

The Afghanistan Research and Evaluation Unit

Proceedings of a Roundtable Discussion on Subnational Corruption

AREU Library, 8 June 2010



June 2010

Following are proceedings of a roundtable discussion on subnational corruption, held in the library of the Afghanistan Research and Evaluation Unit on 8 June 2010 with approximately 25 participants. The event followed the release of an AREU paper on the subject, co-authored by Manija Gardizi, Karen Hussmann and Yama Torabi and entitled *Corrupting the State or State-Crafted Corruption? Exploring the Nexus between Corruption and Subnational Governance* (available at www.areu.org.af). Of the authors, Yama Torabi was present at the roundtable and Karen Hussmann joined remotely via Skype. While AREU staff enjoyed hosting the discussion, the opinions expressed by the participants during the roundtable do not necessarily reflect those of AREU.

Anna Larson (AREU governance researcher) opened the roundtable and participants briefly introduced themselves.

Some highlights from Dr Yama Torabi's presentation

Definitions of corruption need to be contextualised. Among people interviewed in the research, there are ambivalent views toward corruption. For example, bribery is widely condemned, but also widely legitimised, particularly if it seen to be a coping strategy against poverty on the part of the person asking for a bribe, or if the person giving a bribe has no choice to but to give it if they need to get something.

The paper identified four kinds of corruption:

1. Petty administrative corruption—mainly bribery. This is widespread and also the kind of corruption most visible to people.
2. Grand corruption: collusion of market and state, often occurring through contracting processes.
3. Political appointments/embezzlement—linked to the first kind of corruption, since people buy key positions and then get return on investment through bribery and other corrupt activities.
4. Unjust or locally unacceptable practices of the international community. These can include high salaries and lavish lifestyles that, although not illegal and not seen as “corrupt” by internationals, are widely seen as exorbitant/unacceptable to the majority of Afghans. Also, international collusion in subcontracting scams.

These kinds of corruption are all interlinked in a system of patronage.

Most corruption is at the state-service level, including primary and secondary education, and issuing licenses. It is perceived to be highest in the police and judiciary, but this does not quite match up with people's experiences. When one surveys people about their actual direct experiences of corruption, rather than perceptions, then service delivery becomes more prominent.

In these everyday practices of corruption, the poor bear the brunt, since a bribe is disproportionately more of their income, and if they cannot pay, they are excluded from access to the services and functions of the state.

Current anti-corruption measures are largely focused in Kabul or may be hard to apply outside of Kabul—this is something it would be good to discuss.

Some of the recommendations from the paper are:

1. Contextual analysis is a prerequisite to policymaking. It is necessary to look at the different power relations within a given context.
2. Sequencing is important, in terms of how to introduce anti-corruption measures. For example, from a state-building lens, it makes more sense to focus on the kinds of corruption that are most damaging to state legitimacy first.
3. Policymakers need to recognise and consider that new forms of corruption are emerging that may not yet be recognised by the penal code: some kinds of abuses of contracting systems, for example. There is also a difference between corruption as recognised by the legal code and corruption as viewed according to social norms, such as the norm that it is ok to demand bribes if you are poor or in financial need.
4. Anti-corruption efforts have been heavily focused on supporting the High Office of Oversight (HOO). There are limits to how much a single state agency can be expected to do to fight corruption. There also needs to be more social accountability via civil society, and donors should support civil society towards this end. To fight corruption in the provinces, efforts need to consider linkages between the national and subnational level.

Discussion

Q: When you do this kind of research on corruption, how do you translate corruption to Dari and Pashto? (I ask because in our surveys, we ask a lot of general questions about corruption and I am wondering how people interpret this and how it influences their answers).

A: I usually use *fasaad* (corruption) or *fasaad-i-idari* (government corruption) in both Dari and Pashto to refer to corruption, but there are many different terms used in these languages. There is an especially rich language around the giving of bribes: “money for tea,” “I don’t have a phone card,” “sweets,” etc. Corruption is very broad so asking generally about corruption can be misleading if you do not know what people mean by the term—people’s understandings of corruption are changing, and in general expanding.

Q: Can you talk about any examples of grassroots responses to address corruption that you’ve come across, either individual efforts or collective?

A: There are many examples of this, with varying success. At the village level, in general, people are more effective and more organised. People may organise to prevent a project going ahead or try to intervene to improve a project if they see that there’s been corruption in the management and contracting. One example is not very far outside of Kabul: a road was being built and there were issues with the way it was being done. So people went to the mayor and demanded that it be done properly. Often you find that officials will try to split the people in a community so that some benefit and some don’t, but in this case, it didn’t work, and the people stayed united. The mayor bowed to the pressure and agreed to do something for the people.

Q: I was interested in what you said regarding the “monetarisation of corruption,” which has been a trend since 2001. Before then, how did people see these practices of trading favours and using connections to get things done? Was it seen as corrupt or was it socially acceptable?

A: *Reshwa* (bribery) has always existed, but the difference is that officials didn’t have the impunity that they have today. If a police officer wanted to accept a bribe, he would

direct the driver to meet him some distance from the main road—it could not just be out in the open, people were worried about getting caught.

The term *wasita* means “connection” or “relationship,” and again this has also been important. But the types of relationships that matter, that help people to get ahead, have changed over time. They don’t change very quickly or suddenly, but constant change has been a theme. So at the community level, during one time period (Mujahiddin/post-Soviet) it was more factional. During the time of the Taliban, alliances were based more on ethnicity, and during Daoud’s time, they were familial or personal. Now, again, ethnic identities seem to have become more prominent—for example, today compared to 2006, based on recent survey data.

Regarding the prevalence of money and bribery, during the Taliban and previous regimes there were few services and hence low expectations. There was only a small demand for/on the state. Now there’s a high demand for the state and maybe this is also fuelling corruption.

Q: Is the perceived increase in corruption due to a change in people’s awareness of corruption, or to an actual increase in corruption?

A: A lot of surveys indicate corruption is the third most important problem in Afghanistan (after security and unemployment), based on people’s perceptions (from the ANSOR/BBC survey, the Asian Foundation surveys, and Integrity Watch Afghanistan surveys). The United Nations Office on Drugs and Crime (UNODC) survey published in January 2010 was the only one coming out to say people saw corruption as the most important problem. But this varies from province to province—in some provinces, people see it as the biggest problem.

It’s important to distinguish in surveys and measurements between perceptions of corruption and actual corruption, which depends on how the question is asked. Transparency International, for example, focus on perceptions of corruption. It is also possible to ask people to report on actual incidents/experiences. There is an increased perception regarding corruption because of the media, and also because anti-corruption efforts have focused on awareness campaigns, which can be a double-edged sword.

It is utterly important to unpack corruption, even beyond forms of corruption—also the level of corruption. Some levels of corruption are coping strategies of low-level officials. Then there’s “circle of power” high-level corruption. Strategies to address corruption need to distinguish between these and decide how to address them. Where is action against corruption possible? How would this affect public perceptions of corruption? It may be easier to deal with corruption within projects. Communication is key, to highlight that there are ways of addressing this omnipresent corruption. Otherwise it can come to be seen as an intractable problem and public awareness of it will not help.

C: I slightly disagree that demand on this government is higher than on previous ones. Under the Communist regime, demand was higher, as it was a centralised state and it offered a lot of services. And, for example, in Macroyan, all the cabinet members lived there in modest but adequate apartments. People remember that and contrast it with the giant houses of the elites now. The frustration of people is coming from that. Corruption did exist during the Soviet time—there were army commanders collecting salaries of non-existent soldiers—but service delivery was more efficient. Now people see corruption as synonymous with democracy, capitalism and freedom. Lots of money came to Afghanistan, and it has driven corruption. It’s the interface—as you said, we have to contextualise it.

C: The difference between now and the previous regime is the spread of corruption before was limited to a smaller circle of people. Now everyone knows about it. It has become so widespread, at the local and national level and within the international aid system, that people take it as something normal. It's coming from the higher level—from grand to petty corruption. There was a national anti-corruption conference, but Karzai overthrew a ruling by the judiciary against the mayor, who had been identified as corrupt. Perhaps the best option is a bottom-up approach with the participation of people rather than a top-down approach as we are doing now.

I've read the report and it contains a lot of knowledge, but no tools for civil society organisations to hold the state accountable to take action against those who are corrupt. We need to change the system to make it more responsive. The culture of the government—the government of relationships—needs to be based on a merit-based system, with sanctions and rewards for civil servants.

C: Within provinces, poor people are ignored. With this free market, they find they have to pay for their jobs, and it is a big problem. Most people blame this system. People don't have a way to make the government accountable. The Afghan state is highly centralised and this is a problem.

A: Agreed. The government—especially the executive—is very centralised, whereas parliament is decentralised. There is no mechanism at the local level to hold officials accountable. Maybe it is possible through the subnational governance policy, although I am not very hopeful. It is a 450-page policy but there is not much space in it for people to participate—it doesn't set out the conditions for a responsive state.

C: What is our ultimate objective in the fight against corruption? To get rid of it, improve services, eliminate opportunities to misuse government offices, to prevent outside powers from having undue influence on the government, to impose rule-of-law, and to build people's trust in government. I went recently to a conference in Singapore, and I asked people from Singapore about international best practice in fighting corruption so we can learn from them. They told me in Singapore they've been fighting corruption for 30 years, and they still have corruption—it has taken a very long time just to curb it a bit. So it takes time and patience to fight corruption.

A: Yes, it takes time and we can't eliminate corruption, but we can try to get it to somewhat acceptable levels, and we can prioritise.

And while it takes time, I want to stress that, absolutely, there has to be clear and public commitment to fighting corruption from the top. I get worried, when I look at the huge focus on the HOO, that we may be overloading that one agency with all the responsibility. Line ministries also have to be held responsible in their own domains—that is very important. I believe that, at the moment, they've been asked to come up with three priority areas for tackling corruption. For example, the MoE (Ministry of Education) should be responsible to meet two to three high priorities, and be held accountable to that. Although the HOO is important, there should not be such a strong and exclusive emphasis on that institution. Also, there should be bottom-up measures.

C: I like this report, but I think what it is missing is that the whole setting for the current context comes from Bonn. The Bonn Agreement set out the conditions for a political and economic mafia—once they had political power, they used it to gain greater economic power, and used that to further entrench their political power.

I was, until recently, a Deputy Minister in the MoE (Financial—across all departments), and I put systems in place for accountability, but there was no political will to make sure the systems worked. It's not always about a lack of systems—however many systems may be there, they cannot work without political will. And then there is this culture of impunity—despite these rules, nothing happens to these people. It is the same thing regarding merit-based appointments—it is also political will and commitment. Awareness isn't enough—although it is high, it doesn't automatically lead to change or action. We see this also with merit-based appointment systems—they haven't worked because it is about political will and commitment, and that hasn't been here. It has to be about organising civil society—the “bottom-up” is important.

At the international level, much has been done, especially over the election period when there was a lot of attention on the issue of corruption, but since then, it seems that some momentum has been lost. And public awareness does not bring change—it is not just about embarrassment or shame. The government can laugh and feel happy in face of all this evidence.

Because of this, the institution-based approach doesn't work. It is about individual commitment and competence. And donors recognise this—informally they direct funds based on who they trust, who they feel comfortable working with.

Another issue that adds to the lack of transparency is the lack of data/statistics which limits the making of plans.

Discussion turns to focus on the recommendations

C/Q: These are very good recommendations—I will work with my colleagues [at HOO] and try to take these on. However, one issue: have you looked at existing plans and structures to see how you feel these can address, or be used to address, corruption? There is a lot of focus [in the paper] on informal mechanisms, but we shouldn't forget or overlook formal mechanisms that are or will be in place. What are your thoughts?

A: I hope this is something we'll look at in future research.

C: Ali Wardak's study on formal versus informal justice is very interesting—it suggests linking the two systems. Perhaps this could be one way of addressing corruption by using the informal system.

A: We didn't look at institutional capacity to address corruption within this study, that would be a next step.

There is a danger of missing the link between (1) understanding corruption and (2) linking it back to all systems that can touch upon it. So there's a need to integrate approaches to corruption into institution building in different sectors, such as the judiciary. Sometimes this is called “mainstreaming anti-corruption” versus a “stand-alone” approach. Concretely, it is about identifying what are the forms and spaces for action.

Q: Your paper suggests that it is necessary to address petty and grand corruption at the same time, but is one easier, and if we just go after the easier one, can that be effective?

A: The issue is sustainability. You can reduce petty corruption, or try to, but it is very hard

because the networks behind it are so powerful. If you focus on a sector, for example transport, you might have to focus on the whole sector and interlinkages at once.

There is no evidence of one being easier to tackle than another, because again, it is context-dependent. Often, one feeds the other. It is different, though, if petty corruption is largely survival-based, and then it is easier to address through a variety of measures and systems. But this is also a more socially acceptable form of corruption. Usually, anti-corruption efforts need a full set of measures.

C: Something that seems to have come up repeatedly in our discussion is bottom-up and top-down linkages. For example, there was a parent/teacher initiative within the MoE that was started—I'm not sure where it is at, I think it may have stalled. But this was a very soft way of addressing corruption by creating more awareness and the potential for accountability. And also, in communities it is possible to improve project delivery in cases where the relationship is built between the community and the company delivering the project and it creates some joint understanding and joint accountability.

Another measure is the creation of boards—these can work because they create more transparency and social pressure. Even if corrupt people are sitting on the board, if most members are honest, they may also fall in with the procedures. If enough social pressure builds up, the political will is generated. A donor-funded/pushed social audit may not be the solution; rather it is about creating conditions so people want social audits.

A: I agree. It is also important to look at these efforts through a state-building lens. And to consider what is fuelling corruption. It is money, and there are two major sources of money for corruption: licit aid, and illicit money from drugs and smuggling. When looking at what can be done, you have to look at what you're dealing with: organised crime is much harder to deal with, anticorruption efforts there need to be linked to broader law enforcement, surveillance, etc.

Q: You've looked at this issue from many sides, and I realise it is necessary to consider all of these, but if you were to prioritise three, from among all the recommendations—three things that the international community could do to influence corruption at the subnational level—what would they be?

A: That's very challenging because it can't really be just one or two or even three things—it has to be a holistic approach. Nonetheless, the international community should prioritise the following:

1. Put much more attention onto the transparency of how the international community works in Afghanistan—not just on the Afghan government.
2. Focus on institutional strengthening through a bottom-up approach—although that is admittedly hard because of the limited reach/links that the international community especially has in the provinces. It is because of this limit that international efforts have tended to be Kabul-centric.
3. This may be provocative but when it comes to funding, in this context, less is more. There has been so much money and pressure, and limited absorptive capacity, that the results have often been counterproductive.

C: Regarding governance, you have observed that the system of governance influences the form of corruption. One approach you suggest to tackle corruption is a joint mechanism, to link the efforts of CSOs to government. But the relationship is so uneven—the

government is very big, CSOs are very small. How can we be sure that this relationship can be useful or effective?

Transparency would be good—in contracting, recruiting, etc. Transparency would generate trust. At the subnational level, if government presence there is now weak, that means there is a big opportunity to bring transparency as governance presence is expanded.

C: In reality, those who are corrupt are very good at resisting transparency, and the power of communities in this context is limited. As an example, in the MoE the WFP provided food to support education—families sending their children to school were to receive food. The information about this was shared between a very small number of people at the national, provincial and district level. Convoys of trucks carrying the food from Kabul to the provinces were mislaid and sold, they never arrived to the communities. Key people—such as governors, police chiefs, etc—were involved in these sales and made a lot of money. The communities—the families—never knew they were entitled to this food and so they did not complain when it didn't arrive. I went and told the communities that they were entitled to this, and I asked them to generate pressure. But that wasn't enough to change things.

Processes are so weak, even at the community level. And without the provision of security, and because the police, etc, are part of this network of corruption, people become scared to follow up.

C: Regarding abuse of power issues, at the HOO we get individuals coming from remote provinces and complaining to us that people act as though they are in elevated positions, with no checks or controls on their powers. A governor is like Karzai, a local judge acts as though he is the chief justice, etc.

A: We didn't have an exhaustive mapping of governance structures within this paper. Yes, the local governance strategy, and how it unfolds, is key. Changing the government—the government is like a big elephant—yes, it is hard to change it. But some local level initiatives may have some impact, not to change the whole government, but to change the mindset of some individuals, to have an impact on particular issues and initiatives at the local level, which could have a multiplier effect.

Back to access to information—a lot of information about corruption is not accessible to CSOs. We all have bits and pieces because we know people who have been affected by it. HOO also has limited information because it is not yet in the provinces. On general transparency of government information, again, it is usually hard to get the state to give CSOs information, because the government does not feel obligated. It is the same with big international agencies. A colleague got an email from someone within a UN agency saying that they were not accountable to CSOs or to the Afghan people—only to those who contributed funds.

C: The HOO isn't just committed to working in Kabul. We will establish four zonal offices—in Jalalabad, Herat and two other places.

Closing comment by Karen Hussmann

In general, there's a need for these kinds of spaces to create some shared understanding amongst donors regarding how they can establish these initiatives—even in the absence of political will within the government, and that does seem to be a problem.