

## 7 Corruption through a national lens

### Introduction

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Transparency International's fight against corruption is carried forward by a truly global movement of national chapters and contact groups in all regions of the world. This section of the *Global Corruption Report 2008* draws on this unique breadth and diversity of in-country expertise and experience. Importantly, it includes views from both developed and developing countries.

The thirty-five contributions that follow offer a glimpse of major corruption-related events and a review of progress in institutional anti-corruption reforms during the reporting period from July 2006 to July 2007, as seen at national and local levels.<sup>2</sup> In so doing, the reports provide a sense of the corruption issues that are most prevalent and of common concern across countries, from political corruption to corruption in the water sector. A few of the main themes that emerge across the country reports are as follows.

*Corruption in both politics and the judiciary* have appeared as recurring concerns in reports from all regions. Political corruption is revealed in relation to public procurement, access to information and, in particular, around elections and political financing. While there have been attempts to improve political integrity, in some cases this has led to the exploitation of new loopholes. This is particularly the case in Armenia, Latvia, Kenya, the United Kingdom and Austria, where, despite legislative revisions in relation to elections and party financing, corruption either persists or has re-emerged in new forms. In Latvia, for example, amendments made to party financing rules were circumvented by unregulated third parties that campaigned on behalf of leading political parties. Questionable practices of party financing also feature in the 'loans for peerages' scandal reported from the United Kingdom, where some of the individuals who made undeclared loans to political parties were later nominated for titles of nobility.

Improvements in the judiciary are evident in some countries, notably in Mexico, with the introduction of oral trials, and in India, where the Supreme Court continues to be outspoken about corruption. Establishing an independent and accountable judiciary still presents great

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<sup>2</sup> Each of the country reports begins with the country's ranking in the Corruption Perceptions Index 2007 and a list of anti-corruption conventions signed and ratified by that country. The reports then focus on key corruption issues in each country during the period under review.

challenges, however. The insecurity of tenure for judges in Argentina and Senegal or the inadequacy of funding for the judiciary reported from Sierra Leone highlight some of the most basic challenges to judicial independence. As reports from Romania and Bangladesh indicate, judicial reforms are neither simple nor always effective. In Romania, for example, significant steps to reform the judiciary have taken place, but conflicts of interest persist and fewer than a half of the magistrates believe that the newly empowered Superior Council of the Magistracy can effectively ensure their independence.

The *international reach of corruption* is another central theme that emerges from the country reports. Several contributions present incidences of corruption that play out at national or local level, but also have an important international dimension. In Germany and Switzerland, for example, the importance of anti-corruption laws addressing transnational corruption is highlighted in the Siemens and Swissair cases. While both countries have instituted laws banning the bribery of foreign officials, neither country appears to have been successful in systematically preventing this corrupt practice. These cases confirm a rather dissatisfactory tenth anniversary assessment of the OECD Anti-Bribery Convention, one of the most important legal cornerstones for fighting corruption across borders: by November 2007 only fourteen of the thirty-seven signatories had complied substantially with the convention.

On the plus side, a number of country reports document the fact that bilateral collaboration in fighting corruption continues to expand. A new agreement between Indonesia and Singapore, while leaving loopholes, has enabled the extradition of corrupt individuals back to Indonesia to face trial. The former Zambian president, Frederick Chiluba, and his associates were convicted of corruption on civil charges in a London court. The Swiss government has extended the freeze on assets belonging to former Haitian dictator Jean-Claude Duvalier, in order to allow the Haitian government to launch a case of mutual legal assistance.

*Institutional anti-corruption reform* continues to be high on the agenda of governments, according to many country reports. In Chile, Nicaragua, Georgia, Romania, Cameroon and Zambia, the development of new anti-corruption institutions is flourishing. In Chile, a bill on access to information has been favourably received by the government and a proposal to create an autonomous body for access to information has been accepted. A new integrity system in Zambia is impressive in scope. It establishes integrity committees charged with preventing corruption in each government agency and department. Misgivings about the true autonomy of such institutions remain, however, and experience elsewhere justifies caution. In Indonesia, the phenomenon dubbed 'corruptors fight back' describes a situation in which, despite progress in the early years of this decade, more recently the fight against corruption has been undermined, culminating in a series of challenges to the legitimacy of anti-corruption institutions.

*Corruption in the water sector*, the focus of the analytical section of the *Global Corruption Report 2008*, has been addressed by almost a half of the country reports. Corruption in the water sector is multifaceted, and the approaches to preventing or rectifying it are equally diverse. An initiative in Bangladesh collected and analysed the different types of corruption in the water sector as reported by the media, indicating that asset-stripping and negligence of duty are prevalent problems. In Kenya, interviews with water utility customers in 2005 indicated the significant scale of

corruption in the sector, with 62 per cent of respondents claiming to have witnessed petty corruption relating to water service provision. A survey reported from India identified the supply of water tankers and meter installations to be perceived as particularly corrupt. Evidence of successful reform is also provided, from examples in India and Mexico. Grass-root projects engendered better transparency via toll-free helplines in Bangalore and Hyderabad for use by the poor. An initiative of the National Water Commission in Mexico reintegrated delinquent water consumers into the payment system, collecting approximately US\$121 million in unpaid fees.

Taken together, these reports illustrate the pervasiveness of corruption and its ability to distort all types of political, economic and cultural context. Global efforts to draw attention to the corruption curse, to create a normative framework for preventing corruption and realising practical cross-border mechanisms for combating corruption continue to be crucial. At the same time, as this collection of country reports from TI national chapters around the world shows, national and local efforts by all stakeholders are crucial for anti-corruption reform to take hold and be effective – and for people around the world to feel its positive effects.

## 7.1 Africa and the Middle East

### Cameroon

**Corruption Perceptions Index 2007: 2.4 (138th out of 180 countries)**

#### Conventions

UN Convention against Corruption (signed December 2003; ratified February 2006)

UN Convention against Transnational Organized Crime (signed December 2000; ratified February 2006)

#### Legal and institutional changes

- The adoption on 29 December 2006 of the **'ELECAM' law created a new, independent body, Elections Cameroon (ELECAM)**, which will be responsible for the organisa-

tion and supervision of electoral operations and referendums. The new body will draw up, manage, update and maintain a national voters' register, revise voters' lists, issue voter cards, organise electoral materials, train electoral staff, supervise electoral budgets,