance for Zero Tolerance on Corruption". According to the chapter, Macedonia has begun developing a front against corruption, but there is still lot of work to be done in terms of securing the independence of the investigative and judicial institutions, strengthening of civil society institutions and promoting democracy.

TI publishes Working Paper on Education

Corruption defeats the very purpose of education. In a corrupt education system, students don't acquire the skills and knowledge that would enable them to contribute meaningfully to their country's economy and society. They learn from an early age that a lack of integrity is an acceptable way of life, allowing these values to become the norm throughout society. A [TI working paper on corruption in the education](#)

[sector](#) has been published in September and describes forms and levels of corruption at schools and universities as well as suggestions on how to prevent it. At the same time, the theme page on education has been restructured and updated. The pages on [corruption in education](#) and on [anti-corruption education](#) now include many more chapter projects and activities, as well as resources and links.

CORRUPTION IN QUOTES

"A senior corrupt official has been brought down by his 11 mistresses, according to reports in the state media ... According to one recent survey, 90% of the senior officials convicted of serious corruption in the past five years kept mistresses."

Referring to Panh Jiayu, also known by his nickname "mayor zipper", former deputy head of the provincial political advisory body.

The Guardian Weekly; Global; 14 September 2007

"What do you think of two million bucks?... This just got wheelbarrowed in... We were all in the room passing those things around and having fun, you could spin them but not throw a spiral."

Frank Willis, a senior adviser to the Iraqi transportation ministry, on the inaccountability of cash injections into Iraq by the U.S. government. He claims that in once case, US\$2 million that had been "checked out" of Saddam's old vault in order to pay a U.S. contractor hired by the Coalition Provisional Authority (C.P.A.) to provide security.

Vanity Fair; U.S.; October 2007

"Resolutely punishing and effectively preventing corruption bears on the popular support for the party and on its very survival."

Chinese President Hu Jintao, on the importance of anti-corruption work in China during China's 17th Party Congress.

Times Online; UK; 15 October 2007

"It's a waste of time ... politicians just want to line their pockets."

Ahmed, a 40-something textile engineer, on the low (37%) voter turnout in Morocco's parliamentary elections, quoted in *The Guardian Weekly*.

The Guardian Weekly; Global; 14 September 2007

"When you are trapped by poverty, you are not free. When trade laws prevent you from selling the food you grew, you are not free... When you are a monk in Burma this very week, barred from entering a temple because of your gospel of peace ... well, then none of us are truly free."

Bono on freedom, as he stood just steps away from Independence Hall and the Liberty Bell, after receiving the Liberty Medal.

Associated Press; United States, 28 September 2007.

"We are spending billions of dollars in Iraq and Afghanistan each month and we need to make sure every penny is being used wisely."

Thomas Gimble, principal deputy inspector general for the US Department of Defense, on measures that aim to crack down on alleged fraud, waste and abuse in defense contracting in Iraq and Afghanistan, after conceding that in many cases oversight of war-zone contracting was 'poor'.

Jane's; Global; 1 October 2007.

MASTHEAD

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