The Role of Civil Society in Containing Corruption at the Municipal Level

Proceedings from the Regional Conference of Transparency International Representatives

Juliet S. Gole

Introduction to the Series

The development of democratic and effective government at subnational levels remains one of thecentral tasks of transition in Central and Eastern Europe and the former Soviet Union. The sharing of expertise between countries can contribute significantly to the reform process in the region. Pursuing this goal, the Local Government and Public Service Reform Initiative (LGI) has launched a series of discussion papers, which will be distributed widely throughout Central and Eastern Europe.

The series will report the findings of projects supported by LGI and will include papers written by authors who are not LGI grant recipients. LGI offers assistance for the translation of the papers into the national languages of the region. The opinions presented in the papers are those of the authors and do not necessary represent the views of the Local Government and Public Service Reform Initiative.

Juliet S. Gole is a Project Manager at the Local Government and Public Service Reform Initiative (LGI) of the Open Society Institute, Budapest, Hungary. Comments can be addressed to jgole@osi.hu.

Contents

Preface

This volume describes the results of the Regional Conference of Transparency International Representatives: "The Role of Civil Society in Containing Corruption at the Municipal Level." The conference was organized by Transparency International (TI) and the Local Government and Public Service Reform Initiative (LGI) with the local cooperation of the Center for Economic Development–Transparency International Slovakia. LGI also sponsered the conference. Travel for several of the participants was provided by the Soros National Foundations in the respective countries.

Although this was a conference designed mostly for TI National Chapter representatives, the information presented here is relevant to countless other groups that are committed to fighting corruption. Other groups can use the same methodology. Indeed, part of the discussion at the conference focused on how independent groups can both work with this methodology and even form their own TI City Chapters. Therefore we hope that this publication will be useful to all individuals and organizations interested in fighting corruption and improving services on the municipal level.

This work is indebted to all of the conference participants (listed at the end of the volume), but especially to Jeremy Pope, Donald Bowser, Michael Lippe, Sara Morante and Sergei Chereikin of the Transparency International Secretariat.

Introduction

As the countries in Central and Eastern Europe and the former Soviet Union have proceeded in their transitions to the market economy and decentralized, democratic, responsive government, corruption has become an enormous impediment to the transformation and to the improvement in living standards. Thus far the international anticorruption movement, which Transparency International has spearheaded, has tended to focus on the international and national levels. Yet as subnational levels of government have gained increased powers and responsibilities, local-level corruption has come to have a growing impact on the lives of citizens in the transitional countries.

The responsibilities of local government vary across the region but may include such services as education, health care, local economic development, construction, housing, water, electricity, waste disposal, sewage, road maintenance, traffic flow, maintenance of historic monuments and districts, services for vulnerable groups, urban development, zoning, licensing, registrations, inspections, etc. Municipal government and its inherent levels of integrity and corruption has an important effect on people's everyday lives. The local level is the ideal environment for civil society to mobilize to help improve government services and increase integrity in government. The smaller size of the communities at the municipal level can yield greater cooperation among the principal actors, and government should be more responsive to the needs, requests and demands of individuals or groups in this ideal case.

On April 29–30, 1999, Transparency International (TI) and the Local Government and Public Service Reform Initiative (LGI) of the Open Society Institute held a working conference for the TI National Chapters from Central and Eastern Europe and the former Soviet Union (CEE/fSU). The conference was designed with three goals in mind: (1) to provide the first opportunity for the TI National Chapters from the region to come together and exchange information; (2) to discuss strategies for strengthening the individual TI Chapters and the TI network in the region and beyond; and (3) to develop a strategy for fighting local-level corruption in CEE/fSU. The participants discussed a number of specific topics and came to some very useful conclusions. They developed strategies for attracting members to their Chapters, for sharing information and strategies, for finding funding and for working at the municipal level.

This paper is structured into three main parts. First, the Declaration for Municipal Reform is presented. It was developed by the participants during the conference, and they all agreed to its final form at the end of the event. The document provides guidelines on how TI Chapters and other civil society organizations can approach the issue of fighting local-level corruption and improving municipal service delivery. A more detailed description of the model for fighting corruption follows.

This section is intended to benefit individuals and organizations that are interested in fighting corruption in their local communities but do not have a solid idea of how to strategize and implement their intentions. The description supplements the Declaration. The third section consists of the conference proceedings and explanatory notes of the discussion. The conference focused on (a) case studies of local-level municipal service/anticorruption activities; (b) the role of civil society in establishing integrity in local government; (c) civil society-based strategies for containing corruption at the municipal level; (d) TI National Chapter institution building; and (e) building regional cooperation.

Declaration for Municipal Reform
Developed and Agreed to by the Conference Participants

Assumptions
- That this outline project can be executed by a Transparency International National Chapter or by another group provided that the project does not conflict with the action plan of the National Chapter.
- That there are suitable municipal administrations with political will and with existing NGO/stakeholder groups (including business groups) that are credible and prepared to work with a local administration.
- That resources can be found to fund the exercise.
- That the National Chapter will play a facilitating role.

Identification Process
Identify a municipality with:
- An appropriate size and with problems that are not too overwhelming;
- Active, energetic, reform-minded and committed leadership which is open to change;
- Existing NGO groups (linked to stakeholders);
- Geographical accessibility to the National Chapter;
- An opportunity for immediate reform (such as election of a new administration, scandal giving rise to pressure for reform, etc.)
- Desire for a good reputation in order to encourage economic development and attract outside investment

Pilot municipalities may be identified through municipal associations, chamber of commerce, professional and/or consumer organizations, information gleaned from news sources and personal contacts. The most promising candidate municipalities should be selected; funding sources should be identified.

Implementation Process
(Not necessarily in the following order)

Stage 1:
- Approach municipal administration at the relevant level to gain support and involvement, build trust, and establish acceptability of Chapter involvement.
- Form group with National Chapter participation to manage the project.
- Identify stakeholders in the municipality (match areas of local government activity to specific interest groups, e.g., business licenses to a business group).
- Get the relevant NGOs involved, build trust and establish acceptability of

Chapter involvement with them.
- Identify potential experts for specialist inputs (e.g., procurement). (Perhaps "twinned cities" in Western Europe can make inputs.)
- Approach potential funding sources.

Stage 2:
- Agree on methodology.
- Collect data on (selected) municipality-provided services (e.g., business licenses, health, education, etc.) through use of Bangalore-style report cards and/or surveys.
- Share findings with municipality to enable it to prepare a considered response for presentation to the forum.

Stage 3:
- Hold open forum (with press presence):

(a) to present findings (also post findings on a web page).
(b) to agree on an action plan for reforms to improve services (assigning responsibilities, setting timetables for actions).
(c) to publicize through the media both the results of the surveys and the action plans.

Stage 4:
- Continue dialogue with the administration during the reform process involving think tanks, experts, NGOs, etc.
- Publicize all successes when achieved in order to sustain momentum.
- Conduct further surveys/report cards to measure success after perhaps 12 months.

Stage 5:
- Second forum to present results of surveys and to publicize them, assess impact of action plan and develop revised plan (where needed). Examine sustainability of process and dialogue and whether to make this a regular event.

Variation:
- If possible, involve the Association of Mayors, Municipal Association or other umbrella organizations from the outset and have them participate. (Advantage: the Chapter might be involved in pilot exercise and thereafter have a reduced oversight role while the association carries the project forward and brings in additional municipalities.)

Implementation of Above Program
- Each Chapter considers whether it wants to do a pilot local government project (by July 1st or May 30th, if possible).
- Those who do, notify the TI Secretariat (dbowser@transparency.de) and agree to keep each other informed of timetable and progress.
- Periodic comparative studies of experience, progress, obstacles, approaches, successes.
- After an agreed period, preparation of a comprehensive comparative study and a regional meeting to share experience (at which local people involved would also participate) (preferably held in one of the most successful municipalities).
- TI Secretariat to coordinate and provide outline for reports and ensure everyone kept informed. Feed in best-practice.

Bratislava, Slovakia
April 30, 1999

Developing a Model for Fighting Corruption at the Local Level

The model developed at the conference focuses on improving municipal service delivery in addition to identifying and rooting out corruption. This orientation was adopted for two principal reasons. First, approaching a mayor and a local administration with the objective of rooting out corruption in the administration is problematic. The leaders of the local government may see the exercise as a threat to their political position rather than a means of improving transparency in government, which theoretically should attract rather than repel votes. The focus on service delivery, however, is more appealing and should invite more cooperation. Second, if one is fortunate enough to find an administration that is committed to fighting corruption within, then finger-pointing and whistle-blowing might only provide the opposition with political fuel for the fire. And if cooperative, transparent local government gets voted out of office because of an attempt to fight corruption, the next administration will certainly not want to repeat the exercise. Therefore, the focus on improving municipal service delivery pushes forward positive ideas and suggestions rather than negative accusations that result in an uncooperative relationship between the administration and civil society.

The model consequently employs a more cooperative arrangement focusing on municipal services. For the model to work, a set of prerequisites must be met: First, the municipal government must see itself as a service provider. This is not the case in many parts of CEE/fSU, where government has traditionally existed to rule, not to provide services to "customers." Second, the municipal leadership must have the political will to change and improve. Without this characteristic, there is little that civil society can do other than to exert pressure on the government to develop the will to change. Third, the government must be willing to work with civil society groups to improve services. It must see community representatives and outside experts as partners rather than critics. And fourth, the civil society partners must be professional, knowledgeable, willing to work with government and willing to learn about the issues that confront government. Many civil society groups have the tendency of seeing themselves as outside of government or as an alternative to government, but this attitude must be overcome. The organizations must also overcome the tendency to make demands without understanding all of the consequences that would arise if such demands were met.

In this model, civil society groups that represent the various stakeholders "encircle" the municipal government and work with it to improve services. The steps in the process are outlined below:

Identification Process

Step 1

Identify the services which the local government is responsible for providing. For example, road construction and repair, bridge maintenance, zoning and urban planning, street cleaning, public safety, sport and culture, housing policy, public utilities, waste disposal, snow clearance, maintenance of historic sites and city parks, urban development, social services, public health, education, job training, local tax administration, etc.

Step 2
Identify the stakeholders that have interests in the efficient and effective provision of those services. All citizens of the community have an interest in local services being administered well, so all citizens may be included. But the community can also be considered in terms of groups of stakeholders. One example is business people. Businesses which have a major interest in an efficient local government might include:
- those which need city licenses,
- those which bid on public procurement tenders,
- those which could benefit from outside investments,
- those which cannot deliver their goods because of an inefficient road and traffic system,
- those which would like to purchase shares in the privatization of the city water treatment plant,
- those which cannot benefit from the tourist industry due to poor tourist facilities and services.

Other stakeholders include teachers, parents, students, health care professionals, working people, the elderly, the unemployed, homeowners, etc.

Step 3
Identify civil society groups that represent those stakeholders. These formal and informal representative groups also have interests, and they can provide a means of mobilizing the population. They might include: chambers of commerce, professional associations, environmental groups, NGOs supporting vulnerable populations, student groups, labor unions, housing associations, the media, religious organizations, academic institutions, etc.
One should also try to build cooperative relationships with research institutions, especially public policy institutes or think tanks. Policy researchers are nonpartisan professionals who can provide solid public policy guidance. For example, if the project uncovers inefficiencies or corruption in the public housing sector, then policy researchers may be equipped to make realistic, achievable policy

recommendations for reform. The other stakeholders may not be able to make such practical contributions.

The stakeholders "encircle" the municipal government, as in the following diagram:

Figure 1:

Businesses Seeking Local Think Tanks
Government Contracts

Student Groups Teachers Associations

Municipal Government

NGOs Chambers of Commerce

Health Care Professionals Housing Associations

Implementation Process

Step 1

Step 1 of the Implementation Process involves gathering together the building blocks of the project. The implementers should begin talking to the municipal government. Develop a relationship of understanding and trust. Explain to the local government that you are not watchdogs there to point fingers and arrest people. You are there to help build cooperation between the local government and the community.

Also begin discussing the project with the major stakeholders. Identify individuals and organizations that are particularly interested in cooperating, and find out what kind of cooperation they are interested in providing. For example, the Chamber of Commerce may be interested in working directly with the office in charge of public procurement in order to make the procurement process more transparent and fair. Student groups may be interested in holding seminars on ethics. The media may be willing to cover such events. University professors may decide to develop courses on ethics in business and government.

The implementers should also begin looking for funding for the municipal reform activities. See page 39 for more detail (How can you find funding for your Chapter?).

Step 2

Step 2 is the diagnostic phase. The parties involved in the reform process should agree upon a methodology and a timetable. A group of people then conduct surveys

on customer satisfaction with specific services (see the Bangalore Report Card case study on page 20). It is very important that the methodology be highly professional, well planned and transparent. It is also important that such surveys be done on a regular basis—if they are done only once, the results become politically charged and do not offer a useful means of tracking change.

In addition, surveys and interviews with employees of the city administration can also be very useful to identify problems and inefficiencies. What do civil servants feel are the main problems? How do they feel about their salaries and job prospects? When do people offer them presents or bribes? Do they feel that it is correct to accept "presents"? In what circumstances? Participants must be assured that the results will be confidential and will not be used against them or the city, and that the surveys are only meant to help improve the system. A statement of support by the municipal leaders (mayor, city manager, etc.) would be particularly useful in this respect.

Take the survey results to the municipal leaders and reach a common understanding that services should be improved. This approach does not involve finger-pointing, accusing the government or specific individuals of being corrupt. Rather it reaches out to the administration in a cooperative manner, offering assistance to pinpoint problems and inefficiencies, and develops potential solutions. The local government might also be allowed the opportunity to review the results and prepare a response before the publication of the survey findings.

Step 3

The project implementers should then hold an open forum to present the findings of the surveys. The press, the stakeholders and the municipal representatives should all be invited. The forum should focus on both the positives and the negatives. What is the local government doing well? What could it do to improve in its weak areas? How can the stakeholders assist in that process?

The forum should result in an action plan which assigns specific responsibilities to specific people and groups, and which sets timetables for achieving those goals. The survey results and the action plan should then be publicized through the media.

Step 4

The stakeholders should work with government in one or more areas to improve services. They indicate that they are there to help, and by helping the government they are helping themselves. The dialogue can run at the micro- or the macro-level (in Figure 1, one arrow or several arrows). For example, it may focus only on the improvement of the public health sector, or it may be all encompassing. The scale is determined by the opportunities that present themselves. The larger the scale, the more stakeholders and the more senior officials will be necessary. For example, the dialogue may only involve the office of public health, public health officials and

NGOs that represent patients. Or, if the dialogue is on a macro-scale, then the stakeholders might have the possibility of doing a city-level workshop analogous to the national integrity workshop.

Policy professionals can provide vital input at this stage. If the local public health service, for example, needs major restructuring, a health policy expert/researcher may be able to assist in that process by using experiences from other geographic areas.
The successes of the project should be publicized as they occur so as to maintain the momentum of the project.
Further surveys should be conducted on a regular (at least yearly) basis so as to provide a means of measuring progress.

Step 5
After a designated period of time, for example, a year, the organizers should hold a second forum. This event should focus on the latest survey results, changes since the last forum, improvements, problems encountered, etc. The action plan should be revised as necessary.

Comments

This model is not necessarily linear—some aspects can happen before others, depending on the situation as it presents itself. For example, one might have a workshop on a particular issue, such as problems in the local education system, and then expand it to include other groups and broader issues. If the first workshop includes a discussion on how teachers are requesting bribes from students, and if the participants feel that the practice should come to an end, the stakeholders could then consider the question: "If we're not going to give bribes to teachers anymore, then maybe we shouldn't give them to doctors either." Stakeholders and medical professionals should discuss why people offer bribes to doctors, why the doctors accept them and how this is different from or similar to giving bribes to teachers. It should be stressed again that the stakeholders are acting as advisers, giving feedback on customer service. They are not watchdogs. Also, comparisons of different municipalities can be very useful. If a school lunch costs ten times as much in one town as it does in the neighboring town, the administration and the stakeholders should try to find out why that is the case. The object is not to point fingers at guilty individuals because that strategy would lead to an end to the cooperation between the public sector and the private and NGO sectors. The object is to make the system better.

Conference Proceedings

Introduction

A keynote address from Ladislav Pittner, Minister of the Interior of the Slovak Republic opened the conference. Minister Pittner described some of the efforts that the new Slovakian Government has made to fight corruption in the country.

Jeremy Pope, Executive Director of Transparency International, stated that TI has National Chapters all over the world, but Central and Eastern Europe is perhaps the most exciting and challenging region because of the rapid changes of the transition. Mr. Pope said that currently TI operates at the international and national levels. It has been making considerable progress on the international level, but that level is the easiest in which to work. The national level is much harder. At the country level, Chapters around the world have made some progress only to find the road blocked. They often make two steps forward only to take one step back.

Some of the Chapters have realized that there are people at the local level who are committed to fighting corruption and working with local government. At this level of government, local citizens have a much better idea of what is going on than they do at the national level. The local level is also becoming more important in the lives of citizens in the region: where decentralizationpolicies are being implemented, municipalities are essential for service delivery, and thereby local corruption has a much more detrimental impact on the community. So the local government program at TI has emerged from the experience of National Chapters around the world. It has not been invented in Berlin for export.

Mr. Pope stated that Michael Lippe will coordinate the TI local government program in Central and Eastern Europe. But in addition to fighting corruption at the local level, the conference will focus on National Chapter building.

Case Studies

Transparency Miami: A Successful and Growing Local-Level Initiative

Founding a Local-Level Transparency Chapter

Karen Paul, Associate Dean of the College of Business Administration, Florida International University, described her experiences in establishing an initiative to fight corruption in local government. During the fall of 1998, she participated in a benchmarking study for the Greater Miami Chamber of Commerce. As part of that work, she contacted the TI Chapter in Washington, DC, only to be told that TI-USA does not work at the local level. Soon after this conversation, she attended a meeting of Business for Social Responsibility, where she heard a speech by Peter Eigen, President and Founder of Transparency International, and asked him during the question and answer period why TI was not working at the local level. He suggested that the Sourcebook might be useful if adapted to the local level, and he encouraged her to get in contact with Jeremy Pope. Mr. Pope responded as follows:

I think you should consider putting together a city based "stakeholder" group of those with a stake in the city's integrity. This could include representatives of consumer groups (housing and other municipal services) and professional groups (educationalists, lawyers, doctors, accountants, et al., plus religious leaders) and maybe even political parties. But it can also encompass local business groups who do business with the city and, most critically, local media (who should participate as well as observe and report). Then call a meeting initially to determine the interest groups who have a wish to form a coalition, enter into a constructive but independent and criticaldialogue with the municipality to reduce corruption (and with it inefficiency and waste), and so enhance value for money and the services provided to citizens. With this group identified, the modalities can be worked out—perhaps with some of the municipality leaders participating in a personal capacity (to free them up a bit). This might start with a municipal integrity workshop which would have the civil society stakeholders interacting with the municipal official stakeholders (their auditors, ombudsmen, procurement departments, mayor's office, police, etc.) to identify the problem areas and design appropriate responses to these, with time lines, responsibilities and follow-up meetings to assess progress and with maximum publicity to increase public pressure for performance. The analysis could be on an "integrity pillar by pillar" approach or on areas of concern (e.g., waste management, procurement, etc.).

After considering Mr. Pope's advice, Dr. Paul conducted a series of meetings with some of the major stakeholders in Miami, including business and academic associates, personal friends, members of the Chamber, church members and members of other civic groups. Many people were very interested and became excited about the idea of joining together in a coalition to help improve integrity and services in the city. She then decided to create an initiative called "Transparency Miami." The organization is loosely associated with TI. It is autonomous and independent, working with local government, chambers of commerce and other stakeholders, but it remains unaffiliated with them.

At this point Transparency Miami is an informal entity, without an office or formal membership. Dr. Paul discovered that this characteristic has definite advantages: The local government and stakeholders were suspicious of what she wanted from them (money?) until she explained that Transparency Miami is not a formal organization looking for support. It is merely a coalition of concerned citizens and citizen groups that would like to increase integrity in government and improve city services.

Adaptation of the TI Sourcebook to the Local Level

Dr. Paul decided initially to concentrate on the adaptation of the TI Sourcebook to the local Miami environment. She wanted numerous Miami citizens to participate in the adaptation, but since most interested people were quite busy and wanted to be associated with the project without doing much work, she asked each person to edit small, manageable sections of the existing Sourcebook. The participants came from a broad range of backgrounds, including stockbrokers, a forest ranger, a nurse, a librarian, a retired journalist, students and a family therapist. No politicians or high-level officials were involved.

The participants then mailed back their materials, and Dr. Paul edited them. Many changes were simple, such as changing "country" to "community." Other changes were specific to Miami, such as sections about gated communities and the city's Latin American heritage. The book also has a section stating that it is irresponsible for the press to downplay corruption cases in order to protect the reputation of Miami, because this practice had been perceived as a problem in the past. The initial draft of the book has been completed, and copies are being circulated to those who participated in the project. The next draft will incorporate more materials specific to Miami and the problems that it has faced. Most likely the book will be available through the Greater Miami Chamber of Commerce and will be featured at the coming year's Ethics Summit sponsored by this organization.

Dr. Paul stated that this exercise has helped to bring about change in the community. In previous years, there was a feeling of hopelessness in terms of fighting corruption, but now a number of different efforts are underway to deal

with this issue. In addition to Transparency Miami, a new organization, the Alliance for Ethical Government, is focusing on government issues, and the Greater Miami Chamber of Commerce continues to focus on business issues. There is a rising sense that people can change the system and that ethical standards should be maintained, although it will take persistent effort in a number of different dimensions, including law enforcement, education and changing the business culture. Dr. Paul stated that the Hispanic business community has been particularly infiuential in encouraging change.

Next Steps

First, the Miami Sourcebook will be completed and distributed, which will increase awareness ofthe issues and the tools for increasing integrity in the city government. Already, many leaders in the city have recognized the expertise available on the international level, through Transparency International and other organizations such as the International Chamber of Commerce. As the information spreads, individuals with greater expertise should be attracted to the movement.
A number of town hall meetings, sponsored by the Greater Miami Chamber of Commerce, have already taken place. These town meetings on ethics and corruption were held in different communities in the city in order to attract the support of the numerous different ethnic groups in the city. There was a large youth summit on ethics, called "Integrity Rocks," which encouraged community groups, particularly Rotary, and other business groups. On one weekend, a number of the religious leaders in the city gave sermons about the importance of ethics. On April 30, political, business and community leaders attended an ethics summit, where workshops focused on various aspects of ethical practice, and there was a large display of materials from a variety of organizations doing work in ethics, ranging from ethical investigating to consulting to lobbying for changes in the national budget. Dr. Paul remarked that a snowball effect has occurred in Miami as the various initiatives have supported and reinforced one another.
Dr. Paul's efforts have brought an awareness to the various citizens' groups that there are many ways to become involved in the anticorruption effort, and that other communities have struggled with similar problems and continue to struggle to maintain ethical practices in government and business, as well as other social institutions. Some of the roles that
Transparency Miami might serve are ensuring that that the enthusiasm for fighting corruption in the city does not fade over time, bringing about connections to knowledgeable individuals in other communities and communicating what has been found to be effective elsewhere.

Bangalore "Report Cards": Assessing the Provision of Public Services Provided by a City Administration

Emilia Sicakova of TI Slovakia described a local-level project that she learned of in Bangalore, India. The project involves the creation of "report cards" on how well a city provides services, and it fills a vital role in the process of reform.

The report cards measure an individual city's quality of service provision. The methodology is rooted in quantitative research methods, but it is enhanced by qualitative findings obtained from interviews and observations. The value comes from complementing attitudes with statistics and from augmenting opinions with numbers. Many of the advantages of the Report Card's quantitative survey approach arise from the prior use of qualitative methods. Initial sessions with focus groups provide valuable inputs for the design of the survey.

Focus group methodology is a means of gathering information which conveys the feeling or insights of the participants. It is based on a small sample, usually of about thirty people. It mainly uses observation and unstructured interviews to uncover meanings and insights to problems and issues. Quantitative research is based on statistical principles. It uses sampling methods, questionnaires and computer-based data processing to answer questions of how much, who, where and when. It tends to be more expensive and time-consuming than qualitative research but it provides a certain degree of reliability.

The results reveal public opinion on local government service provision, and they reveal perceptions of corruption in local government. The researchers then publish and distribute the results, hold press conferences and send copies of the report cards to the relevant authorities. This method was used in many cities of India, such as Bangalore, Pune and Ahmedabad. The issues investigated included Bangalore municipal budgets and public services (water, electricity, sanitation, health, streetlights, garbage, police) for the urban poor.

The immediate results of the project were that public pressure for reform grew, and several of the authorities promised to make improvements. Ideally, in the long run citizens will learn to have higher expectations for city services and will demand more, and the civil society groups will cooperate with the government to make improvements.

TI Hungary Cooperating with the Budapest City Government: Successes and Failures

After it was discovered that employees at the Budapest city hall had accepted bribes, the Lord Mayor of Budapest invited TI Hungary to conduct a study to determine what had happened and to make recommendations so that it would not happen again. Thus far the results have been controversial and embarrassing for TI Hungary. However, they represent a useful learning experience on how (and how not) to work with local government.

A rough, incomplete draft of the TI report was leaked to the media and made press headlines. Some speculate that someone at TI Hungary released the report early without the permission of the head or the board of the chapter in order to gain personal publicity. Others speculate that the city government released the early incomplete draft in order to discredit the good parts of the report.

The draft had a number of negative statements about the city council, which the political opposition quickly picked up on. But the draft also had a number of inaccuracies and mistakes. The city government then used these mistakes to discredit the report and TI Hungary. The report will now be corrected with the help of the city government.

The case provides a number of lessons:

First, whenever one does such an evaluation, one must ensure that this is not an inspection or law enforcement exercise. Some people in the city government thought that it was exactly that, resulting in a lack of cooperation and an undermining of the report.

Second, one must work together with the city government. Such was the case in Budapest from the outset. The Mayor initiated the project. But it is very important that the city government want the results.

Third, one must realize the nuances of working in such a politically charged environment. If the report states that the government is in good shape, the mayor will use it for political leverage. If it says that the government is in bad shape, the opposition will make use of it. If one is lucky enough to find a government that is committed to reform and transparency, and if one writes a report revealing all of the cases of corruption, that government faces being voted out of office, and the next government most certainly will not want to repeat the exercise. One suggestion is to not write the report in an accusatory style but rather in a style which praises good achievements and suggests that the government could do more of some good things, or do some things better—stress the positive rather than the negative. Another suggestion is to establish a nonpartisan commission to investigate.

Fourth, the Budapest case reveals an instance in which not enough care was taken to ensure the confidentiality of the document. TI submitted the document in order to have inaccuracies eliminated, but the report was leaked.

Fifth, each TI Chapter must carefully consider the role that it should play in such an exercise. Just as some corporations want TI's "seal of approval" to display as "proof" that they are clean, city governments may also want to "use" TI in this way. Should TI do such reports by itself? Should it do reports in cooperation with other stakeholders or experts as a kind of advisory council? Or should it remain outside of the political system, just releasing broad advice and guidelines from the sideline? In order to be effective, TI cannot sit on the sidelines, yet it must find ways to minimize the risk of being used or embarrassed.

Sixth, one might learn from Dr. Paul's experience in citizen monitoring of corporations. She and her colleagues have a number of categories by which they rate corporations (in local government, the report cards could serve as a model). Then the companies compete with one another and monitor their own progress over the years. Activists and interested parties can enter into dialogues with the corporations or local governments, helping them to improve rather than criticizing them. In these cases, the protocol must be totally transparent as well—the questions of the report cards must be public and accessible, allowing the companies or administrations to prepare and know specifically what areas they might try to change.

Seventh, such a report cannot be done just once. When it is done only once, as in Budapest, everything was riding on the outcome of the report and the environment became even more politically charged. But if the report is done on a regular basis, such as every year, the results are not as make-or-break, and the local administrations can follow their progress or compare their scores to other or previous governments.

Eighth, the results should not be presented as a single score or rating, such as the TI Corruption Perception Index. Such a score does not present clear guidelines on how to improve, and it does not reveal variations. For example, the city garbage collection system may be very corrupt whereas the licensing system is relatively clean. A report showing the average of all categories is much less useful than a more detailed report.

And finally, the methodology used in local government reporting must be extremely well thought out and transparent. A Chapter should not dive into a project without understanding all of the issues, problems and nuances.

The Role of Civil Society in Establishing Integrity in Local Government

The approaches discussed at the conference focused on civil society as partners to local government. Once civic groups and government begin a dialogue on how to improve services and fight corruption, other tools will need to be employed, such as those described in detail in the TI Sourcebook (see http://www.transparency.de for further details).
The questions listed below in italics were presented to breakout groups for discussion.

What are the strengths and comparative advantages of engaging civil society in the fight against corruption?
Since all of the participants in the conference work in the civil society field, it was not surprising that they were able to list numerous ways that civil society can participate in the battle against corruption. They said that civil society groups have the advantages of being democratic, independent and trustworthy. They have a certain degree of legitimacy, credibility and the ability to mobilize public opinion around an issue. Civil society groups have advantages in terms of flexibility, innovation and effectiveness. Their focus is on the community and, therefore, they can act on a minimum of self-interest. They have time to focus exclusively on a limited number of issues. They are not bound by political or governmental constraints and are difficult for the government to control. They can take risks, move quickly, communicate effectively and work in coalitions. They also respect human rights and represent the interests of the victims of corruption.

What are the weaknesses of civil society in the fight against corruption?
Despite their activism in the field, when asked to concentrate on the weaknesses of civil society in the fight against corruption, the participants were able to name quite a few characteristics. They said that these organizations may not be taken seriously, they may act irresponsibly and they may not be effective in fulfilling their missions. They may also be reluctant to get involved in fighting corruption, feeling that that mission should belong to other groups, including the government itself. They may feel that working with the government is contrary to their goal of being an alternative to government.
Civil society groups may also face problems with resources, often being dependent upon a limited number of donors. Some groups are disorganized, have unclear missions or quickly lose interest in a topic. Sometimes they are tolerant of corruption or apathetic about fighting it and improving service delivery. In some circumstances they can be easily repressed or manipulated. And finally, the same

group of active people tends to show up at meetings for very different activities, meaning that civil society has an appeal limited to a small group of activists in the community and, therefore, may fail to reach out to the community as a whole.

How can you identify local champions within an administration to "partner" civil society?

In order to work with municipal governments to improve service delivery and root out corruption, the civil society groups need "local champions" in the administration with whom they can work. The breakout groups were asked to discuss how they might identify such individuals.

One might begin by discussing the project with several people in the administration and looking for interested people with commitment. Certainly not everyone with whom the activist speaks will be equally interested in participating, but some will be, and one way of identifying those people is by explaining the project to a number of individuals and getting their reactions.

A less time-consuming way of identifying local champions is to hold seminars on needed legislative changes with elected officials and the administration. NGO staff could then identify the people that seem most committed to improving and reforming government. Both of these strategies, however, have a potential problem of not reaching the people who might become interested because it is impossible to talk to everyone or to attract every potential "local champion" to a seminar.

Organizers could also talk with other NGOs that are specialists in a particular field in order to find out whom they recommend for the project. With which individuals have they had successful working relationships in the pastfi For example, when fighting corruption in education, one might talk to groups which specialize in education or education policy to identify local champions in the administration in that field.

Potential local champions may have already made themselves known by showing a commitment to working with civil society or by showing a strong dedication to working for the common good.

One might also attract officials to the topic by inviting them to discuss business ethics. At such an event, they might go on record saying that the business community needs to clean up its act. Then the business community can enter into a dialogue with the government. The bribers and the bribees discuss the issues.

Activists should also seize the opportunity when an opportunity presents itself. They should take the initiative of identifying potential local champions, especially around election time, immediately after an election or after a corruption scandal. They should not wait for the champions to come to them.

Some of the conference participants discussed whether the local champions in such a project need be high-ranking officials. They felt that for a project like this to be successful, it requires the top level of the government to commit to fighting

corruption, particularly in countries in which this issue is particularly sensitive like Russia. But a top-level commitment may not be necessary if it is the accepted policy of the government and society to fight corruption. For example, a mayor need not be explicitly on board in Estonia even if administrators in the housing administration are working on the project because fighting corruption and improving services are not controversial or sensitive issues in Estonia.

What are the advantages to forming separate city-based "Transparency" groups as an aid to ensuring sustainability of local efforts?

Currently TI only has a single National Chapter in each country. This session of the conference focused on the possibility of starting up TI City Chapters to deal with local-level corruption. For example, TI Russia might be able to have a much larger impact by setting up (or allowing local groups to establish) city-based TI Chapters outside of Moscow. Or Prague might have two chapters: TI Czech Republic, which would focus on national-level corruption, and TI Prague, which would focus on city-level corruption.

Numerous variations of these strategies could exist, each with its pros and cons. For example, TI Czech Republic could have a group of people within the National Chapter focusing on local-level corruption. Or TI Prague could be a Subchapter (i.e., subordinate) of the National Chapter or independent (i.e., equal) to it.

The conference participants discussed how such arrangements might work in their respective countries. What if there are disagreements between the City Chapter and the National Chapter? Could unethical individuals exploit the fact that the two chapters might not coordinate responses and approaches? Could city-based groups just act as working groups and not as formal chapters? Should the National Chapter monitor the city-based group? Should the City Chapter coordinate with the National Chapter? Should it be part of the National Chapter? Could we just consider a city-based group as a project-oriented working group?

Despite the difficulties in establishing local-level TI Chapters, the participants identified a number of advantages to establishing local TI Chapters. This approach would bring the skills of the global organization to the local level. People who work at the local level may become interested later in expanding their activities to the national or international levels, thus increasing the active population base in anticorruption activities. City groups can communicate directly with the local government. Also, whereas a TI Chapter that is based in another city in the country may have difficulties in working from a distance, a City Chapter could be on site, tapping into local resources, knowing more about local conditions and doing more immediate and in-depth follow-up work.

The participants also identified a number of reasons why it would be advantageous to work at the municipal level in general. Activists working at this level of government have access to local experts and can discuss local problems that affect

people's lives on a daily basis. It may be easier for local groups to seize opportunities for action. It may also be easier to attract enthusiastic people to the City Chapter because community members may feel that they can have more of an impact on the local level than on the national or international levels. City-based anticorruption movements can provide hope to the local population for change. They can open up community links. And in contrast to the national and international levels, at the city level it is easier to see immediate results.

One participant made a particularly good case for TI City Chapters by pointing out that turf wars may not arise with the National Chapter. The responsibilities of municipal and national governments are often completely separate (more so in the more reformed countries than in states with little decentralization), so it is possible that a National Chapter and a City Chapter could function in separate spheres.

What are the disadvantages to forming separate city-based "Transparency" groups?

However, the conference participants also identified a number of problems in establishing City Chapters. Such organizations might be hard to coordinate or control. They might embarrass the National Chapter if standards are not maintained. Members deemed to be unsuitable at one level may reappear at another level. The City Chapter and the National Chapter may end up competing for funding. If a member makes a donation, which chapter should get it? Who will evaluate the work of the local Chapter: the TI Secretariat of the National Chapter? How would disagreements of approaches between the National and Local Chapters be settled?

The approach could also present structural problems for TI. Currently TI functions on the assumption that the National Chapter knows how to fight corruption in its country better than outsiders, and national issues are referred to the National Chapters. If City Chapters are established and disagreements arise, the TI structure will need revising.

Since all of the TI Chapters in Central and Eastern Europe and the former Soviet Union are relatively new, some participants felt that the first priority should be to build strong National Chapters, and only then should they consider expanding with City Chapters.

Participants from some of the countries with more authoritarian governments felt that this strategy would be problematic because local-level reform is impossible without central government reform first; it is difficult to register NGOs a the city level; and local NGOs are sometimes not viable because of a lack of funds and the overwhelming power of the state.

What are the criteria for identifying municipalities as being appropriate for civil society to work with?

Clearly some municipalities will be easier to work with than others. How does one identify the municipalities where this strategy would be most effective? Participants felt that the ideal municipality would have the political will for change, a history of working with NGOs, local resources and local interest in the project. It would be neither a huge city nor a tiny village with no influence, but a mid-sized municipality (with that definition depending on the country). It would be a traditional center of power so that the experience can spread outwards to other municipalities. It would have a level of corruption that is manageable (i.e., not completely corrupt). The ideal municipality should have an interest in the issue which has arisen from civil society. It should also have a democratic local government that is responsive to the people.

A survey could be conducted in several municipalities to select the most appropriate site. Also, the project may function in two or more municipalities simultaneously so that they can compete with one another in their reforms and improvements.

What cities might be appropriate for this sort of project?
Cities first mentioned by the participants included Budapest, Szekesfehervar and Gyor in Hungary, Ivanova Oblast in Russia, Prague, Bratislava, Riga (Latvia) and Tbilisi (Georgia), though comprehensive assessment would be required in order to identify the best locale.

How can the TI Secretariat in Berlin assist most effectively without eroding local ownership and drive?
The National Chapter participants felt that the TI Secretariat could help them work at the local level by sending press releases to local contacts; publicizing local chapters' work; collecting information and experiences; coordinating research; conducting field studies and sociological studies in conjunction with the National Chapters; providing training opportunities (such as training on the polling and report card methodology); helping with fundraising for regional and joint projects; and providing tools for working at the local level, such as best practices.
The Secretariat could also help by sending Secretariat representatives on visits; helping the TI Chapter staff to think through cases and plan for future activities; providing information on codes of conduct; organizing workshops for cities engaged in the reform process; validating initiatives; and assisting in the creation of local-level Sourcebooks.
In addition, the Secretariat could organize regional meetings, such as a meeting of mayors of cities in a single country on how they might improve services. It could help with the translations of the Sourcebook and of other materials, particularly in languages like Russian and Romanian, which could be used in more than one country and, therefore, should not necessarily be coordinated by a single Chapter.

The participants felt that the vertical links within Transparency International were working relatively effectively. The Secretariat and individual Chapters communicate on a regular basis. However, the horizontal, Chapter-to-Chapter links could be strengthened. This might occur through Internet discussions, exchanges of TI staff from different National Chapters and more workshops to exchange information. Through e-mail, a Chapter interested in revising the laws on public disclosure of assets, for example, could broadcast to all of the Chapters in the region (or the world) what it plans to do, asking all of the recipients if they have done anything similar.

Conclusions about TI city-based groups:
If a movement arises at the local level, as it did in Miami, the movement should be supported. TI should be on the lookout for local movements or for the possibility of sparking a local movement if an opportunity arises. A local movement cannot be forced—it must grow from within. If and when the opportunity arises to work with city-based groups, the project should be considered a learning experience for future activities at the local level. In addition, one should have more focus on being a part of an international movement rather than a national organization.

Civil Society-Based Strategy for Containing Corruption at the Municipal Level

Conference participants discussed the Declaration for Municipal Reform presented on pages 3–4, plus Developing a Model for Fighting Corruption at the Local Level which expands upon the declaration on pages 7–14.

What are the strengths of this approach?
The participants felt that the model had a number of advantages. It is nonconfrontational and nonaccusatory. It has a focus on specific stakeholders (a customer focus), providing a strong motivation for them to participate. Public pressure is employed for change. It is project-oriented and issue-based. Awareness is raised on both sides: government and stakeholders. It involves the community at an early stage, it helps in planning for the future and it strengthens decentralization. Accountability is relatively clear since responsibilities and deadlines are spelled out. The public becomes involved in improving their community. It is a dynamic model that allows for change if change is necessary.
The model also educates civil society on municipal responsibilities and problems. Demands for better services can be very unrealistic unless the group making the demands understands limitations such as budgetary problems, legal complexities, etc.

And finally, comparisons can be made with other cities or with performance over time. Ideally a municipality will want to perform better than its competitors and improve its performance from the previous year.

The model may be particularly good in transitional countries—building integrity into the system is a necessary part of the decentralization process—and the two processes are reinforcing. The approach also builds a democratic tradition and strengthens civil society.

What are the weaknesses of this approach?

However, the model requires large amounts of human resources, as well as financial resources (particularly for the surveys or professional policy advice). It could create a "shadow" structure to the government. It may be difficult to find the right people to participate or to identify relevant civil society groups. The stakeholders may lack expertise in professional issues.

Also, the model is dependent upon good relations between the stakeholders and the administration, which may be difficult to maintain. It requires initiative from the population. It can distract a National Chapter from broader activities. It depends on the willingness of ordinary citizens to provide information. It does not work where the municipal representatives are not interested or dedicated to change. And some countries in the region do not have this customer focus—the government is there to rule, not to provide services to the public

How relevant could the strategy be for the regions represented?

Participants felt that the strategy is relevant because clearly corruption is a large problem, and it helps to build a democratic tradition. However, the relevance or usefulness of the approach depends on the situation and the country. An energetic, committed local government leadership is required, as are stakeholders who feel empowered enough to come forward and work with the local government.

In Russia, for example, the approach may prove ineffective because the government does not consider itself to be customer-oriented, civil society is weak, the government may not want to work with the community, and government officials may not feel that it is in their interest to fight systemic corruption. On the other hand, the local level may be the most effective level to begin fighting corruption and changing the people's attitudes.

In Russia, the size of the city and the distance from Moscow may not be as relevant as other factors. For example, Dagestan (north of the Caucasus) is one of the most criminal areas in the country, and this approach would be irrelevant and unviable there. Siberian villages would also not be appropriate, because they are small and irrelevant. They have little power and influence. Moscow is too big and unworkable. A mid-sized city would be the most effective place to implement the strategy.

In several of the Central Asian Republics, essentially there is no local government, only local arms of the state. The state is not interested in empowering civil society. On the contrary: civil society groups that attempt to judge the government, particularly in the area of corruption, could face varying degrees of punishment. In countries like the Czech Republic and Hungary, the strategy could prove to be very effective. There civil society groups are quite strong, and municipal governments are relatively responsive to the community.

What are the prerequisites for success?
For the model to work, the participants felt that the project must have cooperative municipal leaders, a good information system, good communication between the participants and a clear identification of who defines the key areas of action. There should be a means of identifying the stakeholders—it might be necessary to exclude stakeholders which try to use the project for their own purposes. The project also needs dedicated people and qualified specialists. A good public awareness campaign is needed, as is effective work with the media. The stakeholder groups must be credible and of good reputation—a city government will not be interested in working with amateurs. And finally, high standards must be introduced and maintained through follow-up activities.

How would one build city-based civil society groups to work in partnership with their local administrations?
The conference participants discussed how they might identify stakeholder groups. They stated that they might find existing groups. To identify other and new groups, they might hold a forum to which the mass media would be invited.
Alternatively, the project participants might work quietly with the administration, in a confidential manner, so as to make improvements without causing political scandals that could destroy the cooperative relationship. Participants felt that this approach would be appropriate in Russia, but not in Central Europe where greater transparency and openness would be required.
Participants felt that in Central Europe one should be familiar with the local government leaders, but one should begin the project by getting the stakeholders involved first in order to create a strong movement. But in Russia, for example, one should go to a known, friendly mayor first, not to the stakeholders; one should know the administration personally, since in Russia civil society is not as strong. Project coordinators could also work with think tanks to develop proposals for reform. TI National Chapters that are also think tanks have an advantage here. One could also work with the Association of Local Authorities from the outset so that it can spread the methodology and experience.

TI National Chapter Institution Building

What kinds of members could the Chapters have, or what kind of members might they seek to attract?
The TI Chapters in Central and Eastern Europe and the former Soviet Union are relatively new and in need of building their capacity and institutional base. Conference participants discussed what kind of members they would like to have. Suggestions included individuals, corporations, politicians, NGOs, experts, academics, lawyers, business people, business associations, people with good connections such as journalists and retired officials, professional associations, consumer groups, academic institutions, research units inside government, independent think tanks, law firms, student groups, church groups and possibly political parties.
They discussed whether they wanted their Chapters to be a kind of mass movement in which anyone can join, or if they only wanted to have members who would be willing to make some sort of commitment.
Corporations could provide funding and greater publicity but may damage TI's reputation or seek to use TI for its own purposes. They may insinuate, "How can we be corrupt? Our firm is an active member of TI!" Politicians may also try to use TI's reputation, but, on the other hand, TI should encourage politicians to be committed to the fight against corruption.
Other strategies include attracting NGO membership in order to make the Chapter a coalition of NGOs, or utilizing expert members to form working groups to address specific problems. One of the breakout groups developed membership models: (1) paid, signed up members (formal); (2) members receiving newsletters, etc. (informal); (3) corporate membership of professional, religious, etc., organizations. Some participants felt that with a broader base of membership, the organization gains strength, legitimacy and visibility.
Conference participants also discussed whether or not a Chapter should be able to expel members, and if so, how and for what reasons?

Why do you need members? What should they do?
Members could provide expertise for specific assignments, provide advice and assistance, put transparency into the agenda of other groups and networks, share insights and increase understanding, develop shared positions on ethical/moral questions, provide access to resources, provide legitimacy and credibility, provide links to the public sector and the mass media, and help at the office.
Should they pay a fee? Should nothing more be required than them signing up to receive newsletters and other publications and stay informed? Also, should members have to apply to join the Chapter? What would the application form include? Would it have some sort of vow to behave ethically? Should there be

limitations to membership? Is the goal to have huge membership or only committed members?

All of these questions must be addressed by the individual Chapters as they build their institutions and expand their activities.

What are the strategies for building membership/supporters?
Chapters could hold roundtables and other meetings at various/numerous places, such as business organizations, churches, etc. They could publicize their work, distribute applications, identify people who can make calls to attract more people, send out e-mails, solicit potential members through other contacts and use partner organizations' mailing lists

What are the obstacles to attracting members?
Practically, funding is a problem in reaching out to the community. Also, there is a need for balance of different factors, such as political orientation, professional background and ethnic/national backgrounds so that the Chapter does not become stereotyped as only serving one or two communities or charged with addressing the issue from only one side of the spectrum.

Sometimes members' political biases can get in the way of activities. Finding and keeping good people is a problem, as is fighting apathy and the feeling that nothing can be done. Some members of the public think that it is only the government that has to fight corruption. And some people have specific interests and may not want to work towards a larger mission or a mission focused on another topic. In addition, membership may grow at first, but maintaining the momentum and keeping people active may be more difficult

Another problem that Chapters have encountered is that individuals or groups want to be certified as noncorrupt. At the international level, for example, some corporations that have developed reputations for giving bribes and working with corrupt officials. After they make efforts to improve their ethical standards, they approach TI for a "certification." This raises problems of ensuring high standards, criteria, etc. Similarly, local-level officials may ask to be certified.

In some areas such as Central Asia, the government has almost all of the power and civil society is not active, so these countries will have a hard time attracting members. Also, in countries like Kazakhstan and Malaysia, the government uses the corruption issue against the opposition, thus discrediting the issue. Authoritarian governments may control or punish NGOs, so again, membership will be difficult.

What are some of the solutions to those problems?

One participant said that people cannot believe her organization fights corruption because the TI office is too nice. Possible solution: transparency of the TI chapter—publish your budget and expenditures.

Another individual identified as a problem to membership the fact that Russia is too big. Possible solutions: work at the local level and have more than one TI Chapter in Russia.

One individual identified as a problem the fact that you can find experts to work with you, but then they leave. Possible solutions: be accommodating to their schedules, identify more experts, make people proud to work for TI and work with your old associates who are now in government or in other positions.

Another problem in attracting members is that people do not believe that corruption can be effectively combated. Possible solution: tell people about successes in other areas, or possible solutions, or how they might contribute to a good solution

One group provided a possible model for the structure of the Chapter: an Advisory Committee is formed at the top to give the organization prestige, credibility, relevancy and direction. Under the Advisory Committee comes a Board, and under the Board the Chapter. The Board and the Chapter are the working members. Finally, a general solution to holding the commitment of members is to ask prospective members why they would like to join and what they are willing to give back to the group.

How can you find funding for your Chapter?

Participants stated that in this area the Advisory Committee for the organization should help by approaching potential funding sources, and the TI Secretariat could visit and introduce the Chapter to potential funders, adding prestige to the organization.

Grants are another option. Funding sources identified by participants included Soros Foundations, Phare/Tacis, Kettering, Eurasia, Ford, McCarther, Mott, UNDP, USAID, USIS, grants from individual countries through the embassies, National Endowment for Democracy, OSCE, political foundations, etc.

Corporate sponsorships are also an option. An organizational representative, preferably with experience in fundraising and skilled at "selling" the anticorruption strategy, should approach corporations for sponsorships. Many firms would be happy to lend their support (and their name) to activities oriented towards fighting corruption.

Some governments provide funding for NGOs.

TI Chapters should explore fundraising opportunities. They could also sell books, journals, etc., that they produce. In addition, these publications should be given to potential funders to demonstrate the high quality work that the organization has already done.

TI Chapters could also work for government contracts. For example, if a local government would like to collect data on inefficiencies or bribery in the garbage collection service, the Chapter could perform the work on a contract.

The TI Czech Republic Chapter reported that it is considering work with or for the local government to set up an office to help the victims of corruption.

The Chapters could also cooperate with organizations with more money, share contacts of neighboring chapters and hold regional/international TI fundraising for joint projects or activities. All of the Chapters could help each other by sharing information so that they can avoid reinventing solutions to the funding problem. Participants discussed whether they should avoid companies which have been privatized in a corrupt manner. They stated the importance of avoiding dependence on one funder. They said that it is vital to ensure sustainability by building good will with local businesses (and it is also important to improve business standards).

How can you establish a Secretariat?
At minimum, you need telephone with answering machine and access to copy machines
Optimally, an office would have computers, e-mail, fax, Internet access, its own photocopier, mailing list and other office supplies

Building Regional Cooperation

The participants discussed ways that the National Chapters in Central and Eastern Europe and theformer Soviet Union might increase cooperation with one another, with the TI Secretariat in Berlin and with the TI National Chapters in other parts of the world. Participants felt that the vertical (Secretariat-National Chapter) relationships are working more effectively than the horizontal (National Chapter-National Chapter) relationships. National Chapters should find means to communicate with one another, such as Internet discussion groups, regional and subregional e-mail groups, regional workshops, joint projects, professional development training, discussions of global and regional issues, Chapter exchange programs, more publications, brief descriptions of activities, etc. Chapters could share experiences by announcing on a subregional, regional or international basis their plans by e-mail, newsletters or other means. For example, if one Chapter plans to work on developing a code of conduct, it could make one announcement through e-mail to all of the other Chapters in the region to see if any of the other Chapters had already worked on this issue.

The participants also stressed the usefulness of real life examples and dilemmas. Problems that other Chapters experience can be just as educational as successes.

The TI Secretariat could assist the Chapters by disseminating more case studies and issuing journals containing case studies. A quarterly journal could have longer case studies submitted by individual Chapters. A format may be useful so that successes and failures would be described. The publishing could be decentralized to save money on printing and mailing. Special regional versions could be produced. Shorter announcements (such as TI Latvia holding an integrity workshop in November) could be issued on a weekly basis.

The international network of TI Chapters helps the individual National Chapters by providing support, experience and some protection from political persecution. The network is an effective means of mobilizing human resources from around the world. For example, if an anticorruption activist is imprisoned, letters arriving from all over the world could influence the government. Similarly, letters from TI members to members of Parliament or congressional representatives in their own countries could influence foreign policy, which, in turn, could influence the government in another country.

The network is also important for the dissemination of information. For example, it may be an important means of getting information out from closed, repressive societies.

TI Chapters could disseminate information more effectively by creating more detailed web sites. They could also study municipal web sites in their countries and tell others about the informational contents so that other Chapters and municipalities could learn about information that can or should be public. Methodological materials, such as lists of survey questions used elsewhere, should be on the TI web site.

Consideration might be given to ideas on how the TI Secretariat can ensure that the National Chapters do not abuse the reputation of the network.

A great deal could be learned by developing a single methodology for fighting corruption and implementing it in several places. Participants could study why it worked in some places and not in others.

TI Chapter exchange programs, such as a week at another Chapter, could be very useful.

Information on how to organize the Chapter could be disseminated, such as how to create a budget, how to raise funds, etc. Other information which could be distributed: codes of conduct, information about transitions to the market economy and how globalization is affecting corruption in the region.

A regional structure for Central and Eastern Europe and the former Soviet Union should be on the table. There is no immediate need for such a structure, but in the future it may be useful.

The Secretariat might offer training for the National Chapters.

Conference Participants

TI London Office
phone: (44-181) 748-7405
fax: (44-181) 748-7405

Jeremy Pope
Executive Director
jeremypope1@compuserve.com

Diana Pope

TI Secretariat, Berlin, Germany
phone: (49-30) 343-8200
fax: (49-30) 347-03912

Miklos Marschall
Executive Director for Central/Eastern Europe, the former Soviet Union and
Mongolia
Marschall@compuserve.com

Donald Bowser
Program Officer for Central Asia, Mongolia and Russia
dbowser@transparency.de

Sergei Chereikin
Program Officer for Eastern Europe
schereikin@transparency.de

Sara Morante
Program Officer for Southeastern Europe, Italy, Spain and Portugal
smorante@transparency.de

**TI Transparency in Local
Government Coordinator**
phone: (1-202) 364-9622
fax: (1-202) 364-8925

Michael Lippe
Urban Coordinator
mjlippe@aol.com

TI Czech Republic
phone: (420-2) 2422-2658
fax: (420-2) 2422-2658

Michal Burian
Executive Director
transparency@iol.cz

Lidmila Nemcova
Executive Council Member
nemcoval@vse.cz

TI Estonia (in formation)
phone: (372) 626-3160
fax: (372) 626-3152

Agu Laius
agu@jti.ee

TI Georgia (in formation)
phone: (99532) 950-277
fax: (99532) 997853

Koba Kikabidze
datotv@hotmail.com

TI Kazakhstan (in formation)
phone: (3272) 425-541
fax: (3272) 425-541

Sergey Zlotnikov
legal@lic.almaty.kz

Viyaliy I. Voronov
alc@itte.kz

TI Latvia, DELNA
phone: (371-7) 503-650
fax: (371-7) 503-651

Diana Kurpniece

Project Manager
diana@delna.lv

Ildze Slanke
Office Manager
ildze@delna.lv

TI Russia (in formation)
phone: (7-095) 923-2459
fax: (7-095) 925-6182

Dmitry Makarov
makarov@aif.ru

Boris Demidov

TI Slovakia
phone: (421-7) 5241-1020
fax: (421-7) 5823-3487

Emilia Sicakova
ema@cphr.sk

Transparency Miami
phone: (1-305) 919-5870
fax: (1-305) 919-5478

Karen Paul
paulk@servms.fiu.edu

Local Government and Public Service Reform Initiative (LGI)
Open Society Institute, Budapest
phone: (36-1) 327-3104
fax: (36-1) 327-3105

Juliet Gole
Project Manager
jgole@osi.hu

Ondrej Simek
Consultant

osimek@osi.hu

Web Resources
Transparency International: http://www.transparency.de
Transparency International Czech Republic: http://www.transparency.cz
Open Society Institute: http://www.osi.hu

Appendix

Tools for Fighting Corruption in Local Government

Once the stakeholders and the local administration are communicating and cooperating in their effort to improve services and root out corruption, they will need tools to change the administration. A full exploration of specific approaches is beyond the scope of this volume. A great deal of information is available on the world wide web, with the two best sites probably that of Transparency International (http://www.transparency.de) and the Anti-Corruption Network for Transition Economies (http://www.nobribes.org). A partial list of the tools that might be employed follows. It is by no means meant to be comprehensive.

- Establish an office of the ombudsman;
- Establish a complaints office;
- Close legislative loopholes that allow corruption to exist;
- Create codes of conduct;
- Clearly define the duties and responsibilities of each employee;
- Reduce excessive paperwork, licensing and regulations;
- Have a transparent procurement process;
- Publish local budgets;
- Hold budget hearings for the community to discuss the budget with the administration;
- Publish city council (and other government) decisions;
- Pass freedom of information acts;
- Hold community hearings about important issues;
- Establish an independent anticorruption commission;
- Establish and independent commission to monitor the privatization or procurement processes;
- Teach ethics (to students, children, business people, administrators, city council members, etc.);
- Reform the personnel/human resources system so that employees are paid an appropriate wage and paid on time and so that they have incentives to improve in their work;
- Educate members of the public about their rights as citizens and where they should take their complaints if a bribe is demanded from them;
- Reform the judicial system;
- Create guidelines for conflicts of interest;
- Conduct studies on how corruption occurs in the specific locality so that the

problems can be clearly identified and specific solutions can be devised;
- Publicize studies of corruption in the specific local government;
- Encourage community leaders (political leaders, religious leaders, teachers, members of the media, etc.) to discuss corruption and ethics;
- Educate local elected and appointed officials and local civil servants about the importance of ethics.