ABSTRACT

YEMANE DESTA. Designing Anti-Corruption Strategies for Developing Countries: A Country Study of Eritrea. (Under the direction of James H. Svara)

The purpose of this research is to identify the anti-corruption strategies available for fighting corruption in developing countries and assess their relevance to the newly independent country of Eritrea by canvassing the opinions of Eritrean public officials. The anti-corruption strategies considered in the study are divided into four broad categories: Economic/Market Reforms, Administrative/Bureaucratic Reforms, Accountability/Transparency Enhancing Reforms, and Political Accountability Enhancing Reforms. Data are collected through the administration of questionnaires to a sample of 62 Eritrean public officials from 13 ministries of the Eritrean Government to assess their views regarding the extent, causes and remedies of corruption in Eritrea. The survey evidence indicates that the overwhelming majority (90 percent) of the respondents believe the issue of corruption in the context of Eritrean public administration is important. Moreover, an overwhelming majority (95 percent) of the respondents think that high emphasis should be given to preventing/fighting corruption at present. For the years 2000 and 2003 the majority (64.5 percent) of the respondents believe that corruption in Eritrea ranges between none to minimal while 35.5 percent think corruption in Eritrea ranges between moderate to prevalent. Two important differences are observed between respondents who perceive lower rates of corruption and those who perceive higher rates of corruption. The research indicates that respondents who have not received foreign education are more likely to perceive higher levels of corruption (38 percent) than respondents who received foreign education (18 percent). The research

also indicates that respondents that are members of the party are more likely to perceive higher levels of corruption (40 percent) that the respondents who are members of the ruling party (18 percent).

The survey evidence also indicates that according to the respondents the top five leading causes of corruption in Eritrea are low salary of public officials, lack of accountable/transparent political process, lack of meritocratic personnel policy, lack of effective corruption reporting system, and self-serving attitudes of public officials. The survey evidence indicates that Eritrean public officials demonstrate weak preference for economic reforms, very strong preference for administrative reforms, strong preference for accountability reforms and moderate preference for political reforms.

Designing Anti-Corruption Strategies for Developing Countries: A Country Study of Eritrea.

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Chapter 1. Research Problem

1.1 Eritrea: Background Information

Shaped like elongated triangle, Eritrea is located on the African shore of the Red Sea, and has an area of 46,773 square miles, with a coast extending for almost 620 miles (Fegley, 1995). The country is bounded by the Red Sea on the east, to the north-west by Sudan, to the south and west by Ethiopia, and to the far south-east by Djibouti (see Figure 1) (Fegley, 1995). Its strategic location gives it a dominant position to command both the strait of Bab El Mendeb on the southern tip of the Red Sea, serving as a getaway to the Indian Ocean, and the Suez Canal and leading the Mediterranean on the north (Bereket, 1980). Though a relatively small by African standards, Eritrea has a varied topography and climate.

For its small size, Eritrea is an incredibly diverse state comprised of nine major ethnic groups where the population (estimated to be 3.9 million) is evenly split between Christians and Muslim (Hoyle, 1999). 80% of the population depends for its livelihood on subsistence agriculture. Eritrea is one of the poorest countries in Sub-Saharan Africa with Human Development Index (HDI) ranking of 155 out of 177 countries, with life expectancy of 52.5 years and literacy rate of 56.7 (UNDP Report, 2003).

Eritrea was founded by Italian colonialists in 1890 at the height of what is popularly known as "The Scramble for Africa", a period during which the colonial boundaries of today's Africa were demarcated. The Italians ruled Eritrea for 50 years or so until they were replaced by the British in 1942. After Italy's defeat in the Second World War, a British caretaker government assumed control of Eritrea while the allied powers contemplated its destiny (Hoyle, 1999).

Figure 1. Map of Eritrea



Source: Greenwichmeantime.co

The British Military Administration governed Eritrea until 1952, where Eritrea was federated with Ethiopia by the decision of the UN. However, the federal arrangement reached with Ethiopia was unilaterally abrogated by then Emperor Hailesellassie of Ethiopia in 1962. Eritrea was swallowed by its larger neighbor, Ethiopia and became Ethiopia's 14th province.

The Eritrean war of independence from Ethiopia started in 1961, and emerged victorious when the EPLF (Eritrean Popular Liberation Front) managed to defeat the Ethiopian occupying forces stationed in Eritrea by 1991. Eritrea gained formal independence and joined the community of nations in May 23, 1993, after Eritrean electorate overwhelmingly (99.8) voted for independence in UN supervised free and faire elections.

Since then Eritrea has embarked on national reconstruction after a 30-years of destructive war against Ethiopian occupation. The progress made so far is summed by Gote Hansson:

> …A constitution was drawn up and promulgated, and the basis for a participatory political system was laid out. New economic institutions were created and considerable reform undertaken. Problems in coordinating reform and construction were largely avoided mainly because of institutional 'clean slate' facing the country at independence and the high level of social solidarity and other social capital that characterize the country. A well-defined economic strategy, and careful use of aid, promised higher returns on investment (and fewer unsustainable projects) than found elsewhere in Sub-Saharan Africa…..
> (Hansson, 2001)

Commenting on the social discipline of Eritreans and the existence of corruption in Eritrea similar positive sentiments are shared by Robert Kaplan:

> Desperately poor and drought stricken ….Eritrea nonetheless has a surprisingly functional social order. Women run shops, restaurants, and hotels; handicapped people have new crutches and wheelchairs; people drive slowly and even attend driving school; scrap-metal junkyards are restricted to the urban outskirts; receipts are offered for every transaction; there are fewer electricity blackouts and sloppy maintenance or badly managed resources. Foreign diplomats in Asmara praise the country's lack of corruption and its effective implementation of aid projects…." (Robert Kaplan in *The Atlantic Monthly*, April 2002)

Eritrea's promising functional social and economic order despite the destructive effects of war can in part be explained to a legacy of the Italian colonial period and most importantly the fierce independence and "can-do" mentality of Eritrean that has been forged during the 30-year war of independence. During more that 50 years of colonial occupation of Eritrea, the Italian had made a huge investment in Eritrea in terms building infrastructural projects such as roads and railways as well as introducing modern technology. Having conquered Eritrea in the late nineteenth century, the Italian by the late 1930s turned their new colony into one of the most highly industrialized places in Africa, with road and railway networks that united people previously divided by mountains and deserts (Kaplan, 2002). Eritrea was once the most industrialized in Africa and has the legacy of a hard-working labor and good public and private management (USAID, 1998).

The" can-do" mentality of Eritrean was inculcated by the sheer loneliness of the 30-year war in which Eritrean learned self-denial, solidarity, patience, a high sense of national purpose that nonetheless accommodated pragmatism and adaptability (Hirst, 1998). The long struggle left Eritrea with neglected and devastated infrastructure; however, it also forged a strong determination to build a self-reliant new nation (USAID, 1998) Thus, all the indications are Eritrea is poised to lift itself up and make significant strides in the direction of progress, economically as well as politically.

1.2 Introduction

Corruption, broadly defined as the abuse of public office for private gain by the World-Bank, has been acknowledged as a universal problem. In the words of Myint (2000) "corruption occurs in all nations, both developed and developing countries, in public and private sectors, as well as non-profit organizations." The problem of corruption within or across nations is not a recent phenomenon, nor is it exclusively a Third-Word problem (Ghazanafar & May, 2000). However, corruption exists both in developed and developing countries in different forms, degrees and has differing consequences. Furthermore, within countries falling under the category of developing countries, ranging from a bigger, relatively well-developed country as Indonesia to smaller to a relatively poorly developed country as Uganda, we observe differences in corruption practices pertaining to the unique economic, political, and social features of a given country. However, we can safely argue that developing countries already suffering from poverty, poor health, high levels of illiteracy, low economic growth, and political instability would be much more prone to corruption and more seriously harmed by it than the developed countries. Whereas corruption is a problem for all countries, Africa is regarded as least able to bear the heavy costs in view of the continent's debilitating poverty. (Olowu, 1999) According to one official of the Word Bank corruption has been dubbed as the "Aids of democracy" for developing countries. The relatively recent colonial experience is also a contributing factor. The legitimacy of governmental institutions (which presumably help to retard corruption) is weak in many developing countries even after power had been transferred to local elites. Mbaku (1998) asserts that in the case of post-colonial Africa the capture of governance systems by indigenous elites instead of

increasing the welfare of the previously marginalized people had resulted in manipulation of state power by the ruling elite to plunder the economy for its own benefit. Ghazanar and May (2000) explain the link between colonialism and corruption in the context of developing countries as follows:

> Many Third word nations have relatively recently gained independence from the former colonial powers of Europe. This is especially true of many African countries. Often the transition to an independent nation has not been a smooth one. There have been political coups, violent overthrows and other unstable forces, representing the background for he evolution of public-sector institutions. It is no surprise that many of these regimes turned out to be corrupt. …. Often ad hoc structures, without proper legitimacy, tended to be hastily developed giving rise to political instability in later years. Further, public employees at all levels tended to be poorly trained or lacking altogether. Such conditions make the possibilities of corruption very easy and widespread.

The study of corruption in developing countries deserves attention if we are to discover and implement the correct kinds of solutions to corruption problems. Because of the limited previous research on corruption in developing countries and the likelihood of the differences among these countries, there is a need for conducting studies of corruption at the country-level in order to fully account for unique contextual factors. Doug and Riley (2002) point that seeking to identify generic causes or patterns of corruption within any single specific developmental timescale, and within state activities, or without reference to related issues is both comparatively complex and methodically fragile. However, Doug and Riley country-level studies of corruption can identify distinctive patterns of

corruption, specific approaches and possible generic solution. Thus, the study of corruption in the context of Eritrea can reveal country-specific solutions as well as drawing lessons that are generalizable to developing counties in at large. Moreover, valuable comparative studies can me made between the patterns of corruption in Eritrea and other developing countries to enrich the literature of corruption with country-specific anti-corruption strategies and some generic lessons that can be shared among developing countries.

Empirical research to measure corruption is quite a new undertaking that only began in earnest in 1993 with the establishment of Transparency International, a civil society organization dedicated to curbing both international and national corruption and the widespread application of corruption indices developed by Transparency International (TI). The Corruption Perception Index (CPI) is a composite index, drawing on 16 surveys from 8 independent institutions. The surveys embrace the perceptions of business people, the general public and country analysts. The CPI ranks countries in terms of the degree to which corruption is perceived to exist among public officials and politicians.

Transparency International admits that in an area as complex and controversial as corruption no single source or polling method has yet been developed that combines a perfect sampling frame, large enough country coverage, and a fully convincing methodology to produce comparative assessment. This is why the CPI adopted the approach of a composite index. It consists of credible sources using different sampling frames and various methodologies and is most statistically robust means of measuring

perception of corruption. (TI, 2000) The CPI includes data from the following institutions:

1. Freedom House Nations in Transit (FH)
2. The Economist Intelligence Unit (EIU)
3. The Institute of Management Development, Lausanne (IMD)
4. The International Crime Victim Survey (ICVS)
5. Political Risk Services (PRS)
6. The Political and Economic Risk Consultancy, Hong Kong, (PERC)
7. The World Bank and the European Bank for Reconstruction and Development (WB)
8. The World Economic Forum (WEF)

The Berlin-based Transparency International annually develops the global CPI based on a of zero to 10 (zero being highly "corrupt" and 10 being highly "clean") The 2003 TI CPI depicts a disturbing picture about the pervasiveness of corruption in the world and especially in developing countries:

- Seven out of ten countries score less than 5 out of a clean score of 10 in the IT CPI 2003, which reflects perceived level of corruption among politicians and public officials in 133 countries.
- Nine out of ten developing countries scored less than 5 against a clean score of 10 in the TI CPI 2003.
- Five out of Ten developing countries scored less than 3 out of 10, indicating a high level of corruption

Corruption is perceived to be pervasive in Bangladesh, Nigeria, Haiti, Paraguay, Myanmar, Tajikistan, Georgia, Cameroon, Azerbaijan, Angola, Kenya and Indonesia with a score of less than 2 in the current index. (TI, 2003)

Eritrea has not been included in the rankings of the TI. However, in one survey conducted by the TI Eritrea scored 5.5 on the 2002 Transparency International corruption report. The rule followed by the TI is that three surveys are required before the corruption ranking of a given country is officially published, and hence endorsed by the TI. Still, we may take the evidence of a single survey coupled with the anecdotal evidence from foreign diplomats and journalist to mean that Eritrea enjoys one of cleanest government in Sub-Sahara Africa.

Table 1.1 A partial profile of corruption around the world (2003 rankings)

Least Corrupt (in descending order)	**Most Corrupt (in descending order)**
Finland	Bangladesh
Iceland	Nigeria
Denmark	Haiti
New Zealand	Paraguay
Singapore	Myanmar
Sweden	Tajikistan
Netherlands	Georgia
Australia	Cameroon
Switzerland	Azerbaijan
Canada	Angola
Luxemburg	Kenya
United Kingdom	Indonesia

Although TI has studied the level of corruption across countries, there have been no studies that have examined the causes of corruption or perceptions about strategies for preventing or eradicating corruption. TI urges governments to implement result-oriented programmes to fight corruption while promising to provide practical help to the needs of their national anti-corruption strategies.

1.3 Purpose of Study:

The purpose of the study is to identify the anti-corruption strategies available for fighting corruption in developing countries and assess their relevance to the newly independent country of Eritrea by canvassing the opinions of Eritrean public officials. The study specifically aims:

- To assess the perception of Eritrea public officials regarding the extent, causes, and remedies of corruption in Eritrea
- To identify reform priorities among alternatives derived from anti-corruption theory as well as local realities
- To analyze the relationship between views about the extent and causes of corruption and preference for anti-corruption strategies
- To use the survey results for debate among researchers, politicians, policymakers, national/international partners as well as for raising public awareness

The study contributes to the larger purpose of understanding the nature of corruption in public administration in general and in developing countries in particular in three ways. First, the country-specific study is undertaken at a time, never than before, corruption has

been recognized as a national as well as global problem. In recent years, and especially in the 1990s, the phenomenon broadly referred to as corruption has attracted a great deal of attention so much so the writing of books on corruption has become a growth industry. (Tanzi, 1998) Collier (1999) also acknowledges that corruption has became on of the "hot" foreign policy topics of the 1990s, in contrast to the periods before 1990 when corruption appeared of little concern to the international community.

Tanzi (1998) advances several arguments that suggest corruption is attracting more attention now than in the past. First, the end of the Cold War has the political hypocrisy that has made the decision makers in the West ignore the political corruption that existed in countries that were in the right political camp. Second, perhaps because of lack of information, or reluctance to talk about it by those familiar with these countries, there was also a tendency not focus on the corruption in the centrally planned economies, such as the Soviet Union. Third, the increase in recent years in the number of countries with democratic governments has created an environment in which discussion of corruption is no longer a taboo. Fourth, in all its ramifications, globalization has brought individuals from countries with little corruption with those from countries where corruption is endemic. These contacts have increased the international attention paid to corruption (Tanzi, 1998). Finally, the organization which perhaps made the greatest impact in the fight against corruption is Transparency International (TI). TI, established in 1993 as a non-profit organization whose purpose is "to curb corruption by mobilizing a global coalition to promote international and national integrity systems," has put the debate about corruption and development on center stage in the international arena (Hope & Chikolo, 2000).

Thus, the study makes a timely contribution the knowledge we have about corruption and the ways of preventing/fighting corruption in developing countries with view of drawing valuable lessons for the newly independent African country of Eritrea.

Second, the country-specific study of corruption of one Sub-Saharan country provides the first step in the future studies of cross-country corruption. A growing role is being played by non-governmental organizations, such as Transparency International and international financial institutions, such as the IMF and the World Bank to create anti-corruption movements across countries. (Tanzi, 1998) These intenational institutions are playing a critical role by acting as a clearing house of corruption-related knowledge and information. The study provides an importanct perspective from Eritrea that can be used in a cross-country studies of corruption that would be undertaken in the near future.

Third, our knowledge about corruption in Eritrea so far has been anecdotal. By conducting the first empirical study of corruption Eritrea, this research work makes a significant contribution to efforts aimed at designing and implementing the relevant reforms of the Eritrean public administration. This country study of Eritrea is, indeed, a significant step in the eventual aim of having public sector reforms in place to forestall the emergence of corruption on a grand scale. Thus, the study serves as diagnostic tool for identifying and hopefully designing and implementing anti-corruption measures that fit the specific environment of the newly independent state of Eritrea. The study has added significant coming at a time when Eritrea is credited with having one of the cleanest governments in Sub-Saharan Africa. Hence, the value and the ease associated which preventive measures cannot be overemphasized. As Thomas Jefferson observed about the value of preventing of corruption: “The time to guard against corruption and

tyranny is before they shall have gotten hold on the US. It is better to keep the wolf out of the fold, than to trust the drawing of his teeth and talons after he shall have entered" (Jefferson, 1787.)

The corruption literature makes it clear that antic-corruption strategies should be tailored to fit the nature of corruption to the unique social, economic, and political circumstance of a given country. However, there are certain general themes that can be shared among developing countries. For instance, the commitment of new leaders to fighting corruption has been demonstrated in African countries such as Uganda and Namibia following liberation. Thus, the study of corruption and its findings in the context of Eritrea would have relevance to developing countries sharing common characteristics in terms of colonial history, society, economy and politics.

1.4 Theoretical Framework

When examining the nature of corruption, it is important that three theoretical explanations – personalistic, institutional and systemic are used to put the study of corruption in perspective. (Kupendeh, 1994) Economic explanations of corruption are considered part of the systemic explanation as the systemic focus encompasses the relationships between government and the private sector.

Personalistic or *individua*l explanations associate corruption with individuals, who provided with enough opportunities, will act corruptly and as such the phenomenon of corruption is reduced to personalities. (Osei-Hwedie & Osei-Hwedie, 2000) According to personalistic explanation corruption is simply a consequence of human nature; that is, human beings are all subject to greed and can behave corruptly to rationally maximize

gain. (Kupendh, 1994) However, the personalistic view typically is an exercise in blaming individuals, and frequently tells us little about more basic problems of corruption. (Johnston, 1982) Furthermore, individual attitudes and behavior are influences by social norms and conditions.

Institutional explanations, on the other hand, regard corruption as deep-seated consequence of loopholes, hidden dynamics, or unintended side effects inherent in a country's institutions and laws, rather than merely the wrong doings of few bad individuals. (Kupedeh, 1994; Johnston, 1982) According Johnston (1982) institutional problems that could cause corruption might involve mundane matters of administration, such as lax auditing procedures or uncertain communications among sections of a large organization. Johnston adds that less obvious but more interesting as possible causes of corruption are incentives or strategies emerging as by-products of institutional and legal arrangements. The major drawback of the institutional focus is that it leads us to analyze laws or organizations in isolation of their wider political context. (Johnston, 1982)

Systemic explanations, originating in the interaction between government and the public, is the most comprehensive explanation as it regards corruption as a form of influence within the political system, rather than the failing of individuals and institutions. (Kupendeh, 1994) The systemic view of corruption sees the origin of corruption in this interaction between government and the public where pressures, demands and influence are brought to bear upon government by interested individuals and groups (Johnston, 1982.) The systemic explanation includes economic, social, political and administrative factors that contribute to the emergence and growth of corruption in a given setting.

For the purpose this study systemic explanation is used to bear on the analysis of corruption. Among the advantages of selecting the systemic explanations are:

- A systemic focus fits with the formal/legal definition of corruption because it regards the law as an important source of benefits and sanctions.

- Because it entails an understanding of the whole political system, the systemic perspective can link the study of corruption to other lines of theory and inquiry into politics and corruption.

- Because it offers no simple explanation for corruption, it does not delude us into searching for one-shot "quick fixes" for the corruption problem.

- It is essentially an analytical approach, not a moralistic one, in keeping with the notion that the first thing we need to do about corruption is to understand it. (Johnston, 1982)

According to World Bank (1997) to address corruption effectively a holistic approach is needed which can:

> Examine the sum total of the institutions and practices within a given country that address aspects of maintaining the honesty and integrity of government and private sector institutions. It includes each of the institutions (pillars) from the executive, legislative, and judiciary, to the private sector, the media and civil society organizations, the various institutional inter-relationships and the equilibrium of the system as a whole.

Stapenhurst and Langeseth (1997) underline the need for establishing a national integrity system designed to prevent corruption from occurring in the first place and, because corruption tends to be a systemic problem, the primary emphasis is on changing system,

rather than blaming individuals. A national integrity system that includes the principal components of public sector anti-corruption strategies and watchdog agencies – together with public awareness and participation, accountability of the courts, roles of the media and the private sector, and international cooperation can be taken as pillars on which a national integrity system can be built on which sustainable development depends. (Stapenhurst & Langseth, 1997)

Transparency International (2000) argues that there is no one sure approach to eliminating or reducing corruption and the conclusion that can be drawn is that anti-corruption initiatives that are multi-pronged and inclusive are needed.

Based on the premise that broad-based approach to corruption is essential, the paper examines four broad categories of reforms (anti-corruption strategies) that can be designed and implemented to prevent/combat corruption in developing countries in general and in Eritrea in particular as part a comprehensive anti-corruption reform program. The four categories of reforms are: Market/Economic reforms, administrative/bureaucratic reforms, accountability/transparency enhancing reforms, and democratic accountability enhancing reforms.

Broadly speaking *economic/market* reforms (such as privatization and tax reforms) involve economic liberalization designed to promote a vibrant private sector and reduce public sector waste. *Administrative/Bureaucratic reforms* (such as code of ethics and public sector pay increase) encompass civil service reforms designed to enhance the performance of the government bureaucracy. *Accountability/Transparency enhancing reforms* (such as the auditor-general office and anti-corruption commission) involve measures designed to open up the work of the government to public scrutiny as a way of

holding public officials answerable for their actions. Finally, *democratic accountability enhancing reforms* (such as political competition and party financing laws) are designed to promote effective citizen participation and genuine political competition.

It is true that administrative/bureaucratic reforms seem to stress internal controls as the remaining three categories of reforms seem to stress external control, it does not by any means mean that one category of reforms is entirely based on internal controls and excludes external controls or vice versa. The main point is that Freiderich's (focus on internal controls) and Finer's (focus on external controls) positions both have merit. The central issue is how to balance the two to serve the imperatives of democracy as well as those of efficiency. More importantly, the challenge for developing countries is that they are suffering from poorly functioning state which lacks sufficient internal as well as external controls, and the matter at hand is not about too much or too little of internal controls or external controls.

Based on the central premise that the transition from colonial occupation towards efficient, effective, and honest national government in Eritrea can be undertaken by providing the country with laws and institutions that prevent opportunities for corruption and impose penalties for involvement in corruption, the systems framework is used to provide a foundation for the intelligent design and running of public institutions in Eritrea.

1.5 Research Questions

The research purposes of this study took the form of following two sets of questions. The first set of questions aim at gauging Eritrean public servants' perception regarding the extent, causes, and priority of corruption in the context of Eritrea.

1. What is the priority/importance that should be given to corruption in context of Eritrean public administration as perceived by Eritrean public administrators?
2. What are the causes of corruption in Eritrea as perceived by Eritrean public administrators?
3. What is the perception of Eritrean public administrators regarding the extent of corruption in the Eritrean government?

The second set of questions aim at assessing the perception of Eritrean public administrators regarding the remedies for corruption in Eritrea.

4. What are the perceptions of public officials from Eritrea regarding anti-corruption strategies that can be effective in curbing corruption in Eritrea?
5. What are the variations and patterns among the attitudes of the Eritrean officials including the relationship between perceptions of the extent or causes of corruption and assessment of anti-corruption strategies that may a basis for recommendations of anti-corruption strategies that are likely to yield durable results?
6. What are the initiatives and concrete steps that need to be taken on lesser and greater scales in Eritrea as part of a sweeping public sector reforms according to its public officials?
7. What are the implications of the findings in Eritrea for developing countries in general?

Chapter 2. Literature Review

Chapter two presents definition of corruption, causes of corruption, the ill-effects of corruption on economy, politics, and society as well as the available remedies for preventing/combating corruption.

2.1 Defining corruption

Corruption has been defined differently by numerous academicians who study corruption and practitioners who seek to reduce corruption. However, the various definitions can be grouped into three categories: Public-office-centered, market-centered, and public-interest-centered (Collier, 1999). These three categories of corruption definitions, frequently cited in corruption literature, are used as starting points in analyzing political corruption in the Heidenheimer work *Political Corruption* (1970) and its successor volume edited by Heidenheimer, Johnston and Le vine (1989).

A public-office definition provided by Nye sees corruption as:

> Behavior that deviates from the normal duties of public role because of private-regarding (family, close private cliques), pecuniary or status gains; or violates rules against the exercise of certain types of private-regarding influence. This includes such behavior s bribery (use of a reward to pervert the judgement of a person in a position of trust); nepotism (bestowal of patronage by reason of ascriptive relationship rather than merit); and misappropriation (illegal appropriation of public resources for private-regarding uses (Nye, 1967).

The central thesis of public office definitions is that corruption is seen as behavior which deviates from normal duties or violates rules. (Kupendeh, 1995) According to Mbaku (1997) most Africans view bureaucratic corruption as a practical issue involving

"outright theft, embezzlement of funds or other misappropriation of state property, nepotism and the granting of favors to personal acquaintances, and the abuse of public authority to exact payments and privileges."

Van Klaveren offers a market-centered definition of corruption:

> A corrupt civil servant regards his office as a business, the income of which he will …seek to maximize. The office then becomes a "maximizing unit." The size of his income depends upon the market situation and his talents for finding the point of maximal gain on the public's demand curve (Van Klaveren, 1957).

Kupendh (1995) argues that the market-centered definition of corruption hold true in many African countries where bribery is may be seen as an important means by which individual needs and wants are satisfied. According to Kupendeh politics in African countries is a lucrative business – a short cut to getting rich. The distinction between public-office-centered definition and the market-centered definition is that while the former focuses on the abuse of public office or trust the latter treats corruption as a source of earning illegal compensation by the office-holder to advance his/her self-interest. Hence, market-centered definitions seem to have particular relevance to those who pursue an economic analysis of corruption (Kupendeh, 1995).

Friederich provides a public-interest-centered definition of corruption:

> The pattern of corruption can be said to exist whenever a power holder who is charged with doing certain things, i.e., who is a responsible functionary or officeholder, is by monetary or other rewards not legally provided for, induced to take actions which favor whoever a provides the rewards thereby does damage to the public and its interests (Friederick, 1966).

In Friederick's view, corrupt civil servant's opportunism causes damage to the public interest and therefore public interest must be considered as an important variable in the examination of corruption (Mbaku, 1998.)

The three categories of corruption are ideal-types that should been seen as overlapping rather than mutually exclusive. (Ceaobanu, 1998) Ceaobanu adds that it is virtually impossible to develop one generalized and uncontested definition of corruption. It is true that the definitions seem to blend together as public office is used to maximize personal gain with the resulting sacrifice of public interest. This blending is illustrated in the following typical examples that constitute corrupt behavior provided by the Asian Development Bank (ADP.org):

- the design or selection of uneconomical projects because of the opportunities for financial kickbacks and political patronage
- procurement fraud, including collusion, overcharging, or the selection of contractors, suppliers, and consultants other than the criteria other than the lowest evaluated substantially responsive bidder
- illicit payment of "speed money" to government officials to facilitate the timely delivery of goods and services to which the public is rightfully entitled, such as permits and licenses
- illicit payments to government officials to facilitate access to goods, services and/or information to which the public is not entitled, or to deny the public access to goods and services to which it is legally entitled

- illicit payments to prevent the application of rules and regulations in a fair and consistent manner, particularly in areas concerning public safety, law enforcement, or revenue collection
- payments to government officials to foster or to sustain monopolistic or oligopolistic access to markets in the absence of compelling economic rationale for such restrictions
- the misappropriation of confidential information on the financial status of corporations that would prevent potential investors from accurately valuing their worth, such as failure to disclose large contingent liabilities or the undervaluing of assets in an enterprise slated for privatization
- the theft or embezzlement of public property and monies
- the sale of officials posts, positions, or promotion; nepotism; or other actions that undermine the creation of professional, meritocratic civil service
- extortion and abuse of public office, such as using the threat of tax audit or other sanctions to extract personal favors
- obstruction of justice and interference in the duties of agencies tasked with detecting, investigating, and prosecuting illicit behavior

This study uses the public-office-centered definition of corruption for two reasons. One, the World Bank defines corruption "as the abuse of power for private gain" (World Bank, 1997). Two, public-office-centered definition provided by Nye is the most frequently used in scholarly studies (Collier, 1999.) At the same time, the study recognizes the market-related behavior and the negative consequences for the public interest associated with other two definitions.

2.2 Causes of Corruption

Developing countries are more prone to be affected by corruption for a variety of reasons, including:

- the widespread poverty and low level of public sector salaries
- lack of any risk spreading mechanisms such as insurance and a well-developed market
- opportunities presented by complex, poorly-defined, constantly changing and inadequate rules and regulations
- lack of properly established laws and principles, or code of conduct applicable to public officials and lack of institutions to enforce them
- lack of watch-dog agencies (Gary & Kaufman, 1998).

In addition to these causes related to the nature of public office and mechanisms for administrative accountability, there are political and economic causes. The failure of post-colonial African leaders to develop appropriate structures for popular participation, thus forcing people out politics and the economy is cited as one of the sources corruption in Africa (Mbaku, 1998). The normal process of disciplining officials through the electoral process has been typically absent. There have frequently been political coups, violent overthrows and other unstable forces, representing the background for the evolution of public sector institutions (Ghazanafar and May, 1998).

Ghazanafar and May (2000) argue that economic conditions in many countries are often ripe for corruption. If poverty, low levels of living and unemployment are the only life-styles people perennially encounter, any means of making life better – including corruption – are worthy of taking risk (Ghazanafar & May, 2000).

In the context of Africa, more than three decades of excessive state regulation and control of resource allocation have encouraged and enhanced nepotism and bureaucratic and political corruption and constrained the development of viable and sustainable economic and political systems (Mbaku 1997). Moreover, poorly designed institutions and the prevailing level of disorganization and chaos in the public bureaucracies of most African countries have contributed to corruption in the continent to the extent that in some cases a large portion of the bureaucracy exist only as names on pay packets or salary checks. (Williams, 1987)

While acknowledging the expanded role of the state in Africa as a main source of corruption, Hope (2000) adds that the considerable lack of exemplary ethical leadership exhibited by politicians and senior public officials. The lack of ethical leadership can be attributed in most African countries to the fact that personal and private interests take precedence over national interests (Hope, 2000). When the top political leaders do not provide the right example, either because they engage in acts of corruption or, as is more often the case, because they condone such acts on the part of relatives, friends, political associates, it can not be expected that the employees in the public administration will behave differently (Tanzi, 1998).

When President Mobutu Sese-Seko of Zaire left office in 1996, he had a vast personal fortune virtually stolen from the nation that he had ruled for about 30 years. It was reported that he diverted between $50 million and $70 million a year from the bank of Zaire to personal accounts in Europe; estimates of his personal fortune run over $6 billion (Ghazanafar & May, 2000).

Some corruption writers place blame squarely upon African leadership by arguing:

> If society is corrupt, tribalistic, nepotic, extravagant and ridden with violence, is because its aristocrats – its leaders and rulers and the middle-class – are corrupt, sectionalistic, violent and roguish. The day the leadership destroys the canker-worm within itself, the rank and file of society will be frightened to indulge in questionable and sharp practices. Therefore, if we want to reform society we must first reform the caliber of the aristocracy (Kupedeh, 1995).

In addition to political reasons, Hope (2000) presents sociocultural norms as a factor driving corruption. In Africa, the existence of personalism results in significant loyalties toward one's family, tribe, and friends. Such loyalties are advanced at the expense of the state for often they require the contravention of rules and regulations to maintain them (Hope, 2000). David Apter, the author of *Ghana in Transition*, argues that nepotism is considered a grave offence in western bureaucratic practices; yet in African countries, providing jobs for one's family members is socially compulsory (Kupendeh, 1995). Any successful civil servant or politician is expected to provide gainful employment for his relatives and neglecting one's family is considered a much worse offence (Kupendeh, 1995).

Finally, many African countries are experiencing multiple dimensions of change: economically, socially and politically. (Olowu, 1999) Olowu argues that it is becoming increasingly evident that the process of change itself could provide an environment that gives additional impetus to corrupt practices. The Global Action for Action (1997) sums up the problem of on-going liberal economic and political reforms in many transitional countries as follows:

> Once established, democratic political systems and open economies provide the best opportunities for controlling corruption. In periods of transition, however, when one set of rules are broken down, but another has not yet become institutionalized, opportunities for corruption can flourish, while the openness enjoyed as a result of political liberalization makes corruption more evident.

Rose Ackerman (2000) argues that chaos creates a fertile ground for corruption, and democracies can be chaotic. However, when they operate within a system where the rule of law prevails, the background set of rules can limit incentives for payoffs. The disorganization of a democracy, even a new and poorly institutionalized one, pale beside states such as Somalia beset by war-lords fighting for a slice of a country's wealth (Ackerman, 2000) Indeed, an argument can made that disarray in political and economic systems provide a greater breeding ground than either authoritarian control or democratic-market based system.

After examining the various causes of corruption, the next topic surveys the destructive effects of corruption on economy, politics, and society. We will see that corruption having its roots in a multitude of sources, slows economic growth, undermines political legitimacy, and hurts the weak sections of society.

In Turkey, the apartment buildings that collapse during earthquakes are known as 'bribe buildings.' In Africa, the bridges that dot the landscape with no road to connect them are known as 'bribe bridges.'

Professor Phillip M. Nichols, Wharton, University of Pennsylvania

2.3 Consequences of Corruption

The negative consequences of corruption, especially in developing countries can generally be categorized into economic, political, and social.

Economic Effects of Corruption:

The negative effects of corruption on the economy include:

Corruption distorts incentives. In corrupt environment, able individuals allocate their energies to rent seeking and to corrupt practices and not to productive activities. (Tanzi, 1998) Murphy, Shleifer, and Vishny (1991) argue that in situations where rent seeking provides more lucrative opportunities than productive work does, the allocation of talent will be worse: talented and highly educated individuals will be more likely to engage in rent seeking work than in productive work, with adverse consequences for their country's growth rate.

Corruption reduces state funds through its negative effect on tax income by opening up loopholes in tax collection. Tax evasion through corruption as well as poor tax administration where some of the revenue "disappears" before it reaches government coffers reduces tax base and adds to the progressivity of the tax system. (Word Bank, 2002)

Hope (2000) argues that rent seeking activities tend to have the effect of inflating the cost of doing business. Hope points that kickbacks and illegal commissions which have to be paid to public officials are simply added to the final costs of contracts, equipment,

supplies and so on. The immediate consequence of such a situation is that entrepreneurs and potential entrepreneurs withdraw from engaging in investment and the affected economy loses the multiplier benefits that would have been forthcoming with those investments (Hope, 2000). Thus, corruption reduces investment and, as a consequence, reduces the rate of growth. Such reduction in investment is assumed to be caused by the higher costs and the uncertainty that corruption creates (Mauro, 1997).

Corruption reduces expenditure on education and health, which does not lend itself easily to manipulation by high level officials to get bribes and increases expenditure in public projects that led themselves easily to corruption (Tanzi & Davoodi, 1997). In Africa, corrupt politicians choose investment projects not on the basis of their intrinsic economic worth, but on the opportunity for bribes and kickbacks the projects present (Hope, 2000).

Corruption acts as arbitrary tax due to its unpredictable nature creates high excess burdens resulting from the cost of searching for those to whom the bribe must be paid and the cost of negotiating and paying the bribe (Tanzi, 1998).

Corruption reduces or distorts the fundamental role of government in such areas as enforcement of contracts and protection of property right. When a citizen can buy his her way out of a commitment or out of a contractual obligation, or when one is prevented from exercising one's property rights because of corruption, this fundamental role of the government is distorted and growth may be negatively affected (Tanzi, 1998).

Corruption slows economic growth. The first investigation of the impact of corruption on investment in cross-sectional study of countries found that corruption negatively impacts on the rate of investment on GDP (Mauro, 1995). Mauro (1998) also found that corruption lowers expenditures on education, arguing that other expenditures offer public

servants better opportunities to collect bribes. In a cross-section of 37 countries, a significant positive impact of corruption on inequality was found, while taking into account various other exogenous variables. (Davoodi & Alonso-Terme, 1998).

Finally, Theft, embezzlement and fraud by public officials reduces the availability of government funds for development-related activity. In Zimbabwe, for example, it was reported that 5 per cent of Zimbabwe's annual economic output (equivalent to US $300 million) is lost to graft (Hope, 2000).

Political Effects of Corruption:

Corruption hampers political development and contributes to political instability. When corruption becomes part of the status quo, its maintenance tends to involve the use of repressive tactics through the state instruments for law and order (Hope, 2000). Hope argues that when state bureaucracy has been privatized by the ruling elite, fear and repression prevent any serious threat from dissenting groups or individuals. This, in turn, hinders political development and weakens civil society (Hope, 2000).

Mbaku (1998) points that, in many African countries, regime after regime has failed to reproduce institutions that maximize mass participation in development. Mbaku points that the unwillingness of many African to engage their societies in genuine institutional reforms as the ruling elite see reform and the introduction of a new dispensation as damaging to their privileges (Mbaku, 1998).

Systemic corruption undermines the legitimacy of governments as citizens come to believe that the government is simply for sale to the highest bidder. (Rose-Ackerman, 1997) Poor countries are good candidates for corruption because of the disproportionate impact of government on society, bureaucratic dominance, and weak of sense of nation

with a high value placed on kinship, and a marked gap between citizens and government. Caiden and Caiden (1977) argue that the heavy burden for political institutions to carry in terms of capacity and legitimacy allow corruption to fill the gap. Caiden and Caiden add that corruption has the same function as violence (and acts as an alternative). However, corruption in such societies always risks an escalating cycle of payoffs and insider deals that lead to the disintegration of the corrupt state as in Somalia where a corrupt autocratic regime degenerated into warlordism (Coolidge and Rose-Ackerman 1996).

Rose-Ackerman argues that corruption undermines claims that the government is substituting democratic values for decision s based on ability to pay. Rose-Ackerman further adds that corruption can lead to coups by undemocratic leaders. Hope (2000) reports that during the past two decades, corruption was the most frequently cited reason for military takeovers of government in Africa. But the military become another source of corruption.

As appealing and as simple as military's answer to corruption may appear to be, several decades of military rule in Nigeria, Ghana, Zaire, Sierra Leone, Uganda, the Sudan, Somalia and many other African countries have conclusively shown that the military neither has the genuine intentions, nor the capacity to stamp out corruption (Mbaku, 1998). Mbaku (1998) points the military have shown themselves to be more adept and more brazen in their corrupt practices as in Nigeria where each successive military government has proved to be more corrupt and more depraved than its predecessor regime. Several factors help explain the tendency for corruption to become more brazen and more pernicious under military governance:

1. Checks and balances which normally exist under democratic governance are absent when the military puts itself in power
2. Individuals and organizations in civil society that are courageous enough to openly challenge corruption by the military are dealt with ruthlessly
3. Substantial state revenues may be obtained from foreign sponsors such as the US Central Intelligence Agency (CIA) as demonstrated in the Zaire under President Mobutu Sese Seko (Mbaku, 1998).

Thus, corruption affects political stability because it leads to violence and frequent regime changes (Hope, 2000).

Social Effects of Corruption:

Under corrupt system, the privileged and the well-connected enjoy economic rent which represents abnormal or monopoly profits that can bestow large benefits (Mynit, 2000). Mynit argues that this tendency for wealth to be concentrated in the hands of a tiny minority of the population results in uneven income distribution. Corruption is likely to increase income inequality because it allows well-positioned individuals to take advantage of government activities at the cost of the rest of the population (Tanzi, 1998). Rose-Ackerman (1997) argues that in a corrupt contracting and privatization process, a larger share of the gains accrue to winning bidders and public officials where a share of the country's wealth is distributed to insiders and corrupt bidders, contributing to inequalities in wealth. In addition, the burden of corruption falls more heavily on the poor as they can not afford to pay the required bribes to send their children to a decent school, to obtain proper health care, or to have adequate access to government provided

services such as domestic water supply, electricity, sanitation and community waste disposal facilities (Myint, 2000).

According to the UNDP (1997):

> Poverty is about more than adequate income. It is access to and quality of public services vital to the poor such as education, health, water, and sanitation…
>
> Corruption affects the poor since it increases the price for public services, lowers its quality and often restricts people's access to public services.

Corruption also hurts the poor indirectly because corruption is an impediment to economic growth, reinforces inequality, distorts public expenditure allocation and through many channels is an obstacle to poverty alleviation (UNDP, 1997).

The World Bank (2000) points than when corruption misdirects the assignment of unemployment or disability benefits, delays eligibility for pension, weakens the provision of basic public services, it is usually the poor who suffer most. Such corruption undermines the social safety net and may deter the poor from seeking basic entitlements and other public services (World Bank, 2000).

2.4 Alternative Anti-corruption Strategies

At the outset the paper has underlined that corruption has various causes, manifestations, and consequently the tools for combating corruption are also numerous. While not claiming to present an exhaustive list of the tools for fighting corruption, the paper discusses the main strategies at the heart of a credible, effective corruption fighting effort.

Anechiarico and Jacobs (1996) argue that anti-corruption strategies or what they call "anti-corruption project" constrains decision maker's discretion, shapes priorities, and

causes delays that undermine efficiency. They add that the irony of corruption control is that the more anti-corruption machinery we create, the more we create bureaucratic pathology and red tape in effect making corruption and corruption control part of the crisis in public administration.

However, the present general consensus as reflected by the Lima Declaration adopted by the eighth International conference in Lima, Peru is that:

> …corruption erodes the moral fabric of society; violates the social and economic rights of the poor and the vulnerable; undermines democracy; subverts the rule of law which is the basis of every civilized society; retards development; and denies societies, and particularly the poor, the benefits of free and open competition….

and

> … fighting corruption is the business of everyone throughout every society; the fight involves the defense and the strengthening of the ethical values in all societies; it is essential that coalitions be formed between government, civil society and the private sector; a willingness to enter into such coalition is a true test of an individual government's commitment to the elimination of corruption; the role of civil society is of special importance to overcome those with a stake in the status quo and to mobilize people generally behind meaningful reforms; there must be a sustained campaign against corruption within the private sector as, with greater privatization and deregulation, it assumes a greater role in activities traditionally performed by the state; and the top leadership sets the tone in all societies. (TI, 2000)

The paper discusses four broad categories of reforms (anti-corruption strategies) that can be designed and implemented to prevent/combat corruption in developing countries in general and in Eritrea in particular. The four categories of reforms are: Market/Economic reforms, administrative/bureaucratic reforms, accountability/transparency enhancing reforms, and democratic accountability enhancing reforms.

1. **Economic/market reforms** involve economic liberalization designed to promote a vibrant private sector and reduce public sector waste (USAID Handbook, 2002). The principal aim economic/market reforms is to attack the influence of powerful elites in the decisions and policymaking of the state, the so-called "state capture" and promote the creation of fair, competitive, honest and transparent private sector (World Bank, 1998). Under economic/market reforms there are five approaches:

Program Elimination – By reducing or eliminating government programs which present opportunities for corruption and are a source of waste, corruption can be minimized (USAID Handbook, 2002). Rose-Ackerman (1997) points that the most obvious economic approach is simply to eliminate government programs that are permeated with corruption. If the state has no authority to restrict export or license businesses, no one will pay bribes in those areas. If a subsidy program is eliminated, the bribes that accompanied it will disappear. If price controls are lifted, market prices will express scarcity values, not bribes (Rose-Ackerman, 1997).

Privatization – Privatization of state-run enterprises and services can curb corruption because private sector accounting methods and competitive market pressures reduce the opportunities for wrongdoing and make it more difficult to hide (Pope, 1999). By removing the government from economic activities, privatization

eliminates opportunities for recurrent corrupt dealing in employment, procurement, and financing contracts (USAID Handbook, 2002). However, Pope (1999) argues that the benefits of privatization must be weighted against the possible adverse effects of privatization: unemployment of civil servants and the risk of private sector monopolies.

Deregulation - It offers a more straightforward means to limit state authority by eliminating tariffs, quotas, exchange rate controls, and permit requirements thereby stripping officials of the power to extract bribes. (USAID Handbook, 2002) Deregulation can help reduce the discretionary power of politicians, but only if this reform is undertaken in a transparent and non-discriminatory way; otherwise we run the risk that the deregulation reform process itself will be corrupted (Mollah & Uddin, 2002).

Tax Reforms –Mollah & Uddin (2002) point that corruption in customs and tax administration lowers government revenues, creates a distorted private sector environment and is often is linked with smuggling and organized crime. By simplifying and streamlining the tax code of a country, corruption is minimized as the tax laws become uncomplicated and predictable. The World Bank (2000) argues that in most cases tax reforms that eliminate multiple rates and exemptions and limit the discretionary powers of tax officials help reduce corruption. However, the World Bank warns that tax rates that exceed taxpayer's view as legitimate or what the tax office can administer encourage informalization of the economy and induce tax evasion and the corruption of tax officials.

Competitive Service Provision – Competition in public service reduces opportunity for corruption by removing the monopoly power of any on government

office. In so doing, it discourages extortion since customers can take their business to a competing office when confronted with irregular demands or service (USAID Handbook, 2002). According to the USAIS overlapping jurisdictions, in the case of motor vehicle bureaus or passport agencies, or private and public provision of service, in the case of mail delivery or trash removal, are two ways of instituting competition in public service.

2. Administrative/Bureaucratic Reforms encompass civil service reforms designed to enhance the performance of the government bureaucracy. They include:

Code Ethics – Codes of ethics generally refer to rules and regulations designed to achieve a type of public servant who is vigilant, upright, honest and just (Hope, 2000). There is a sharp ongoing debate as whether codes of ethic should be explicitly written or remain as general understandings of what constitutes as ethical behavior. For African countries, the benefits from codification outweigh the costs related to policing and enforcing them for the following reasons:

- There are as yet no settled values of public service – instead there are competing claims for loyalties based on primordial or other allegiances rather than public interest.
- Codes provide a certainty of standards of ethical behavior expected of civil servants while unwritten rules could become grounds for arguments.
- They aid help civil servants courteously to decline unethical requests and commands from superiors, colleagues, and friends.
- They enable senior managers and political leaders to hold their subordinates accountable and vice versa.

- They provide a clear basis for conducting training civil servants in ethics and also for educating the public on the rights and duties of civil servants. (Olowu, 2000)

Codes of ethics tend to be narrow and rule-oriented. With these characteristics, they do not necessarily elevate the level of ethical thinking. These same characteristics, however, may be useful in combating corruption.

Public Procurement Reform – Few activities create great temptation or offer more opportunities than public procurement where every level of government and every kind of government organization purchases goods and services, often in quantities and monetary amounts that defy comprehension (TI Source Book, 2000). Competitive public procurement limits the authority of the government officials thereby guarding against corruption. Competitive procurement removes personal discretion from the selection of government suppliers and contractors by prescribing an open bidding process (USAID Handbook, 2002).

Meritocratic Personnel Policy – A key part of administrative reforms is the institution of meritocratic system for appointment, promotion, and evaluation of civil service personnel and when feasible, establish an independent civil service oversight body (Mollah & Uddin, 2002). Hiring decisions should be based on merit and qualification, and senior positions should be awarded only to candidates who have distinguished themselves and possess the ability and expertise to perform the duties assigned to them (Mbaku, 1998). Mbaku (1998) argues that civil service positions should not be used as rewards for political support or swapped for bribes, or used to meet obligations o one's ethnic cleavage. The practice of political patronage in public

administration continues to be a source of corruption in many developing countries for political patronage undermines continuity development standards, institutional values, and institutional memory in the public sector ((Mollah & Uddin, 2002).

Administrative Efficiency – Improving work methods and procedures to reduce delay help minimize the opportunities for corrupt practices (Stapenhurst, Langseth, & Pope 1997). Public officials may raise a firm's costs by introducing delays and unnecessary requirements as a way of inducing payoffs, for instance, in contracting and auctioning or in administering regulatory and tax laws (Rosen-Ackerman, 1997). Administrative efficiency can be improved through:

- a radical simplification of regulation, not only to diminish the need to resort to bribery, but to ease the transaction of business of all sorts
- published and publicly available guidelines for decision making
- speedy and effective reviews of decisions allegedly made without following published guidelines and
- increasing the effectiveness of supervision by enabling superior officers to check and control the work of their staff (Stapenhurst & Langseth, & Pope 1997).

In the reform of the customs service at the Mexico City airport, for example, the number of steps in the customs process was reduced from 16 to 3 and the remaining service was streamlined to reduce delays (Rosen-Ackerman, 1997).

Decentralized Decision Making – Decentralization assigns decision making authority to local government that can evaluate the needs of local citizens and their satisfaction with the services delivered, it removes the information asymmetry between

bureaucrats and the politicians that appoint them (Bardahan & Mookherjee, 2000). Bardahan and Mookherjee point that decentralization can reduce corruption in the service delivery system inherent in traditionally centralized systems, particularly in developing countries, where central government lack information necessary to monitor the performance of bureaucrats entrusted with local service delivery. However, in countries where the capacity and accountability of sub-national government is weak and where there are no safeguards against the manipulation of municipal assets and enterprises for the private gain of local officials, decentralization can actually increase corruption (Mollah & Uddin, 2002). Thus, the success of decentralized decision making in the fight against corruption will depend on how responsive and answerable local-level structures are to the populations they serve (Ruzindawa, 1999).

Financial Management System – The scope of financial management responsibilities in government or business include funding, custodial, analytical, and reporting function among other elements. The following tasks characterize financial management systems in both sectors:

- analyzing and assessing the financial management decision both prior and subsequent to implementation

- ensuring the necessary cash flow to finance planned activities and operations

- safeguarding resources through appropriate financial controls

- providing financial framework for planning future activities and operations

- managing transaction processing systems which produce information for the control of planned activities and operations

- paying attention to the concepts of efficiency and effectiveness and

- reporting and interpreting the results of activities and operation measures in financial terms and thereafter ex post audit and evaluation (TI, Source Book, 2000). According to TI (2000) a sound system of financial management inhibits discloses and helps confirm and identify corrupt practices and their perpetrators in the following ways:

1. It provides sound information for various anti-corruption "watchdogs" such as the auditor-general official and the parliament.
2. It forces a disciplines on-time approach to public activity and financial reporting.
3. It promotes the development of strong managerial and accounting controls.
4. It facilitates audit and
5. It provides psychological control by establishing fear of discovery and punishment as a factor in discouraging corrupt practices.

Heavy Penalties for Corrupt Behavior – Applying sanctions to corrupt acts is an important step towards establishing accountability. In large part, sanctions are centered on legislation that criminalizes corruption. (USAID Handbook, 2002) The whole aim of imposing stiff penalties is to make corruption a high risk activity. Pope (1999) points that independent enforce mechanisms should be implemented to increase the likelihood of corruption being detected and punished. Pope adds that investigators, prosecutors, and adjudicators must be able to perform their professional duties in a transparently independent fashion and enforce the rule of law against all who breach it, whatever their positions (thus depoliticizing law enforcement).

3. Accountability/Transparency enhancing reforms include measure designed to open up the work of government to public scrutiny as way of holding public officials answerable for their actions. They include:

Auditor-General Office – The Supreme Audit institution is responsible for auditing the state's income and expenditure, and a watch-dog over its financial integrity. As an external auditor acting on behalf of the tax-payer and his/her representatives in parliament, it essential that the Auditor-General is not appointed by the government and that he/she enjoys appropriate tenure of office. (TI Source Book, 2000)

Anti-Corruption Legislation – Anti-corruption laws work to deter corrupt actions, prosecute and resurrect a sense of justice, which has become a rare commodity in endemically corrupt countries. (Mollah & Uddin, 2002) Laws to fight corruption should not only embrace the criminal law but should include laws governing access to information, freedom of expression and a free media. (TI Source Book, 2000)

Honest/Effective Police – Hope (1999) points out that independent mechanisms should be implemented to increase the likelihood of corruption being detected and punished. Investigators, prosecutors, and adjudicators must be able to perform their professional duties in a transparently independent fashion and enforce the rule of law against al who breach it, whatever their position. (Hope, 1999)

Anti-Corruption Commission – As corrupt practices become even more sophisticated, conventional law enforcement agencies are less placed to detect and prosecute corruption cases. Specialized and independent anti-corruption agencies present the advantage of being exclusively devoted to fighting corruption. (TI Source Book, 2000) Such commission should have preventive and educational components, as well as

the ability to gather intelligence, process complaints, and advise government and private agencies. (Kupendeh, 2000)

Independent/Free Judiciary – An independent, impartial and informed judiciary holds a central place in the realization of just, honest, open and accountable government. (TI Source Book, 2000) In order to hold public officials accountable to anti-corruption laws, judiciaries need independence from the executive branch as well as institutional capacity (USAID Handbook, 2002). Langeth, Stapenhurst, and Pope (1999) argue that the judiciary itself must be subject to high ethical standards. They underline the importance of ensuring independent judiciary as follows:

> The ways in which judges are appointed and subsequently promoted are crucial to their independence. Appointments and promotions must not be seen as politically motivated but based solely on competence and political neutrality. The public must be confident that the judges are chosen on merit and for their individual integrity and ability, not as a reward for party service or as a precaution by the executive branch to ensure a friendly face on the bench if the rule of law is violated. (Langeth, Stapenhurst, and Pope, 1999)

Independent/Free Media – Availability of information is a prerequisite for the creation of an informed public, empowered to participate meaningfully in public debate and to hold those who govern accountable. A free and independents media, accountable and ethical media whose status is protected by the law and who is not susceptible to political or otherwise opportunistic leadership can assume an important watchdog function and act as agent of awareness (TI Source Book, 2000).

Whisleblowing Protection Laws – In many countries, whistle blowers are often fired or punished, subjected to administrative harassment, and exposed to violence. For this reason, anti-corruption efforts need legislation to protect whistle blowers from official sanctions or even to reward them (USAID Handbook, 2002). Pope (1999) argues that efficient channels for complaints should be established for both whisleblowers within government and members of the public, because it is essential that neither feels unnecessarily exposed to reprisals. In addition, that when necessary, physical protection of key informants should be provided, whether inside or outside the country (Pope, 1999) Commenting on the role of whisleblowing protection laws in successfully tackling corruption in Hong Kong by the Independent Commission against Corruption (ICAC), anti-corruption agency established in 1974, Speville observes that:

> A major factor for success in controlling corruption is giving the utmost confidentiality to those who report offenses. Those who report to the Independent Commission against Corruption (ICAC) expect maximum confidentiality and they are disappointed. The commission takes the protection of sources very seriously. …the laws of Hong Kong, China, prohibit the disclosure of the identity of any of the ICAC's sources of information (Speville, 1999).

Asset/Income Disclosure - Financial disclosure laws improve accountability by enhancing the transparency of the officials' finances. These laws require public officials to declare their assets and incomes and so act as a deterrent to profiting through corruption (USAID Handbook, 2002). Provisions requiring disclosure of officials' incomes and assets can contribute to anti-corruption efforts both in the judicial realm and the court of public opinion (Johnston, 2000).

4. Democratic accountability enhancing reforms refer to constraints placed on the behavior of public officials by organizations and constituencies with the power to apply sanctions on them. As political accountability increases, the costs of public officials taking decisions that benefit their private interests at the expense of broader public interest also increases, thus working as a deterrent/incentive to corrupt practices. (World Bank, 2002) Democratic accountability enhancing reforms include:

Political Competition – Free and fair elections provide an important mechanism for holding public officials accountable as citizens can withhold votes from incumbents as a sanction against corruption, and elect opposition candidates denouncing such dealings. (USAID Handbook, 2002) Open and competitive politics can be effective force supporting, and rewarding, good public management or at least penalizing those governments that fail to control corruption. (Johnston, 2000)

Transparency in Party Financing – Many countries have established partial public funding of political in order to reduce the scope for private interests to "buy interest and also to impose limits on spending, because of the electorate's resistance to excessive public expenditure ((Mollah & Uddin, 2002). Mollah and Uddin also point that setting up an authoritative and independents electoral commission responsible for the integrity of all issues regarding party financing can ensure oversight. Campaign finance poses a particular challenge for fairness regarding elections. For this reason, campaign reforms that limit or regulate donations, require disclosure of funds, provide free television time, and eliminate off-budget government funding sources are an important component of accountability (USAID Handbook, 2002).

Oversight by NGOs – The World Bank defines non-government organizations or NGOs as the myriad of organizations, some of them formally constituted, and some of them informal that are largely independent of government, that are characterized primarily by humanitarian or cooperative, rather than commercial objective, and that generally seek to relieve suffering, promote the interests of the poor, protect the environment, provide basic social services, or undertake community development. NGOs can play an important role in their community level work in establishing norms in the way elected officials should properly behave and illustrating the difference between the ways the NGOs own officers behave and the ways in which government officials behave. (T I, 2000)

Legislative Oversight – Legislative Oversight provides a powerful check on executive authority, enhancing accountability where a dominant executive branch might otherwise operate with impunity. (USAID Handbook, 2002) According to Robert Williams (1987) corruption in Africa is primarily located in the executive branch of the government for the obvious reason that the legislative and judicial branches have generally lost whatever power they may have once possessed. (Mbaku, 1998) To be effective legislatures require such resources as a technically competent staff, strong committees, budgetary independence, significant oversight powers, and a constitutional role in approving political appointments. (USAID Handbook, 2002)

Respect for Rule of Law – The term "rule of law" embodies basic principle of equal treatment of all people before the law, and both constitutional and actual guarantees for basic human rights. (USAID Handbook, 2002) The USAID adds that a predictable legal system with faire, transparent, and effective judicial institutions is essential to the

protection of citizens against the arbitrary use of state authority and lawless acts of both organizations and individuals.

Disclosure of Election Results – Accurate and timely disclosure of elections results at all levels of government provides for the transparency of the election process, in particular during counting and tabulating of the results to ensure full accountability (USAID Handbook, 2002). An independent electoral commission composed of commissioners drawn from across spectrum of politics, civil society and gender should be responsible for the conduct of the whole election process (TI Source Book, 2000). Transparency International underlines the need to create a distance between the government of the day and any ability to manipulate the administration of an election. The electoral commission should therefore be responsible for the preparation of the voter's rolls; the receipt of nomination of candidates and checking their ability to stand; the design of the ballot papers; the physical arrangement of the poll; the conduct of the poll itself, the compilation and announcement of the results; the monitoring of the expenditure of the political parties; and the preparation of a public report, accounting for their stewardship and making any recommendations for reforms to take place (TI Source Book, 2000).

The Ombudsman – The Ombudsman constitutes an office which, independently of the executive, receives complaints about maladministration. It gives individuals the opportunity to have decisions which affect them to be reviewed by an independent and expert body, without the expenses and delays of court proceedings (TI, 2000). The primary function of the ombudsman is to examine two kinds of matters. The first are decisions, processes, recommendations, and acts of omission that are contrary to law,

rules and regulations; that depart from established practice or procedure; or that are perverse, arbitrary, unjust, biased, oppressive, discriminatory, or motivated by bribery, jobbery, favoritism, nepotism, or administrative excesses. The second are cases of neglect, inattention, delay, or discharge of duties and responsibilities (Langeth, Stapenhurst, and Pope, 1999).

Visible Leadership Commitment – Successful anti-corruption initiative require a visionary leader, or "champion," who recognizes the high costs of venal bureaucracy. According to Transparency international:

> Political will at the national level is essential ingredient to the successful fight against corruption. It not only manifests itself in the will of politicians but also in the will of general public to route out corruption. If not translated into tangible resource allocation for anti-corruption agencies and initiatives political statements to fight corruption may have the effect of further disillusioning the public about the motives of those in power. (TI, 1999)

While focusing on the causes and consequences of corruption, the limited research so far undertaken does not adequately address the effectiveness of anti-corruption strategies. However, the role of anti-corruption agencies in Singapore and Hong Kong, the role merit-based recruitment in Singapore, modest gains made by sweeping public sector reforms in Uganda and Bolivia and some progress made in Chile and Poland towards controlling corruption have been well-documented. (Gray & Kaufman, 1990) Moreover, the lessons learned from around the world and especially from Africa are that well-publicized but, poorly organized, and halfheartedly implemented anti-corruption drives do not work. Presumably, successful campaigns must also be based on approaches that

reflect the values and preference of leaders in the countries in question. For instance, the much heralded success of the anti-corruption reforms in Uganda has been, in part, explained in terms of the enduring political will of the new leaders of Uganda under President Museveni. The strategies followed by Uganda in its fight against corruption include:

- developing a strategy for public sector reforms
- reducing the size of the public sector
- integrating a system of responsibility and accountability into the civil service
- making salary levels in the public sector more equitable and transparent
- promoting a code of conduct for all public servants
- economic reforms and liberalization
- government decentralization and
- reduced military spending and reduction in the military establishment (Sedigh & Ruzindana , 1997).

According to Hope (1999) an analysis of the (comparatively rare) successes and the (numerous) failures of the past anticorruption efforts in various countries identifies several key elements that can block progress:

- *Limits of power at the top*. An incoming administration may wish to tackle corruption effectively, but if it inherits a corrupt bureaucracy, the bureaucracy may impede efforts for change.
- *Lack of leadership*. There has been often an absence of commitment at the top.

- *Overereliance on legal remedies*. Changing the law and improving its enforcement is uncertain strategy for changing people behave.
- *A focus on the "small fry,"* with reforms overlooking those at the top.
- *Lack of a specific and achievable focus*. Reforms hat fail to deliver any "quick wins" have quickly lost public support.
- *Failure to engage partners outside the government*. An attempt by the government alone to achieve reforms without the support from the civil society and the private sector has met with minimal successes.

The causes of corruption are multi-faceted, the consequences manifold – so must be a strategy trying to address it (U4 Anti-Corruption Forum, 2000). Every effort should be made to match corruption fighting strategies with the specific causes of corruption rather than the symptoms of corruption. While the components of a successful strategy would vary depending on a respective country's systems currently in place and prevalent patterns and levels of corruption, it would perhaps not be an overgeneralization to say that anti-corruption strategies should be:

- justified and need based
- comprehensive and integrated
- transparent
- non-partisan
- targeted
- measurable
- resource and capacity based and
- locally owned and driven (U4 Anti-Corruption Forum, 2000)

Chapter 3. Research Design

3.1 Instruments

The study used survey research as data collecting strategy. According to the Word Bank Research Group (Pablo Zoido, 1999), country specific, in-depth survey diagnostics can greatly assist in the development and design of governance and anti-corruption programs for main four reasons. The Group points out that governance anticorruption survey diagnostics:

1. Promote institutional reforms by measuring the economic and the social cost of corruption for the purpose of identifying priority areas for reforms.
2. Stimulate a technocratic and focused debate on concrete action by providing survey evidence to key stakeholders
3. Help identify problem areas through rigorous empirical analysis leading to a nonpolitical debate.
4. Strengthen local ownership as survey implementation is carried out by independent and technically capable local personnel where the survey results are shared with stakeholders.

The importance of surveys of public officials is also underlined by Kaufmann:

> Surveys of public officials are particularly relevant. Their candid responses – protected by anonymity – to very specific questions on governance in their agencies are making a difference in persuading political establishments to take difficult reform decisions. These surveys shed light on the political-economy and institutional causes of governance failures in specific public sector reforms. For example, recent surveys in Cambodia, Ecuador, and Paraguay have identifies

important variables that are inversely related to levels of corruption in public agencies, such as meritocracy in hiring, promotion, and firing; effectiveness of information flows; absence of arbitrary discretion in decision making; and transparency in budget management (Kaufmann, 2000).

The instrument used in collecting data for this study was questionnaire method where two open-ended questions were asked and the responses recorded by the researcher in a face-to-face interview while the remaining part of the questionnaire was self-administered by the respondents.

A questionnaire was administered to the sample of 68 respondents selected from the total population of senior public officials in the Eritrean government.

The items in the questionnaire require the respondents to rate the effectiveness and feasibility of each strategy in preventing/fighting corruption on a scale of 1-10 (highest rating 10, lowest rating 1). The objective is to know the perceptions of public officials about the connection between the anti-corruption strategies (market reforms, administrative reform, accountability/transparency enhancing reforms and democratic accountability enhancing measures) and corruption.

The researcher distributed copies of the questionnaire to a group 20 people that included Public Administration undergrads, middle level civil servants and representatives of the Eritrean Civil Service Personnel Administration for review before the actual survey was conducted. Changes to improve the questionnaire suggestions by persons completing the pre-test included the following:

- The questionnaire should also be administered to other member

of the society including legislators (both local and national), local businessmen, foreign investors, and administrators of Non-Government agencies.

- The questionnaire should include open-ended questions to which the subjects can respond in a detailed fashion based on their experience.

- Two to four items or anti-corruption strategies appear are unclear or ambiguous and should be revised or eliminated.

The researcher is in complete agreement with the first two suggestions. These constructive proposals will be undertaken in future research work. However, with regard to the last suggestion, the researcher duly noted its importance and proceeded to introduce the seemingly ambiguous terms in the initial meeting by using them as sample items to respondents. When demonstrating how to rate each strategy on 1-10 scale, the unclear strategies are used to by the researcher to clarify the terms as well as the process of marking the rating on the questionnaire. In addition, a clear instruction was given to leave unmarked strategies that were not clear while filling out the questionnaire and brings them to the attention of the researcher when the survey was collected.

The researcher took a great deal of time and effort to ensure the proper administration of the questionnaire by handing the questionnaire to each respondent and collecting it personally. To ensure anonymity and confidentiality, each subject was represented by a coded number, with no references to name or position and the each questionnaire was collected in a sealed envelop. Thus, nobody can identify or make connection between the identity of the subject and his/her responses. The researcher personally distributed and collected the questionnaire to ensure secure transport.

The questionnaire consists of seven sections covering the following areas:

1. Demographic data (age, education, salary, party membership)
2. Perceptions of the extent of corruption and attitudes about the potential seriousness of corruption and the importance of reform.
3. Views about the potential causes of corruption in Eritrea
4. Attitudes towards market reforms as corruption fighting tools
5. Attitudes towards administrative reforms as corruption fighting tools
6. Attitudes towards accountability/transparency measures as corruption fighting tools
7. Attitudes towards democratic accountability measures as corruption fighting tool.

The draft questionnaire is presented in the appendix:

3.2 Sampling Methods

The population under consideration is all senior public bureaucrats in the government of Eritrea. The sampling procedure includes a combination of stratified random sampling and purposive sampling techniques. Stratified sampling technique will be used to ensure a greater degree of representativeness. The population of senior public bureaucrats employed by the government was divided into ministries from which an adequate group of respondents was selected. Purposive sampling technique was be used to ensure a well balance group of respondents based on nature of the research aims. Accordingly care will be taken to ensure that respondents believed to contribute to the understanding of anti-corruption strategies of the country are included in the sample.

The unit of analysis is the individual public bureaucrat or official, more specifically, a total of 62 respondents that participated in the administration of the questionnaire survey, giving their view about how they feel about the ways of tackling corruption. The sample size of 62 is considered adequate on the basis of the relatively smaller population of senior public bureaucrats in Eritrea (a total of 126). As Eritrea is mall in terms of population (3.9 million) and size of government, the sample size is deemed sufficient.

3.3 Sample

For the purpose of the study, the researcher identified 126 top level officials (excluding ministers) from 16 ministries. We have 17 ministries in the Eritrean government. The Defense Ministry was excluded for national security reasons owing to the recent war with Ethiopia and the existing tension between the two countries. The questionnaire was administered on 13 of the remaining 16 ministries. The 3 ministries (Welfare, Information and Fisheries) were not including for reasons of logistics as well as lack of cooperation.

The investigator chose 94 top officials from among the 13 ministries and proceeded to administer the questionnaire. First, the researcher collected a list of top level public officials from each ministry. Then, the researcher selected the first six or nine senior officials in the list depending on the size of the ministry. As each list included all the department heads within a ministry, the researcher made sure that each department is represented. Out of 80 public officials selected 68 were willing to cooperate and fill the questionnaires. At the end of the exercise out of 68 questionnaires 62 were duly filled and returned.

Sample of Public officials

The respondent group of 62 was drawn according to the table shown below.

Table 3.1 Sample of Public Officials

Ministries	Number of Officials identified in Ministry	Number of Sample in Ministry	Percent of Sample in Ministry
Ministry of Tourism	6	6	9.7
Ministry of Agriculture	12	9	14.5
Ministry of Education	10	8	12.9
Ministry of Justice	4	3	4.8
Ministry of Trade & Industry	6	3	4.8
Ministry of Local Government	12	8	12.9
Ministry of Energy and Mines	7	4	6.5
Ministry of Finance	9	6	9.7
Ministry of land, Water & Environment	6	3	4.8
Ministry of Health	8	4	6.5
Ministry of Construction	7	3	4.8
Ministry of Foreign Affairs	8	4	6.5
Ministry of Transport & Communication	5	1	1.6
Total	94	62	100

Respondents' Characteristics

The following table shows the characteristics of the 62 officials of the Eritrean Government that participated in the study.

Table 3.2 Respondents Characteristics

	Percent	N= 62
Sex		
	Male	94
	Female	6
Age		
	30-35	0
	36-40	1.6
	41-45	12.9
	46-50	6.45
	51-55	56.45
	56-60	19.35
	> 60	3.20
Education		
	< High School	0
	High School	4.84
	Some College	14.52
	4-Year College	9.68
	Graduate Degree	70.96
Salary		
	1000-2000	11.29
	2001-3000	59.68
	3001-4000	29.03
Party Membership (PFDJ)		
	Members	70.97
	Non-members	29.03

3.4 Variables in the Study

Independent variables:

A. Attitudes about the extent and causes of corruption

B. Age, salary, education, party membership

Dependent Variables:

A. Market/Economic Reforms

    1. Program Elimination
    2. Privatization
    3. Deregulation
    4. Tax Reform
    5. Competition for Services

B. Administrative/Bureaucratic Reforms

    1. Code of Ethics
    2. Public Procurement Reform
    3. Meritocratic personnel policy
    4. Improved public sector pay
    5. Administrative Efficiency
    6. Decentralization of Decision-making
    7. Financial Management System
    8. Heavy penalties for corrupt behavior

C. Accountability/Transparency Enhancing Measures

    1. Auditor-General Office

2. Anti-corruption Legislation
3. Honest/Effective Police
4. Anti-corruption Commission
5. Independent Judiciary
6. Independent/Free Media
7. Laws to protect public servants reporting misconduct or suspected corruption.
8. Assets/Income Disclosure

D. Democratic Accountability Enhancing Measures

1. Political Competition
2. Transparency in Party Financing
3. Oversight by NGOs
4. Legislative Oversight
5. Respect for the Rule of Law
6. Disclosure of election results
7. The Ombudsman
8. Visible Commitment by Leadership (in fighting corruption)

3.5 Data Analysis Procedures

The data analysis procedures consisted of frequency, cross-tabs, and correlation. Cross-tabs are utilized to present descriptive statistics that can help us to answer many of the research questions. Correlation analysis is used to see whether an association exists between the variables under study.

3.6 Research Questions and Hypotheses

The proposed research seeks to answer the question: Which reform strategies are perceived t be most effective in combating corruption? It is expected to find the following:

A. Eritrean public officials perceive market/economic reforms to be moderately effective as means of preventing/combating corruption in Eritrea.

B. Eritrean public officials perceive administrative/bureaucratic reforms to be highly effective in preventing/combating corruption in Eritrea.

C. Eritrean public officials perceive accountability/transparency enhancing reforms to be highly effective as means of preventing/combating corruption in Eritrea.

D. Eritrean public officials perceive political accountability enhancing reforms to be moderately effective as means of preventing/combating corruption in Eritrea.

These expectations are based on the premise that as Eritreans are engaged in the establishment of a new state the need for creating state institutions and strengthening existing institutions of the state would be considered paramount. Hence, Eritrean public officials are expected to see the effectiveness of civil service reforms and accountability/transparency reforms to be high in he fight against corruption. On the other hand, the small size of the economy and the very limited regulation undertaken by the present Eritrean government coupled with focus on state-building would present economic and political reforms with limited effectiveness in the fight against corruption. Based on the literature, it is expected that attitudes will vary with education, party membership, and attitudes about he severity of corruption as a problem. There are three research hypotheses:

H1. Perceptions about the extent of corruption in Eritrea by Eritrean public officials will vary with foreign education such that officials with foreign education officials are more likely to perceive higher rates of corruption than those officials with no foreign education.

H2. Perceptions about the extent of corruption in Eritrea by Eritrean public officials will vary with party membership such that officials who are non-party members (of the ruling front, PFDJ) are more likely to perceive higher rates of corruption than their party member counterparts.

H3. Attitudes about the effectiveness of reform strategies in the fight against corruption will vary with views about the extent of corruption in the Eritrean government such that those who view corruption as prevalent are likely to perceive strategies to be effective than those who view corruption as low.

The basis for H1 is that with exposure to foreign education and hence more knowledge about the world around them public official would be less accepting of corruption. Thus, the officials with foreign education are expected to see higher level of corruption than those who lack foreign education.

H2 is based on the premise that party members (of the ruling PFDJ) will be ignore corruption and try to cover it up in order to protect the party in power in Eritrea. Thus, officials with party membership are expected to perceive less corruption than those officials who are not party members.

Finally, H3 is based on the Eritrean tradition that who consider corruption to be higher will be offended and put their faith in corrective measures. Furthermore, those who perceive higher corruption are more likely to favor strategies that address systemic causes

rather than strategies that focus on individual failings. In other words, they consider the problem to be more serious and favor more complex approaches to deal with corruption.

Chapter 4. Results and Analysis

4.1 Importance of corruption to Eritrean public administration

To get a feel for the general perception of Eritrean public officials regarding corruption, the following question was asked in a face-to-face interview session:

"How important do you think the issue of corruption in the context of Eritrean public administration?"

Out of the sixty-two respondents plus the six respondents who answered the open-ended questions 90% of them think the issue of corruption in the context of Eritrean public administration is very important. As the question asked was in open-ended format, they took time to explain why corruption is important. Among the frequently mentioned reasons were (more than one response is possible):

- Corruption can not be seen in isolation from the top policy priorities of the government as the corrosive effects of corruption would negatively impact the functioning of the infant government of Eritrea. (56 percent of respondents)
- Eritreans were liberated from Ethiopian rule after 30 bitter years of war. The next hope and dreams of Eritrean is to promote development and social justice. These higher ideals can not be achieved if corruption is allowed to enter and grow in the Eritrean public service. (20 percent of respondents)
- Corruption is a barrier to nation-building. (14 percent of respondents)

- Eritrea has to learn for the ill fate of corrupt regimes in Africa, if it is to avoid the same fate. (10 percent of respondents)

Another related open-ended question:

"How much emphasis should be given to preventing/fighting corruption?" was asked as a follow-up question. Again, an overwhelming majority of 95% of the respondents think that high emphasis should be given to preventing/fighting corruption for the following reasons:

- corruption should be tackled before it gets out of hand and becomes too costly to manage. The frequently given proverb is "prevention is better than cure." (80 percent of respondents)
- The people and government of Erirea should be aware about the debilitating effects of corruption. (12 percent of respondents)
- Corruption is a matter of national security as history has shown that corrupt governments in Africa lose political legitimacy in the eyes of the public which inevitably leads to civil unrest and military coups. (8 percent of respondents)

While answering the two open-ended interview questions the majority of the respondents asserted that Eritrea enjoys very low level corruption in relation to its neighbors and other developing countries at large. The respondents account the relatively corruption-free environment in Eritrea to the following factors:

- Eritrean culture, despite numerous attacks by colonizers, is very discouraging to corrupt behavior by its citizenry, especially by people occupying public office. (45 percent of respondents)

- The Eritrean economy is very small and indeed is in the process of recovering from 30 years of armed struggle. (12 percent of respondents)

- Eritrea does not own precious natural resources such as oil, gold, uranium, etc. which are blamed for rampant corruption plaguing countries such as Nigeria, The Congo, and Angola. (7 percent of respondents)

4.2 Extent of corruption in Eritrea

Respondents were asked to rate government corruption on a scale of 1 to 5, where 1 corresponds to "non-existent" and 5 corresponds to "extremely prevalent" for the years 2000 and 2003 respectively.

The responses for 2000 and 2003 are shown in the table below:

Table 4.1 Perception of government corruption for the years 2000 and 2003

	Non-existent	Minimal	Moderate	Prevalent	Extremely Prevalent
Year 2000	14.50%	50%	24.20%	11%	0%
Year 2003	6.50%	58.10%	24.20%	11.30%	0%

In both years, 64.5% of the respondents think that corruption in Eritrea ranges between none to minimal. These responses were consistent with the answers to the open-ended questions. This can interpreted as a good indication that corruption in the Eritrean government is still not prevalent and catastrophic as is the case in Eritrea's East African neighbors of Kenya and Uganda.

However, we observe a change as 8% of the respondents that saw corruption in Eritrea in the year 2000 as being non-existent have changed their perception to minimal for the year

2003. This may interpreted as slight increase in corruption in Eritrea in the three years as perceived by the participants of the study.

Again, we observe that 35.3% of the respondents perceive the existence of corruption to be moderate/prevalent. The main explanations given for such for the perception of higher levels of corruption are:

- A rise in corruption behavior on the part of public officials of the government of Eritrea has been observed during the 1998-2000 war with Ethiopia. That is war profiteering activities have been undertaken by a number of public officials serving the government. (15.5 percent of respondents)

- The reports in the Eritrean media about corruption occurrences in the state-owned businesses in what transpired to be a collusion between rich merchants and managers of those state-owned businesses. (14 percent of respondents)

- The import of crime as well as corruption with the Eritrean refugees returning from the Sudan and Ethiopia. (6 percent of respondents)

Further analysis was conducted on the perception of the level of corruption to determine if there is variation based on foreign education and party membership characteristics. Other independent variables such as age, salary, and years of service were examined to see if they are related perceptions regarding extent of corruption. No significant patterns of differences were detected for these variables. Therefore, results will be reported for analysis using foreign education and party membership. They the two variables used in this and subsequent analysis.

The responses regarding the dependent variable – perception about the extent of corruption – are divided into two groups. The first group is those who perceive low

levels of corruption and the second group is those who perceive moderate levels of corruption.

Difference based on foreign education variable:

In the table below we observe that the majority of the respondents who have foreign education as well as those who have not received foreign education perceive corruption to be low in Eritrea. However, we see that respondents who have received foreign education are more likely to perceive moderate levels of corruption (38%) than respondents who have not received foreign education (18%).

Table 4.2 Perceived corruption in 2003 and foreign education

N=62

	Received Foreign Education	No Foreign Education
None/minimum Group	62%	83.30%
Moderate/prevalent Group	38%	17.50%
Total	100%	100%

Gamma value is -.508 significant at .112 level.

Difference based on party membership variable:

We observe in the table below that the majority of respondents who are party members of the ruling party Popular Front for Justice and Democracy in Eritrea as well as the majority of the respondents who are non-party members perceive low levels of corruption in Eritrea. However, we also see that respondents that are members of the party are more likely to perceive low levels of corruption (40%) that the respondents who are not members of the ruling party (18%).

Table 4.3 Perceived Government corruption in 2003 and party membership

N=62

	Party member	Non-Party member
None/minimum Group	60%	82.40%
Moderate/prevalent Group	40%	17.50%
Total	100%	100%

Gamma value is -.514 significant at .065 level.

Contrary to expectations, the findings indicate that party members are more likely to perceive moderate levels of corruption than the non-party members, suggesting that party members are not ignoring the presence of corruption. This finding is potentially important for the design and implementation of anti-corruption reform strategies in Eritrea as the commitment of the officials in power is a key factor in the fight against corruption.

4.3 Causes of corruption in Eritrea

The respondents were asked to rate the causes of corruption in Eritrea on a scale of 1 to 5, where 1 corresponds to "very unimportant cause" and 5 corresponds to "very important cause. The results are shown in the table below:

Table 4.4 Survey Results of Causes of Corruption

	Causes of Corruption	Average (Mean)	Rank
1	Low salary of public officials	3.66	1
2	Lack of accountable/transparent political system	3.48	2
3	Lack of meritocratic personnel policies	3.45	3
4	Lack of effective corruption reporting system	3.4	4
5	Self-serving attitudes of public officials	3.08	5
6	lack of independent/free judiciary	2.87	6
7	Lack of independent/free media	2.53	7
8	Poor economic policies	2.42	8
9	Overloaded administrative agencies	2.29	9
10	Customs that encourage corrupt behavior	2.18	10
11	Foreign interests	2.08	11

The clearest finding is that the weaknesses in the civil service personnel system are viewed as the most important causes of corruption. Lack of adequate pay and lack of meritocratic personnel policies ranked first and third in the top five leading causes of corruption in Eritrea. Pope (1998) argues that there is little doubt that inadequate pay for public officials contributes to corruption, at least at petty level if not throughout the system. As many developing countries are simply not in a financial position to pay high salaries to public officials, they are caught in a vicious, self-perpetuating spiral: low pay

leads some officials to appropriate government funds, and the misuse of official funds leaves the government with insufficient resources to crease compensation. (Pope, 1998) In the case of Eritrea, public sector wages have not been revised since 1997 leading us to speculate that inadequate pay may contribute to petty corruption.

Lack of meritocratic personnel policies that include politically motivated hiring, patronage, and lack of clear rules on promotions and hiring can help in explaining why some bureaucracies are more corrupt than others. (Tanzi, 1998) A study of 35 developing countries by Rauch and Evans (1998) on the degree to which civil Servants' recruitment and promotions are based indicates that the less the recruitment and promotion are based on merit, the higher the extent of corruption. (Tanzi, 1998)

The second ranking factor lack of accountable/transparent political system can be explained in part by the infancy of the political institutions in Eritrea. The legal framework for the formation and finance of political parties is still nascent, national elections are still pending (owing to the 1998-2000 war with Ethiopia,) and the media remains largely government controlled. (Hansson, 2001)

The fourth ranking factor is lack of effective corruption reporting system. In the context of Eritrea this can be seen as the absence of rules and regulations, procedures, and stuff members who are trusted for reporting suspected corruption on the part of public officials as well as absence of anti-corruption body that can investigate reports of corruption.

The self-serving attitudes of public officials (ranked fifth) refer to the personal characteristics of some corrupt public officials serving in the government of Eritrea. According to the President of Eritrea, Isayas Afeworki:

> …A serious problem that must be addressed regarding the perceived rise in corruption in Eritrea is the role of few public officials who are trying to enrich themselves at the expense of the Eritrean public. A limited number of ex-combatants, who served in the liberation of Eritrea for 20 years, are working to get rich in 2 years in their twisted logic of making up for their forfeited "compensation" during the liberation war. What makes such corruption of public officials very serious to the security of the nation is that upon arrest and conviction, these officials have tried shift blame to political, regional, ethic as well as religious differences with the present Eritrean government as the excuse for their arrest. This development goes contrary to the respect and goodwill of the majority of officials serving the government as well to the national unity of Eritreans at large…."
>
> President Isayas Afeworki interview with *The Eritrean Profile*, May 2003

The fact that customs/culture is seen at the bottom of the list of the causes of corruption in Eritrea corroborates the explanation given by Eritrean public officials (during the interview session) for their belief that Eritrean culture is indeed play a discouraging role with respect to corruption. Eritreans celebrate their nation as being exceptionally ethical and contend that dignity and fairness are what differentiates them from other societies, especially Ethiopia (Hoyle, 2001).

In conclusion, the leading factors that contribute to corruption are lack of transparency and accountability in the larger political processes, weakness in pay and in personnel system, lack of corruption reporting system, and deficiencies in individual attitudes and values. The first applies to the political system as a whole, the second and third deal with

public organizational systems – either the need for incentives and supportive regulations or the need for detection and presumably punishment, and the fourth deal with individual shortcomings.

A comparison of those who believe corruption is none/minimal and those who feel it is moderate/high with respect to the relative importance of causes of corruption does not reveal any significant differences. However, each potential cause of corruption is consistently rated higher by those who believe corruption is moderate/high than those who believe none/minimal in terms of absolute value given to each cause of corruption while the ranking or ordering remains virtually the same.

4.4 Survey Results on Effectiveness of Economic/Market Reforms

The effectiveness of reform strategies was measured by a ten-point scale. One point indicated not at all effective while ten points indicated the most effective strategy. Overall, the results presented in the table below show that officials perceive weak to moderate effectiveness of economic/market reforms in fighting corruption. If a score of 8.0 or higher is chosen as a standard for highly effective approaches, then none of these strategies meets the test.

Table 4.5 Survey Results on Effectiveness of Economic/Market Reforms

	Economic/Market Strategy	Mean	Rank
1	Competitive Service provision	7.84	1
2	Privatization	6.94	2
3	Tax reforms	6.24	3
4	Deregulation	5.63	4
5	Program elimination	4.94	5

The following table is used to see the similarities and differences in rating of economic/market reforms between the groups of low corruption and moderate corruption.

Table 4.6 Comparison of Low Corruption and Moderate Corruption Group Results:

Economic/Market Strategies

		Low Corruption		High Corruption		
	Economic/Market Strategy	**Mean**	**Rank**	**Mean**	**Rank**	**Significance***
1	Competitive service provision	7.49	1	8.43	1	0.118
2	Privatization	6.49	2	7.7	2	0.137
3	Tax reforms	6.03	3	6.61	3	0.347
4	Deregulation	5.13	4	6.48	4	0.034
5	Program elimination	4.56	5	5.57	5	0.221

* based on F score for difference of means

A comparison of the results shows that moderate corruption group respondents give higher ratings to the effectiveness of each strategy than the low corruption group respondents. As expected in hypothesis 3, Eritrean officials who consider corruption to be more prevalent have a more positive attitude about the likely effectiveness of reform strategies. The ranking of the strategies in relation to each other remains the same. This indicates that the two groups agree on the relative importance of each strategy. The moderate corruption group views the New Public Management method of Competitive Service Provision as a highly effective approach.

4.5 Survey Results on Effectiveness of Administrative/Bureaucratic Reforms

The findings shown below clearly indicate that officials rate the effectiveness of administrative/bureaucratic reforms in fighting corruption in Eritrea to be very high. The

raking of improved public pay in the top three is indicative about the role of adequate salary in maintaining a clean civil service. Six of these strategies meet the high effectiveness test

Table 4.7 Survey Results on Effectiveness of Administrative/Bureaucratic Reforms

	Administrative/Bureaucratic Strategy	Mean	Rank
1	Administrative efficiency	8.94	1
2	Improved public sector pay	8.82	2
3	Code of ethics	8.45	3
4	Heavy penalties for corrupt behavior	8.32	4
5	Financial management system	8.15	5
6	Meritocratic personnel policy	8.11	6
7	Public procurement	7.95	7
8	Decentralized decision making	7.37	8

It seems clear that when Eritrean officials think about measures to combat corruption, they focus much more on public administration reform rather than reforms in the economic or market area. This represents a traditional public administration focus rather than a NPM focus.

The following table is used to see the similarities and differences in rating of administrative/bureaucratic reforms between the groups of low corruption and moderate corruption.

Table 4.8 Comparison of Low Corruption Group and Moderate Corruption Results:

Administrative/Bureaucratic Strategies

		Low Corruption		High Corruption		
	Administrative/Bureaucratic Strategy	**Mean**	**Rank**	**Mean**	**Rank**	**Significance***
1	Administrative efficiency	8.82	1	9.13	1	0.23
2	Improved public sector pay	8.82	1	8.83	2	0.826
3	Heavy penalties for corrupt behavior	8.67	2	7.74	7	0.502
4	Code of ethics	8.46	3	8.43	4	0.821
5	Financial management system	8.23	4	8	6	0.681
6	Meritocratic personnel policy	8.1	5	8.13	5	0.42
7	Public procurement	7.54	6	8.65	3	0.041
8	Decentralized decision making	7.38	7	7.35	8	0.648

* based on F score for the difference of means

A comparison of the results shows the following significant differences between the two groups:

- The strategy of heavy penalties for corrupt behavior is ranked second by low corruption respondents (mean=8.67) while it is ranked seventh by moderate corruption respondents (mean=7.74). This means that although both groups place higher value on the heavy penalties strategy the low corruption respondents strongly believe that making corrupt behavior a high risk activity by imposing stiff penalties on corrupt officials a sound strategy in the fight against corruption compared to the high corruption respondents.
- The strategy of public procurement is ranked sixth low corruption respondents (mean=7.54) while it is ranked third by moderate respondents (mean=8.65). This means that the low corrupt respondents see improved public procurement practices as much

more effective tool in the fight against corruption as compared to the moderate corruption group.

The differences in response regarding penalties and public procurement suggest that the low corruption group focus on deterring individual behavior whereas the moderate corruption group gives relatively greater emphasis to addressing the systemic factors that contribute to corrupt behavior.

4.6 Survey Results on Effectiveness of Accountability/Transparency Enhancing Reforms:

The survey results indicate that officials the effectiveness of accountability/transparency enhancing reforms in fighting corruption to range from moderate to high. The top three highly effective accountability/transparency enhancing strategies are the auditor-general office, anti-corruption legislation, and honest/effective police.

Table 4.9 Survey Results on Effectiveness of Accountability/Transparency Enhancing Reforms

	Accountability/Transparency Enhancing Strategy	Mean	Rank
1	Auditor-general office	8.37	1
2	Anti-corruption legislation	8.26	2
3	Honest/effective police	8.16	3
4	Independent/free Judiciary	7.63	4
5	Anti-corruption commission	6.97	5
6	Asset/income disclosure	6.89	6
7	Independent/free media	6.53	7
8	Whisleblowing protection laws	6.4	8

The following table is used to see the similarities and differences in rating of transparency/accountability measures between the groups of low corruption and moderate corruption.

Table 4.10 Comparison of Low Corruption and Moderate Corruption Group Results:

Accountability/Transparency Enhancing Strategies

		Low Corruption		High Corruption		
	Accountability/Transparency Enhancing Strategy	**Mean**	**Rank**	**Mean**	**Rank**	**Significance***
1	Auditor-General office	8.44	1	8.26	2	0.976
2	Anti-Corruption legislation	8.18	2	8.39	1	0.934
3	Honest/Effective police	8.1	3	8.26	2	0.959
4	Independent/Free judiciary	7.69	4	7.63	3	0.743
5	Anti-Corruption commission	7.05	5	7.26	5	0.636
6	Asset/Income disclosure	6.79	6	6.61	6	0.794
7	Independent/Free media	6.46	7	7.35	4	0.1
8	Whisleblowing protection laws	6.05	8	6.3	7	0.881

* based on F score for the difference of means

A comparison of the results shows that only significant change is that the strategy of independent/free media ranked eighth by low corruption respondents (mean=6.05) moves to the fourth ranking (mean=7.35) according to the perception of moderate corruption respondents. This clearly shows that moderate corruption respondents place more importance on changing the context in which government operates. These officials are likely to emphasize the contribution of the independent/free media to educating and informing the public as well as exposing government waste and corruption as compared to the low corruption respondents.

4.7 Survey Result on Effectiveness of Political Reforms:

The survey finding indicate that officials see the effectiveness of political accountability enhancing reforms ranges from weak to very high. Respect for rule of law and visible leadership score very high on effectiveness while oversight by NGOs is rated as having the weakest effectiveness in fighting corruption.

Table 4.11 Survey Result on Effectiveness of Political Reforms

	Political Accountability Enhancing Strategy	Mean	Rank
1	Respect for rule of law	9.11	1
2	Visible leadership commitment	8.81	2
3	Legislative oversight	7.35	3
4	Transparency in party financing	7.08	4
5	Disclosure of election results	6.89	5
6	Political competition	6.84	6
7	The Ombudsman	6.76	7
8	Oversight by NGOs	4.27	8

The two strategies of respect for rule of law and visible leadership commitment meet the test of highly effective approach. This clearly indicates that Eritrean officials think the law should apply to everybody including the top people in the government and in the private sector. Moreover, Eritrean officials believe that the concrete commitment of the Eritrean leadership to fighting corruption is essential if the reform strategies are to have success. The low score given to oversight by NGOs reflects the desire by Eritrean

official to be free from dependency from aid and the associated undue influence coming from NGOs, especially those who are foreign based and directed.

The following table is used to see the similarities and differences in rating of the political accountability measures between the groups of low corruption and moderate corruption.

Table 4.12 Comparison of Low Corruption and Moderate Corruption Group Results:

Political Accountability Enhancing Strategies

		Low Corruption		High Corruption		
	Political Accountability Enhancing Strategy	**Mean**	**Rank**	**Mean**	**Rank**	**Significance***
1	Respect for rule of law	9.08	1	9.17	1	0.762
2	Visible leadership commitment	8.69	2	9	2	0.244
3	Legislative oversight	7.41	3	7.26	5	0.861
4	Transparency in party financing	6.92	4	7.35	4	0.094
5	Disclosure of election results	6.74	5	7.13	6	0.314
6	Political competition	6.54	6	7.35	4	0.023
7	The Ombudsman	6.21	7	7.7	3	0.057
8	Oversight by NGOs	3.77	8	5.13	7	0.038

* based on the F score for difference in means

A comparison of the results from the two groups shows three important differences that stand out between the two:

- Political competition is ranked sixth by low corruption respondents (mean=6.54) whereas it is ranked fourth by moderate corruption respondents (mean=7.35) This implies that moderate corruption respondents see political competition or the existence of multi-party democracy as more important tool in fighting corruption than as compared to the low corruption respondents.

- The Ombudsman is ranked seventh by low corruption respondents (mean=6.21) whereas it is ranked third by moderate corruption respondents (mean=7.70) This clearly indicates that moderate corruption respondent see the Ombudsman office which independently receives and investigates allegation maladministration and corruption, playing a greater role in fighting corruption than low corruption respondents.

4.8 Correlations between reforms/strategies and leading causes of corruption

The corruption literature suggest that establishing a link between the reform strategies being considered and the leading factors that contribute to corruption in a country is important if anti-corruption strategies are to bear the desired fruits. To see if such link exists in the context of corruption in Eritrea, an examination of the bivariate correlations reforms/measures and the five leading causes of corruption in Eritrea are summarized in table 4.13.

Table 4.13 Correlations between reforms/strategies and leading causes of corruption

N= 62

	Low salary of public officials	Lack of transparent/accountable political system	Lack of meritocratic personnel policies	Lack of effective corruption reporting system	Self-serving attitudes of public officials
Privatization (6.94))	0.273		0.253	0.269	
Competitive service provision (7.84)			0.286	0.258	
Public procurement	0.269				
Anti-Corruption Legislation (7.54)		0.289			
Honest/effective police (8.16)		0.268	0.316		
Anti-Corruption commission (6.97)					0.287
Political competition (6.84)	0.318		0.289		
Transparency in party financing (7.08)	0.268				

Disclosure of election results (6.89)				0.298	
The Ombudsman (6.76)		0.252	0.257		

In Table 4.13 only the bivariate correlations that are significant at the 0.05 level (2-tailed) are reported. As the variables under examination are ordinal variables, the Spearman's rho correlation coefficient has been used.

For the most part, the strategies that are significantly related to causes of corruption have a moderately effective rating. Only Honest/Effective police and Anti-Corruption commission have a rating above 8.0 from a total of 11 strategies that receive a rating at this level. For the others presumably the perceived effectiveness is uniformly high that there is little variation in responses to produce a significant correlation. The correlations provide some in sight, however, into factors related certain strategies for which there is strong but not very high support.

The correlation can be examined from two "directions." First, what causes are related to each strategy, and, second what strategies are related to each cause. The ratings of certain strategies are affected by the perceived causes of corruption. Also, depending on the nature of the cause of corruption, certain strategies are perceived to be more effective. It is important to keep in mind, however, that other strategies are perceived to be more effective in dealing with each cause, but there is no sufficient variation related to cause to produce a significant variation. For example, although the analysis does not find a significant correlation between the increase in public sector pay and the leading cause lack of adequate pay for public servants, virtually all respondents think pay should be improved regardless of whether they see inadequate pay as a cause of corruption. It is

logical to assume living wage calls for pay increases to support public officials and their families.

Strategies:

The bivariate analysis reveals a significant relationship between privatization and three of the leading causes of corruption, namely, low salary of public officials, lack of meritocratic personnel policies, and lack of corruption reporting system. Respondents that have rated low salary of public officials, lack of meritocratic personnel policies, and lack of corruption reporting system as more important causes of corruption in Eritrea are likely t rate privatization as a highly effective strategy in fighting corruption. One would presume that if the causes were to become more important in the future, the support for privatization would also increase.

Competitive service provision is significantly related to two of the leading causes of corruption, namely, lack of meritocratic personnel policies, and lack of corruption reporting system. Respondents that have rated lack of meritocratic personnel policies, and lack of corruption reporting system as more important causes of corruption in Eritrea are more likely to rate competitive service provision as a highly effective strategy in fighting corruption.

An examination of a bivariate correlation between administrative strategies and the five leading causes of corruption found one significant relationship between public procurement strategy and one leading cause of corruption, lack of adequate pay of public officials. (See Table 4.13) This means that respondents that have rated lack of adequate pay of public officials as more important cause of corruption in Eritrea are more likely to rate public procurement as a highly effective strategy in fighting corruption. A

significant relationship is found between anti-corruption legislation strategy and one leading cause of corruption, lack of transparent/accountable political system. This means that respondents that have rated lack of transparent/accountable political system as more important cause of corruption in Eritrea are more likely to rate public anti-corruption legislation as a highly effective strategy in fighting corruption.

Another significant relationship is revealed between honest/effective police and two leading causes of corruption, namely, lack of transparent/accountable political system and lack of meritocratic personnel policies. Respondents that have rated lack of transparent/accountable political system and lack of meritocratic personnel policies as more important causes of corruption in Eritrea are more likely to rate honest/effective police as a highly effective strategy in fighting corruption.

Finally, a significant relationship is found between anti-corruption commission strategy and one of the leading causes of corruption, self-serving attitudes of public officials. This means that respondents that have rated self-serving attitudes of public officials as more important cause of corruption in Eritrea are more likely to rate public anti-corruption commission as a highly effective strategy in fighting corruption.

An examination of bivariate correlation between political accountability enhancing strategies and the five leading causes of corruption reveals four significant relationships. (See Table 4.13) A significant relationship is revealed between political competition strategy and two of the leading causes of corruption, namely, lack of adequate pay of public officials and lack of meritocratic personnel policies. Respondents that have rated lack of adequate pay of public and lack of meritocratic personnel policies as more

important causes of corruption in Eritrea are more likely to rate political competition as a highly effective strategy in fighting corruption.

A significant relationship is found between transparency in party financing strategy and one of the leading causes of corruption, lack of adequate pay of public officials. This means that respondents that have rated lack of adequate pay of public officials as more important causes of corruption in Eritrea are more likely to rate transparency in party financing strategy as a highly effective strategy in fighting corruption.

A significant relationship is found between disclosure of election results and one of the leading causes of corruption, lack of adequate corruption reporting system. This means that respondents that have rated lack of adequate corruption reporting system as more important cause of corruption in Eritrea are more likely to rate disclosure of election results as a highly effective strategy in fighting corruption.

Finally, a significant relationship is found the ombudsman strategy and two of the leading causes of corruption, namely, lack of transparent/accountable political system and lack of meritocratic personnel policies. This means that respondents that have rated lack of transparent/accountable political system and lack of meritocratic personnel policies as more important causes of corruption in Eritrea are more likely to rate the ombudsman as a highly effective strategy in fighting corruption.

Causes:

The causes differ in the exact strategies to which they are related and in the number of strategies linked to each cause. Four of the leading causes of corruption: low salary of public officials, lack of transparent/accountable political system, lack of meritocratic personnel policies, and lack of effective corruption reporting system are significantly

related to at least three of the strategies or more. This suggests that to address the problem of corruption that has its source in these four aforementioned causes we need a host of corruption fighting strategies or a systemic change On the other hand, for the leading cause of self-serving attitudes of public officials only one strategy is significantly correlated to it. This is the anti-corruption commission strategy. This association suggests that suggest that the character of the corrupt officials is viewed as an isolated factor that can be dealt with the establishment of enforcement mechanism through an independent anti-corruption body.

In sum, analysis of relationships among attitudes suggests that certain methods from the accountability/transparency strategy as well as the political accountability strategy are perceived to be more effective when the causes of corruption are thought to be based in personnel shortcomings, poor corruption reporting, and lack of transparency. Those who attribute corruption to the self-serving attitudes of government officials tend to focus more narrowly on strengthening enforcement mechanisms.

Looking across all strategies, 11 measures are perceived to be highly effective. The leading strategies perceived to be most effective with a rating greater than 8 are the following:

Administrative/Bureaucratic Reforms	Accountability/Transparency Enhancing Reforms	Political Accountability Enhancing Reforms
- Administrative efficiency(8.94)	- Auditor-General office (8.37)	- Respect for the rule of law (9.11)
- Improved pay (8.82)	- Anti-Corruption laws (8.26)	
- Code of ethics (8.45)	- Honest/Effective police (8.16)	- Visible leadership commitment (8.81)
- Heavy penalties (8.32)		
- Financial management system (8.15)		
- Meritocratic personnel policies (8.11)		

None of the economic/market strategy methods receive high effectiveness rating from the respondent group as a whole. However, competitive service strategy is added to the list summarized above by the moderate corruption group as it rates competitive strategy to have a mean effectiveness of 8.43.

The common themes of the leading anti-corruption reforms/strategies listed above can be captured by looking at the three areas they give emphasis to. One, we see that civil service reforms from the administrative/bureaucratic reform strategy are overrepresented providing evidence that reforming the administration is a high-priority in the fight against corruption. As noted previously, Eritrean public officials focus largely (but not exclusively) on the administrative realm when they consider strategies to combat corruption. Two, law-making and law-enforcement in the fight against corruption are also important as indicated by the presence of anti-corruption laws, investigative agencies and prosecutorial agencies, and the equal application of the law among the strategies as highly effective. Third, the political will of the leadership in power is the highest rated strategy from among all the strategies considered in outset demonstrating the critical role of leadership commitment in the fight against corruption. At the end of the day, all anti-corruption efforts will be in vain if leaders are not committed and the public does not have confidence in the reformers' sincerity and ability to affect change (Pope, 1998)

In sum, the survey evidence indicates that Eritrean public officials demonstrate very strong preferences for administrative reforms, strong preferences for accountability reforms, and moderate preference for political reforms although the highest and the

fourth ranked measures come from this strategy. There is only weak preference for market reforms although those who consider corruption to be moderately high are inclined to favor competitive service provision as a highly effective strategy.

A comparison of ratings of the 11 highly effective strategies given by officials who are members of the ruling party and those who are not members of the party is shown below in Table 4.14.

Table 4.14 Comparison of Ratings of Party Members and Non-Party Members

Anti-Corruption Strategy	Party Members' Rating	Non-Party Members' Rating
Administrative efficiency	9.13	8.41
Improved public sector pay	8.96	8.47
Code of ethics	8.44	8.47
Heavy penalties	8.33	8.29
Financial management	8.11	8.12
Meritocratic personnel policies	8.29	7.76
Auditor-General office	8.56	7.88
Anti-Corruption legislation	8.27	8.24
Honest/Effective police	8.22	8
Respect for the rule of law	9.13	9.06
Visible leadership commitment	8.91	8.53

The results consistently show that those who are party members give higher ratings virtually to all the top eleven reforms strategies as compared to those who are not members of the party. This is potentially an important finding as the commitment of the public officials who are members of the ruling party would be critical to the design and implementation of anti-corruption strategies in the context of Eritrea. The willingness to

buy into the particular reforms strategies that are deemed appropriate to Eritrea by the party members, who weld significant power in policy-making during this transitional period in Eritrea History, would be crucial to the success of any anti-corruption program.

Chapter 5. Summary of Research findings, Conclusion, and Implications of Research Results

5.1 Summary of Research Findings

The principal aim of the research was to assess the perception of top Eritrean public administrators regarding the existence of corruption, the causes of corruption, and the remedies of corruption in context of Eritrea. The most important survey findings were:

1. The overwhelming majority of respondents (90%) believe that the importance or priority of corruption in the context of Eritrean public administration is high.
2. The overwhelming majority of respondents (95%) think that high emphasis needs to be given to preventing/fighting corruption in Eritrea.
3. The majority of respondents (64.5%) think that the extent of corruption in Eritrea for both years of 2000 and 2003 ranges between none to minimal. They account the relatively corruption-free environment in Eritrea to a culture where corruption is frowned upon, the war-ravaged small economy, and the lack of precious minerals that have become the curse of many resource-rich African countries.
4. Almost one third (35.5%) of the respondents believe that the extent of corruption in Eritrea for both years of 2000 and 2003 ranges between moderate to prevalent. They account this perceived high corruption to war profiteering, corrupt managers

in charge of public-owned companies, and the import of criminal/corrupt elements with the Eritrean refugees coming from the Sudan and Ethiopia.

5. According to the respondents the five leading causes of corruption in Eritrea are lack of adequate pay for public officials, lack of accountable/transparent political system, lack of meritocratic personnel policies, lack of corruption reporting system and self-serving attitudes of public officials. A comparison of those who perceive lower rates of corruption and those who perceive higher rates of corruption revealed no significant differences regarding the importance of each cause of corruption. However, in terms of absolute value given to the importance each cause of corruption the latter consistently placed higher values on all individual causes of corruption than the former.
6. Respondents rated the effectiveness of economic strategies in fighting corruption to be weak in general with the exception of competitive service provision strategy rated to have moderate effectiveness. A comparison of those who perceive lower rates of corruption and those who perceive higher rates of corruption revealed no significant differences regarding the effectiveness of economic strategies. However, in terms of absolute value given to the effectiveness each strategy the latter consistently placed higher values on the effectiveness all strategies than the former.
7. Respondents rated the effectiveness of administrative strategies in fighting corruption as very highly effective. A comparison of those who perceive lower rates of corruption and those who perceive higher rates of corruption revealed one significant difference regarding the effectiveness of administrative strategies.

Those who perceive lower rates of corruption ranked the strategy of heavy penalties for corrupt behavior sixth while those who perceive higher rates of corruption ranked it second.

8. Respondents rated the effectiveness of accountability/transparency enhancing strategies as highly effective. A comparison of those who perceive lower rates of corruption and those who perceive higher rates of corruption revealed one significant difference regarding the effectiveness accountability transparency strategies. Those who perceive lower rates of corruption ranked the strategy of independent/free media eighth while those who perceive higher rates of corruption ranked it fourth.
9. Respondents rated the effectiveness of political accountability enhancing strategies in fighting corruption raging from moderate in general with the exception of respect for the rule of law and leadership commitment to fight corruption which were rated as highly effective strategies. A comparison of those who perceive lower rates of corruption and those who perceive higher rates of corruption revealed two significant differences regarding the effectiveness accountability transparency strategies. Those who perceive lower rates of corruption ranked the strategies of legislative oversight and the ombudsman fifth and seventh respectively while those who perceive higher rates of corruption ranked it both strategies as joint third.
10. Out of the twenty-eight corruption-fighting strategies rated by the respondents eleven of them were rated as very highly effective strategies. They include six administrative strategies (administrative efficiency, improved pay for public

servants, code of ethics, heavy penalties for corrupt behavior, financial management system, meritocratic personnel policies,) three accountability/transparency enhancing strategies (Auditor-General office, anti-corruption legislation, honest/effective police,) and two political accountability enhancing strategies (respect for the rule of law, visible leadership commitment)

11. Two important differences were observed between respondents who perceive higher rates of corruption and respondents who perceive lower rates of corruption in Eritrea. Respondents that are party members (of the ruling Popular Front for Democracy and Justice) are more likely to perceive higher rates of corruption that respondents who are not party members. Respondents who have received foreign education are more likely to perceive lower rate of corruption that those who have not received foreign education.
12. An examination of the correlation between individual corruption fighting strategies and the five leading causes of corruption revealed that accountability/transparency enhancing measures as well as political accountability enhancing measures are more correlated to the leading causes of corruption as opposed to economic and administrative measures. In addition the survey evidence indicates that four out of the leading causes of corruption (lack of adequate pay for public officials, lack of accountable/transparent political system, lack of meritocratic personnel policies, and lack of corruption reporting system) are correlated with three or more of the strategies suggesting that to address the problem of corruption in Eritrea needs to be tackled through the implementation of a host of corruption fighting strategies.

5.2 Conclusion

This survey research on corruption in the context of Eritrean public service makes a significant contribution to the existing literature on corruption, especially with reference to developing countries, by canvassing the opinions of senior Eritrean public servants. Its contribution to understanding the problem of corruption in Eritrea is enhanced as the work is the result of genuine collaboration between the stakeholders, Eritrean public officials, and the researcher who comes from and knows the country as opposed to research work that relies on external consultants and external experts.

Based on the findings of the survey research five main conclusions are drawn:

As the first empirical study of corruption in Eritrea the work reveals that Eritrea is relatively corruption-free as compared to Sub-Saharan countries such as Nigeria, Kenya and Angola where rampant corruption is the rule rather than the exception. The study confirms to a larger degree the reputation of Eritrea as one of the few least corrupt countries in Africa that is frequently advanced by visiting diplomats and foreign journalists. Thus, the study suggests that there is no serious problem of corruption in the Eritrean public sector as of now. Having a newly established state where corruption is not embedded in society as well as government signals a hopeful future for Eritrea in its fight against corruption.

Eritrean public servants had demonstrated unanimous agreement and appreciation about the dangers posed by corruption to the young nation of Eritrea. All the respondents including those who perceive lower corruption rates in Eritrea as well as those perceive higher corruption rates are united in the position that corruption should

be a high priority of the government. The acknowledgement of the deleterious effects of corruption by the surveyed senior public officials is the first significant step in mobilizing the necessary support and commitment to fighting corruption on the part of the government leaders of Eritrea.

The research evidence indicates that if the emergence of corruption at a grand scale is to be prevented, a variety of economic, administrative, transparency/accountability and political reforms has to be carried out. However, the urgency of implementing administrative or civil service reforms as well as transparency/ accountability reforms is much greater among the host of remedies available for combating corruption. While implementing economic and political reforms would pay the in the long-run in terms of fighting corruption, the urgency of carrying out civil service reforms (such as increased pay, merit-based personnel policies) and strengthening exiting accountability/transparency mechanisms (such as the attorney-general office, honest/effective police force) together with the introduction of new laws and institutions (such as anti-corruption legislation and anti-corruption commission) has been made clear.

The research evidence has made a significant contribution of our knowledge about the role culture of culture in relation to corruption in the Eritrean context. Eritrean public administrators have indicated that they do not think it is one of the causes of corruption. In a continent where the indigenous culture is blamed for being one of the culprits for the emergence of rampant corruption, the uniqueness of Eritrean culture in this respect is remarkable.

Finally, the research evidence suggests Eritrean public officials do not believe that foreign interests contribute to corruption in Eritrea. Moreover, the surveyed public officials have indicated that oversight by NGOs, especially foreign ones, has minimum effectiveness in combating corruption. This is a well-come development as Eritrean public officials are presenting a unique perspective on self-reliance by accounting corruption in Eritrea to internal factors and consistently pointing to internal remedies for combating this malaise. This development also contrasts sharply to the rest of Sub-Saharan Africa where rampant corruption is largely blamed on the legacy of colonialism and the influence of neo-colonialism. The fierce independence and almost obsessive desire to be self-reliant on the part of Eritreans in a continent where government leaders wallow in foreign aid dependency and embrace conspiracy theories involving "foreign agents or powers" whenever something goes wrong is described at length by Peter Worthington:

> What makes Eritrea – the coastal country on the Red Sea next to Ethiopia – the most unusual in Africa, if not the world, is that it does not like foreign aid. Unusual, too, that while it is the world's newest independent state (1993) and one of Africa's poorest countries, it is also the safest, least corrupt, and most self-reliant…. To offset what it sees as a dangerous and seductive programs, Eritrea sees that foreign aid to be administered by Eritrean and not foreigners.
>
> (Peter Worthington in *The Toronto Sun*, December 28, 1998)

If Eritrean leaders can capitalize on the aforementioned national assets and avoid the pitfalls that had befallen the rest of Sub-Saharan Africa, there is bright future awaiting the

coming generations of Eritreans. There is no doubt that the abuse and misuse of national wealth by unscrupulous politicians and public servants not only harms the current generation but also future generations to come as schools, hospitals and roads crumble under the weight of rampant corruption.

5.3 Implications of Research Results

Five main implications for Eritrean policy makers and public administration researchers are drawn from this research:

First, the introduction public awareness programs regarding sources and the destructive effects of corruption in Eritrea would be very significant to controlling corruption. The use of TV programs, radio, newspapers, posters and pamphlets, cultural events, and keynote addresses by prominent officials would be very useful in making the Eritrean public sensitive about the ills of corruption. It is equally important to educate citizens about their rights to services – at a given price or no cost at all – as well their duty to complain and procedures for doing so when officials behave corruptly in specific cases (Pope, 1999.) A sensitive and vigilant Eritrean public would be a natural ally of the relatively corruption-culture with which Eritrea has been endowed in the fight against corruption.

Two, the introduction of programs aimed at enhancing public service ethics would be critical if the anti-corruption reforms are to be implemented appropriately and bear the desired fruits. Such programs designed to enhance public service ethics as may include seminars and workshops for ministers, senior civil servants, senior local government officials, judicial officers, the police prosecutors, and prison officials (Ruzindawa, 1997.)

This research work has demonstrated that senior civil servants view public sector corruption as posing a serious danger to social fabric of a developing country such as Eritrea. The task before Eritrean government leaders is to make sure that such awareness is shared by the rank and file in the Eritrean public service.

Three, the establishment of Eritrean anti-corruption body would be very beneficial in preventing and fighting corruption on a grand scale. Presently, the Eritrean courts are overwhelmed with ordinary legal casework while at the same lacking the necessary court staff with the perquisite qualifications. Hence, an independent, professional Eritrean anti-corruption commission established along the Hong Kong's Independent Commission against Corruption model would be valuable to Eritrea. Moreover, a competent and an independent antic-corruption commission would be well-equipped to deal with serious instances of corruption in a way the ordinary police would not. For example, following the Hong Kong (ICAC) model the Botswana Directorate on Corruption and Economic Crime (DCEC,) created in 1994, had achieved a larger measure of success in terms orchestrating a successful campaign among the Botswana general public and a high conviction rate of investigated cases (Olowu, 1999.) Olowu (1999) argues that an independent anti-corruption commission is crucial for the success of anti-corruption programmes in many African countries, because like the Botswana Directorate on Corruption and Economic Crime (DCES,) it can help stimulate or press for change in other institutions such as the courts, the legislature and the Attorney-General's Office in focusing their energies on anticorruption issues.

Such model would have three main functions:

1. Help in educating the public as well as in enlisting the help of the public

2. Prevent grand corruption from occurring through intelligence gathering and investigation of alleged corrupt behavior by senior public officials
3. Enforce anti-corruption legislation and prosecute officials accused of corrupt practices

Moreover, the Eritrean anti-corruption commission that is established along the Hong Kong model needs to have a civil service review and management department that designs and implements civil service reforms specifically focused on combating corruption. The urgent need for civil service reforms such as increase in public sector pay levels and meritocratic personnel policies which has been suggested in this research work should be studied in detail by the civil service review and management department for the purpose of incorporating them in overall capacity-building efforts of the Eritrean government.

Fourth, this research work opens the way for future research that will include surveys of households and business people in Eritrea. It is true that the survey of Eritrea public officials is important in order to see perception of corruption from the government side. However, the study of corruption can be complete when complemented survey of other stakeholders: household surveys and business people surveys. Consistent findings across survey research conducted involving the public officials, households, and business people enhance the ease of acceptance of the empirical evidence as well as the credibility of the actions it suggests. (Kaufman, 1998)

Finally, In-depth country-specific corruption studies are key to isolating the specific social, economic, political, and administrative contexts within which corruption operates in a given country in order to measure and explain corruption. However, if we are to go

pass studying individual countries and make cross-country comparisons, we need to bring together survey findings from each country and conduct the relevant research. The need for cross-country studies on corruption is two-fold:

1. Increasing global integration has elevated the importance of corruption as an international issue as the impact of corruption on economic development and political development within countries sometimes spills over to neighboring countries or the international community as a whole (Eliot, 1997.) In the age of globalization where corruption has become a regional or international problem, a broader study of corruption as its affects a host of countries is needed.

2. While acknowledging the diversity of the sources, extent, and remedies of corruption it can be argued that by conducting cross-country corruption studies we can understand "success" stories as well as "failure" stories in the fight against corruption. For instance, Johnston (2000) argues that successful anti-corruption campaigns have tended to take place in societies that are small (as in Botswana) and undemocratic (Singapore and Hong Kong). At the minimum the understanding of the "failure" stories can be very instrumental in avoiding the pitfalls.

Overall, the likelihood of undertaking a successful anti-corruption reform in the newly independent Eritrea is very promising. It is hopeful sign that persons who perceive higher level of corruption are not cynical about reform strategies. In fact, it is just the opposite. Party members who are in the best position to influence future government decision are more likely to perceive corruption exists, and they provide higher ratings of the effectiveness of the top reform strategies.

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APPENDICES

Appendix A.

Survey Questionnaire

Anti-Corruption Strategies for Eritrea: A Country Study

Questionnaire for Public Officials (appointed) in Eritrea

1. What is your age?
    a. 30 – 35 years
    b. 36 –40 years
    c. 41 – 45 years
    d. 50 – 55 years
    e. 56 – 60 years
    f. more than 60 years
2. What is your monthly salary for 2002?
    a. 1000 – 2000
    b. 2001 - 3000
    c. 3001 - 4000
    d. 4001 - 5000
    e. 5000 - 6000
3. How do happen to occupy your present position?
    a. Appointed
    b. Elected

    If appointed for your current position, have ever held elected position in the government?

    Yes _____ If yes, for how long ?

    a. Less than 1 year
    b. 1- 3 years
    c. 4- 7 years

d. more than 7 years

No _____

If elected to your current position, have you ever held appointed position in the government?

Yes _____ If Yes, for how long? _____

a. Less than 1 year

b. 1-3 years

c. 4 -7 years

d. more than 7 years

No _____

4. For how many years have held your present position?

a. Less than 1 year

b. 1-3 years

c. 4 –7 years

d. more than 7 years

What is the total number of years toy served in the government?

a. less than 1 years

b. 1 – 3 years

c. 4 –7 years

d. more than 7 years

5. Please indicate the highest level of education you have attained (check only one)

a. Less than high school

b. High school graduate

c. Some college

d. 4-year college

e. Graduate degree

6. Did you receive any training/education outside your country?

   a. Yes

   b. No

7. Are you a member of a party now?

   a. Yes

   b. No

   If yes, what is the name of the political party? _____

Introduction:

We are trying to understand the nature of corruption in government with a view of discovering the best ways of tackling it. Please provide us with your perspective/opinions with the questions that follow.

8. How important do you think the issue of corruption is in the context of Eritrean public administration?

9. How much emphasis should be given to preventing/fighting corruption?

10. Please evaluate the pervasiveness of corruption in your country as well as in your respective organization on a scale of 1 to 5, where 1 corresponds to "non-existent" and 5 corresponds to "extremely prevalent".

		Nonexistent	Minimal	Moderate	Prevalent	Extremely prevalent
A	Now in your government					
B	3 years ago in your government					
A	Now in your organization					
B	3 years ago in your organization					

11. How important are the following as causes for corruption in your country? Please answer on a scale of 1 to 5, where 1 corresponds to "very unimportant cause" and 5 corresponds to "very important cause".

		2	3	4	5
1	Low salary of public officials				
2	Lack of independent/free media				
3	Lack of effective corruption reporting system				
4	Lack of transparent/accountable political process				
5	Lack of independent/free judiciary				
6	Lack of meritocracy				
7	Poor economic policies				
8	Customs that encourage corrupt behavior				
9	Overloaded administrative agencies				
10	Foreign interests seeking favorable interests				
11	Self-serving attitudes of public officials				

12. How **effective** do you think the following types of reforms can be in fighting corruption in government? Please answer on a scale of 1 to 10, where 1 corresponds to "least effective" and 10 corresponds to "most effective.

A. Market /Economic Reforms

Please evaluate the effectiveness of the reforms below on the provided scale.

Most Effective — Least Effective

		10	9	8	7	6	5	4	3	2	1
1	Program elimination										
2	Privatization										
3	Deregulation										
4	Tax reforms										
5	Competitive service provision										

If more than one item have same top rank, which one is do you think is important? _____

B. Administrative/Bureaucratic Reforms

Please evaluate the effectiveness of the reforms listed below on the scale provided.

Most Effective — Least Effective

		10	9	8	7	6	5	4	3	2	1
1	Code of ethics										
2	Public procurement reform										
3	Meritocratic personnel policy										
4	Improved public sector pay										
5	Administrative efficiency										
6	Decentralized decision-making										
7	Financial management system										
8	Heavy penalties for corrupt behavior										

If more than one item have same rank, which one do you think is important? _____

C. Accountability/Transparency Enhancing Measures

Please evaluate the effectiveness of the reform below on the scale provided.

Most Effective — Least Effective

		10	9	8	7	6	5	4	3	2	1
1	The Auditor-General Office										
2	Anti-Corruption legislation										
3	Honest/Effective police										
4	Anti-Corruption commission										
5	Independent judiciary										
6	Independent/Free media										
7	Whisleblowing protection laws										
8	Asset/Income disclosure										

If more than one item have same top rank, which do you is important? _____

D. Democratic Accountability Enhancing Measures

Please evaluate the effectiveness of the reform below on the provided scale.

Most effective — Least effective

		10	9	8	7	6	5	4	3	2	1
1	Political competition										
2	Transparency in party financing										
3	Oversight by NGOs										
4	Legislative oversight										
5	Respect for rule of law										
6	Disclosure of election results										
7	The Ombudsman										
8	Visible leadership commitment										

If more than one item have same top rank, which one do you think is important? _____

13. How **feasible** (politically, administratively, and financially) do you think it is that the following reforms will be implemented to fight corruption? Please answer on a scale of 1 to 10, where corresponds to "most feasible" and 10 corresponds to "least feasible".

A. Market /Economic Reforms

Please evaluate the feasibility of the reforms below on the scale provided.

Least feasible — Most feasible

		10	9	8	7	6	5	4	3	2	1
1	Program elimination										
2	Privatization										
3	Deregulation										
4	Tax reforms										
5	Competitive service provision										

If more than one item have same top rank, which one do you think is important? _____

B. Administrative/Bureaucratic Reforms

Please evaluate the feasibility of the reforms below on the scale provided.

Least feasible — Most feasible

		10	9	8	7	6	5	4	3	2	1
1	Code of ethics										
2	Public procurement reform										
3	Meritocratic personnel policy										
4	Improved public sector pay										
5	Administrative efficiency										
6	Decentralized decision-making										
7	Financial management system										
8	Heavy penalties for corrupt behavior										

If more than one item have same top rank, which one do you think is important?_____

C. Accountability/Transparency Enhancing Measures

Please evaluate the feasibility of the reforms below on the scale provided.

Least feasible — Most feasible

		10	9	8	7	6	5	4	3	2	1
1	The Auditor-General Office										
2	Anti-Corruption legislation										
3	Honest/Effective police										
4	Anti-Corruption commission										
5	Independent judiciary										
6	Independent/Free media										
7	Laws to protect public servants reporting misconduct or suspected corruption										
8	Asset/Income disclosure										

If more than one item have same top rank, which one do you think is important?

D. Democratic Accountability Enhancing Measures

Please evaluate the feasibility of the reforms below on the scale provided.

Least most

feasible feasible

		10	9	8	7	6	5	4	3	2	1
1	Political competition										
2	Transparency in party financing										
3	Oversight by NGOs										
4	Legislative oversight										
5	Respect for rule of law										
6	Disclosure of election results										
7	The Ombudsman										
8	Visible leadership commitment										

If more than one item have same top rank, which one do you think is important? _____

14. Which of the following problems do you think should be on the top priority list of the government?

Please answer on a scale of 1 to 5, where 1 corresponds to "least important" and 5 corresponds to "most important.

Most Important Least Important

	5	4	3	2	1
1. Public Sector Corruption					
2. Political Instability					
3. Safety Concerns/Crime					
4. Inflation					
5. Housing Shortage					
6. Unemployment					
7. Quality of Education					
8. Quality of Health Care					
9. Drug Abuse					
10.Environmental Pollution					

15. A statement of core public service values (such as honesty, impartiality, legality, etc)

a. Should a statement of core values be established?

Yes _____ No_____ Don't Know _____

b. Would it have impact on the level of corruption?

Very strong impact _____ Moderate impact _____ Little impact _____

16. A national ethics plan/strategy

a. Should national ethics plan be drawn?

Yes _____ No _____ Don't know _____

b. Would it have impact on the level of corruption

Very strong impact _____ Moderate impact _____ little impact

17. A national corruption prevention plan/strategy

a. Should a corruption prevention plan be developed?

Yes _____ No_____ Don't Know _____

b. Would it have impact on the level of corruption?

Very strong impact _____ Moderate impact _____ little impact

18. Disclosure (declaration of personal assets, financial interests) by public officials

a. Should disclosure requirements be established?

Yes _____ No _____ Don't know _____

b. Would disclosure requirements have impact on the level of corruption

Very strong impact _____ Moderate impact _____ Little impact _____

19. Procedures and obligations for public servants to report misconduct/suspected corruption committed by other public servants)

a. Should such procedures and obligations be introduced?

Yes _____ No _____ Don't know _____

b. Would such practice have impact on the level of corruption

Very strong impact _____ Moderate impact _____ Little impact

20. Statement (s) on the standards of behavior expected of public servants? (e.g. code of conduct, code of ethics)

a. Should such statements on the standards of behavior expected of public servants be established?

Yes_____ No _____ Don't know _____

b. Would such practice have impact o the level of corruption?

Very strong impact_____ Moderate impact _____ Little impact _____

21. Minimum standards of behavior for the public service stated in legislation.

a. Should the minimum standards of behavior of the public service be stated in legislation?

Yes _____ No _____ Don't know _____

b. Would such legislation have impact on the level of corruption?

Very strong impact _____ Moderate impact _____ Little impact_____

Appendix B.

government corruption in 2003

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	non-existent	4	6.5	6.5	6.5
	minimum	36	58.1	58.1	64.5
	moderate	15	24.2	24.2	88.7
	prevalent	7	11.3	11.3	100.0
	Total	62	100.0	100.0	

government corruption in 2000

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	non-existent	9	14.5	14.5	14.5
	minimum	31	50.0	50.0	64.5
	moderate	15	24.2	24.2	88.7
	prevalent	7	11.3	11.3	100.0
	Total	62	100.0	100.0	

Appendix C.

government corruption in 2003 * foreign education Crosstabulation

			foreign education			
			yes	no	3	Total
government corruption in 2003	low corruption	Count	31	10	0	41
		% within government corruption in 2003	75.6%	24.4%	.0%	100.0%
		% within foreign education	62.0%	90.9%	.0%	66.1%
		% of Total	50.0%	16.1%	.0%	66.1%
	high corruption	Count	19	1	1	21
		% within government corruption in 2003	90.5%	4.8%	4.8%	100.0%
		% within foreign education	38.0%	9.1%	100.0%	33.9%
		% of Total	30.6%	1.6%	1.6%	33.9%
Total		Count	50	11	1	62
		% within government corruption in 2003	80.6%	17.7%	1.6%	100.0%
		% within foreign education	100.0%	100.0%	100.0%	100.0%
		% of Total	80.6%	17.7%	1.6%	100.0%

Appendix D.

government corruption in 2003 * party membership Crosstabulation

			party membership		
			member	non-member	Total
government corruption in 2003	low corruption	Count	27	14	41
		% within government corruption in 2003	65.9%	34.1%	100.0%
		% within party membership	60.0%	82.4%	66.1%
		% of Total	43.5%	22.6%	66.1%
	high corruption	Count	18	3	21
		% within government corruption in 2003	85.7%	14.3%	100.0%
		% within party membership	40.0%	17.6%	33.9%
		% of Total	29.0%	4.8%	33.9%
Total		Count	45	17	62
		% within government corruption in 2003	72.6%	27.4%	100.0%
		% within party membership	100.0%	100.0%	100.0%
		% of Total	72.6%	27.4%	100.0%

Appendix E.

Causes of Corruption

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
low salary of public officials	62	1	5	3.66	1.354
lack of independent/free media	62	1	5	2.53	1.423
lack of effective corruption reporting system	62	1	5	3.40	1.180
lack of transparent/acountable political process	62	1	5	3.48	1.198
lack of independent/free judiciary	62	1	5	2.87	1.454
lack of meritcratic personnel policies	62	1	5	3.45	1.097
poor economic policies	62	1	5	2.42	1.181
customs that encourage corrupt behavior	62	1	5	2.18	1.337
overloaded administrative agencies	62	1	5	2.29	1.165
foreign interests	62	1	5	2.08	1.245
Valid N (listwise)	62				