



## Transparency International Bangladesh

### CORRUPTION DATABASE REPORT 2005

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#### Summary of Findings

“Corruption Database” is among the regular items in TIB’s research agenda. The source of information for Corruption Database are reports on corruption published in leading newspapers. Introduced in 2000, this is the eighth report in the series.

2. The main objective of the corruption database research is to analyse the corruption-related stories in the newspapers and to present findings for public information so that there is greater awareness and sensitivity among the concerned authority for taking actions to control and reduce corruption. Specific objectives are to analyse corruption-related reports in the newspapers in terms of sectors, categories of individuals involved, the way corruption takes place, causes and trends of corruption, frequency and amount of loss in money terms out of the reported cases, and to make appropriate recommendations.

3. The total number of newspapers scanned in this report was 26, of which 19 were national dailies and 7 regional daily newspapers. In order to check the credibility of the reports, 20 percent were randomly selected for corroboration, verifying the information with the reporters and from concerned authority.

#### **Key Findings**

4. A total of 2128 report/incidents on corruption in 38 sectors appeared in the newspapers. The key findings are as follows:

- a) **Most Corrupt Sectors** (those sectors in which frequency of reports of corruption exceeded 5 percent of the total number of reports) - These are: education, Police, Health & Family Welfare, and Private Sector.
- b) **Very Corrupt** (those sectors reports of corruption in which were between 3.1 percent and 5 percent of the total) – These are Land, Political Party, Forest & Environment, Finance, Communication, and Power.
- c) **Moderately Corrupt** (sectors reports of corruption in which were between 1.1 percent to 3 percent) – These are: Disaster Management & Relief, Water Resources, Home Affairs, Post & Telecommunication, Agriculture, Tax, Food, NGO, Fisheries & Livestock and Shipping
- d) **Low Corrupt** (sectors, reports of corruption in which were up to 1 percent of the total): Energy & Mineral, Industry, Law & Justice, Housing & Public Works, Social Welfare, Civil Aviation & Tourism, Election Commission, Information, Youth & Sports, Jute, Cultural Affairs, Religion, Textile, Establishment, Foreign Affairs and Women & Children Affairs.

5. **Financial loss of the reported cases of corruption:** The total amount of financial loss from the 423 reported cases for which data were available was more than Taka 526 crores. It should be mentioned that the amount does not represent total financial loss due to corruption in the country as a whole.

6. **Most corrupt sectors in terms of financial loss:** In terms of financial loss LGRD sector topped the list, where the amount lost due to reported cases of corruption was estimated to be nearly Tk. 208 crores (39.54% of the total financial loss), The other leading sectors in terms of financial loss were Power, Forest & Environment, Private Sector and Finance.

7. **Types of corruption and actors involved:** In 38.7% of the reported cases of corruption, it involved abuse of power. Other leading types of corruption were bribery (21.0%), extortion (16.5) and fraud (7.8%). 64.1 percent of individuals involved in the reported cases of corruption were officers/employees of the government sector followed by 14.3 percent private sector officials/employees, 8.1 percent elected officials, 2.0 percent from autonomous organizations, 1.6 percent from NGOs, and 4.7 percent political leaders/workers.

8. High officials were involved in the maximum proportion (26.9 percent) of reported cases of corruption followed by subordinate staff who were involved in 25.7 percent. Among the elected public representatives, the UP chairmen were directly involved in 43.5 percent of incidents of corruption. Besides, the UP members (27.1 percent), municipal chairman (11.8 percent), members of parliament (8.2 percent), ministers (4.7 percent), ward commissioners (1.8 percent) and mayors (1.2 percent) were directly involved in the reported stories of corruption.

9. **Victims of Corruption:** The analysis revealed that the common people were the most affected (in 39.9 percent cases) as a result of corruption, followed by the government (31.8 percent), various organizations (7.7%), businessmen (6.7 percent), students (6.3 percent), farmers (2.5 percent), teachers (2.0 percent), government officers or employees (1.2 percent) and others (1.8 percent).

10. **Factors responsible for corruption:** Leading among factors responsible for corruption were monopoly of discretionary power, lack of accountability and the authority's failure to take steps against corruption and absence of deterrence. Notably, during the period, on average, no administrative steps were taken against corruption in 38.1 percent. In the most corruption-prone sectors, such as education, police, local government & rural development and private sector, the proportion of incidents where no steps were taken were found to be 49.19 percent, 35.7 percent, 47.4 percent and 24.0 percent respectively.

### **Recommendations:**

11. The Anti-Corruption Commission must be made fully operational, independent and effective. The Commission should develop its anti-corruption strategy and take specific exemplary measures to bring the corrupt persons to justice. The Commission should also monitor the newspaper reports on corruption and take appropriate legal action against the accused.

12. The Government must attach due importance to the reports of corruption brought out by the media, and develop effective deterrence system without which the menace of corruption can never be controlled.

13. Each government ministry and department should open special units to monitor the newspapers reports and take appropriate policies and actions. There should also be a central corruption monitoring unit in the office of the Prime Minister, so as to ensure that the individual ministerial/departmental monitoring units function effectively.

14. The ruling as well as opposition political parties must strictly realize their electoral commitments to prevent corruption. The most important prerequisite in this regard is to stop protecting and promoting the corrupt persons in respective party ranks.
15. Comprehensive and enforceable reforms are required for reducing corruption involving public officials and administration. The corrupt persons irrespective their status, identity and political affiliation must be brought to justice without favour or fear.
16. Separate sectoral Ombudsmen should be appointed in various institutions and/or departments.
17. Independence of the judiciary is sine qua non for enforcing effective anti-corruption policies and measures, with provisions for separate courts for the trial of corruption cases, so that they could be disposed of speedily.
18. Equally important is the enactment and enforcement of Freedom of Information Law with provisions for whistleblower protection.

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