Fighting Poverty and Corruption

Integrating the Fight Against Corruption into the PRS Process – Analysis and Recommendations for Development Cooperation
Division 42

Fighting Poverty and Corruption

Integrating the Fight Against Corruption into the PRS Process – Analysis and Recommendations for Development Cooperation

Eschborn 2004
The Team of Authors:

Dr. Walter Eberlei,
Project Manager, Research Assistant at the Institute for Development and Peace (INEF), University of Duisburg-Essen,
email: walter.eberlei@uni-duisburg.de

Dipl.-Ökon. Bettina Führmann,
Research Assistant at the Institute for Development and Peace (INEF), University of Duisburg-Essen,
email: b.fuehrmann@uni-duisburg.de

The work also incorporates inputs from several of our colleagues in five countries (see footnotes at the beginning of the country studies), and Gertrud Falk, who until December 2003 was a Research Assistant at the INEF. Since then she has worked for the non-governmental organisation FIAN in Herne.
# Table of Contents

Preface 3

1. Executive Summary 4

2. Introduction 5
   2.1 Corruption – an Obstacle to Poverty Reduction? 5
   2.2 The PRSP Process – an Opportunity to Fight Corruption? 9
   2.3 Structure and Methodology 12

3. The Fight Against Corruption as a Component of the PRS – Quantitative Overview 14
   3.1 Procedure 14
   3.2 Results of the Quantitative Desk Study 16

4. The Fight against Corruption as a Component of PRS – Results of Case Studies 19
   4.1 Ethiopia 19
      4.1.1 Corruption Prevention in Ethiopia 19
      4.1.2 Corruption Prevention in Ethiopia’s PRSP 20
      4.1.3 Overall Assessment 22
   4.2 Ghana 22
      4.2.1 Corruption Prevention in Ghana 22
      4.2.2 Corruption Prevention in Ghana’s PRSP 23
      4.2.3 Overall Assessment 26
   4.3 Cameroon 26
      4.3.1 Corruption Prevention in Cameroon 26
      4.3.2 Corruption Prevention in Cameroon’s PRSP 27
      4.3.3 Overall Assessment 30
   4.4 Nicaragua 30
      4.4.1 Corruption Prevention in Nicaragua 30
      4.4.2 Corruption Prevention in Nicaragua’s PRSP 31
      4.4.3 Overall Assessment 33
   4.5 Zambia 33
      4.5.1 Corruption Prevention in Zambia 33
      4.5.2 Corruption Prevention in Zambia’s PRSP 35
      4.5.3 Overall Assessment 37

5. Comparative Evaluation of the Quantitative and Qualitative Results 38
5.1 Problem Analyses in the PRS: Is Corruption a Cause of Poverty? 38
5.2 Strategy Formulation: The Fight Against Corruption as an Explicit Element of the PRS? 42
5.3 Anti-Corruption Strategies and Corruption Prevention in the Studied PRS 45
  5.3.1 Institutionalised Strengthening of Transparency and Accountability 45
  5.3.2 Strengthening the Public Finance Management System 46
  5.3.3 Civil Service Reform 48
  5.3.4 Rule of Law 50
  5.3.5 Strengthening the Role of Actors Outside the Executive 51
  5.3.6 Improved Donor Coordination 53
6. Recommendations for Development Cooperation Action 54
  6.1 Support of PRS Processes 56
  6.2 Strengthening Preventive Corruption Control in the PRS Context 58
  6.3 Policy Dialogue with Partner Countries 61
  6.4 Policy Dialogue with Other Donors 63
Annex: Overview of Good Practices and Interesting Cases 66
References 72
Preface

By diverting scarce public resources intended for development, corruption is a major obstacle to poverty reduction and growth. At the same time, democratic consolidation processes are put at risk.

Corruption jeopardizes the success of long-term initiatives in every area of development. Therefore, preventing corruption is a cross-cutting task.

Corruption is an omnipresent phenomenon. Our field-staff employees are familiar with its manifestations and harmful effects. But there is a demand for analytical instruments and practical recommendations on how to incorporate anticorruption measures in sectoral fields.

Therefore, the Federal Ministry for Economic Cooperation and Development has commissioned the sector project „Prevention of Corruption“ to develop practical guides and complementary studies.

These guides provide assistance to field-staff employees responsible for preparing or carrying out projects in the concerned sectors, or for promoting the topic of anticorruption in the political dialogue. Your feedback and comments are important for us.

The paper „Korruptionsprävention als Querschnittsaufgabe“ (Mainstreaming Anti-Corruption) describes the analytical framework.

The Practical Guides cover the topics:

- Public Finance Management
- Public Administration at the National and Local Level
- Judiciary
- Education System
- Resource Allocation (Water, Forestry, Land)
- Privatization
- Analytical Instruments for Anticorruption Measures.

Two comprehensive studies examine:

- Fighting Poverty and Corruption - Integrating the Fight against Corruption into the PRS - Process
- Corruption and Gender.

We thank for the contributions of many colleagues in-house and in the field, the authors of the studies as well as their commentators, colleagues from academia, and many others who contributed their time and attention. Dr. Mechthild Rünger initiated the project and put it on track, Ms. Birgit Pech has brought it to a successful close.

Bernd Hoffmann       Dr. Albrecht Stockmayer
Director of Division       Governance and Gender
State and Democracy Team

Please do not forget to consult our homepage: www.gtz.de/governance/
1. Executive Summary

Corruption is a cause of poverty in developing countries, and a constraint to successful poverty reduction. Working on this premise, the present study proceeds to explore whether, and if so how, the link between poverty reduction and the fight against corruption is included in the Poverty Reduction Strategies (PRS) of the poorest countries.

The desk study of the PRS documents of 54 countries, and in-depth analysis of five country case studies, yielded seven key results. The most salient result was that the link between poverty reduction and good governance in general, and the fight against corruption in particular, is acknowledged almost without exception and integrated into the existing Poverty Reduction Strategies. Ninety percent of the 34 countries that have produced a Full PRSP address the issue of corruption in their strategies. Of the 20 countries that have so far produced only an Interim PRSP, no less than half address the issue. The picture is even clearer when the question raised is good governance in general. Only 6 out of the total of 54 countries make no mention of it in their PRS.

Having said that – and this is the second key result – corruption is dealt with in a wide variety of ways. The treatment ranges from a passing comment, through vague and unspecific measures to fight corruption, and on to explicit and in some cases detailed strategies to fight corruption within the scope of the PRS.

Thirdly: There is a yawning gap between the poverty analyses and the strategies built upon them. The number of countries that specify measures to combat corruption in their PRS is far higher than the number of countries that identify corruption as a cause of poverty in the obligatory poverty analyses contained in their PRS. One explanation for this would be the difficulties generally encountered in corruption analysis. This is compounded by the fact that different sets of actors are involved in the two distinct phases of poverty analysis and strategy formulation. Another possible cause is the pressure exerted by civil society actors and/or donors to incorporate anti-corruption measures into the strategy (though no pressure is exerted to link those measures to a rigorous analysis). Corruption is dealt with in detail in the poverty analysis in only 9 out of the total of 54 studied countries (i.e. in one in six countries). Furthermore, these nine PRS display clear weaknesses in the quality of the analysis, or in the strategy formulation (including institutional frameworks) built on the analysis.

Fourthly: The PRS attach high priority to transparency and accountability. No less than 45 of the 54 countries include in their PRS measures for institutional strengthening of transparency and accountability, although the degree of concrete detail varies widely, and occasionally turns into mere platitudes.

A fifth result relates to the issue of checks and balances. Only 55% of the PRS countries refer to an institutional strengthening of actors outside the executive. Parliaments fare particularly badly here. They are assigned a particular role in only eleven countries. Twenty-four PRS documents do mention a strengthening of the judiciary. Thirty-four of the 54 countries indicate an intention to strengthen the role of civil society.
Sixthly: Most of the PRS countries that mention the fight against corruption either seldom or not at all have so far put forward only an Interim PRSP. This reflects the major importance of civil society, because – unlike Full PRSPs – Interim PRSPs need not be prepared on a participatory basis. Where they were prepared in participatory processes, it was civil society actors who then introduced the issue of corruption into the consultations.

Seventhly: In many PRS countries, significant efforts have been made in recent years to secure transparency, accountability and efficient use of funds in public finance management. This is most probably due to the strong pressure exerted by donors, who in many PRS countries contribute between 30 and 60% of national budget revenues.

In summary, the results of the study leave no room for doubt that the PRS approach introduced five years ago offers key points of departure for the fight against corruption. Conversely, the fight against corruption is a precondition for the success of PRS. The study recommends that stronger emphasis be placed on these interrelationships in the development cooperation of donors and PRS countries. For German development cooperation, the study finishes with a number of recommendations for action at the operative level of programmes and projects, and at the level of political dialogue with both cooperation countries and other donors.

2. Introduction

The fight against poverty is closely linked to the fight against corruption. In fact, the two are interlinked:

- Corruption is one cause of poverty. It impedes poverty reduction.
- Poverty is one cause of corruption. It impedes the fight against corruption.
- In the poorest countries in particular, which are afflicted by structural poverty and systemic corruption, the fight against poverty and the fight against corruption can only be successful (i.e. the two problems can only be reduced) if and when the two phenomena are addressed on a coordinated basis.

On the basis of these premises, this introductory chapter will first of all discuss the link between poverty and corruption. It will then discuss why the new Poverty Reduction Strategy (PRS) process that is already in progress in 54 of the poorest countries can be viewed at least in theory as presenting an opportunity not only to reduce poverty, but also to fight corruption. Whether and to what extent this assumption can be backed up empirically is the key issue that the present study will address. Thirdly, the introduction will describe the methodology applied.

2.1 Corruption – an Obstacle to Poverty Reduction?

Poverty is a multidimensional phenomenon caused by a plurality of factors. Poverty reduction therefore requires a comprehensive approach that in turn is either facilitated or constrained by a range of factors. One of these factors causing poverty and impeding
poverty reduction on a massive scale is widespread corruption. No country, whether rich or poor, is immune to this "evil phenomenon", as UN Secretary-General Kofi Annan described it in December 2003 at the High-Level Conference for the Signature of the UN Convention Against Corruption. Yet:

"Corruption hurts poor people in developing countries disproportionately. It affects their daily life in many different ways, and tends to make them even poorer, by denying them their rightful share of economic resources or life-saving aid. Corruption puts basic public services beyond the reach of those who cannot afford to pay bribes. By diverting scarce resources intended for development, corruption also makes it harder to meet fundamental needs such as those for food, health and education. It creates discrimination between the different groups in society, feeds inequality and injustice, discourages foreign investment and aid, and hinders growth. It is, therefore, a major obstacle to political stability, and to successful social and economic development."

Misgovernance and Poverty

<table>
<thead>
<tr>
<th>&quot;Immediate&quot; causes of poverty</th>
<th>How misgovernance and corruption affect &quot;immediate&quot; cause of poverty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower investment and growth</td>
<td>• Unsound economic/institutional policies due to vested interests</td>
</tr>
<tr>
<td></td>
<td>• Distorted allocation of public expenditure/investments</td>
</tr>
<tr>
<td></td>
<td>• Low human capital accumulation</td>
</tr>
<tr>
<td></td>
<td>• Elite corporate interests capture laws and distort policymaking</td>
</tr>
<tr>
<td></td>
<td>• Absence of rule of law and property rights</td>
</tr>
<tr>
<td></td>
<td>• Governance obstacles to private sector development</td>
</tr>
<tr>
<td>Poor have smaller share in growth</td>
<td>• State capture by elite of government policies and resource allocation</td>
</tr>
<tr>
<td></td>
<td>• Regressiveness of regressive &quot;tax&quot; on small farms and the poor</td>
</tr>
<tr>
<td></td>
<td>• Regressiveness in public expenditures and investments</td>
</tr>
<tr>
<td></td>
<td>• Unequal income distribution</td>
</tr>
<tr>
<td>Impaired access to public services</td>
<td>• Bribe imposes regressive tax and impairs access and quality of basic services for health, education, and justice</td>
</tr>
<tr>
<td></td>
<td>• Political capture by elites of access to particular services</td>
</tr>
<tr>
<td>Lack of health and education</td>
<td>• Low human capital accumulation</td>
</tr>
<tr>
<td></td>
<td>• Lower quality of education and health care</td>
</tr>
</tbody>
</table>


There is a broad consensus that poverty is linked to bad governance in general, and corruption in particular. The UN Secretary-General's statement quoted above, points briefly to several aspects of corruption. Corruption generates economic, political, individual and social (structural) impacts that can cause or exacerbate situations of poverty. The World Bank Institute table provides an overview of the socio-economic impacts of corruption on poor sections of the population. In this context it should be remembered – and this is not evident from the table at first glance – that corruption is only one form of misgovernance.

Although this insight is not new, it is only over the last few years that it has emerged as an issue on the international development agenda. The focus on good governance as the key element of a sustainable development strategy is a product of the 1990s. More recently, stronger emphasis has been placed on analysing the links between poverty and corruption. There have been barely any empirically-based studies to date.\(^2\)

International cooperation to combat corrupt practices in industrialised and developing countries (often involving actors in both of these two groups of countries at the same time) is increasingly emerging as a sphere of global action delivered through global governance structures. Large numbers of states have adopted and launched programmes, measures and/or strategies to combat corruption. Furthermore, groups of states such as the European Union (1997), the OECD (1997), the G-8 and the African Union (both in 2003) have drawn up various resolutions and declarations concerning corruption. Multilateral institutions too, such as World Bank, are also implementing anti-corruption programmes. Ultimately, the UN Convention Against Corruption adopted in late October 2003, and since signed by 97 states, creates a global legal framework for the fight against corruption.\(^3\) However, there are some well-founded criticisms of the document, which took three years to negotiate. Transparency International (TI), the international civil society organisation that is a leader in the field, has drawn attention for instance to the weakness of the agreements concerning monitoring of the Convention. Nevertheless, TI and other actors do describe the Convention as a "milestone for global efforts to combat graft".\(^4\)

The German Government actively supported the preparation of the Convention, and was among the first signatories in December 2003. During negotiation of the Convention text, BMZ introduced aspects of development policy, and in the BMZ Position Paper "Combating Corruption in German Development Cooperation" (published in June 2002) emphasises the link between poverty reduction and the fight against corruption:

"Corruption complicates sustainable development and hits the poor particularly hard. Responsible administration which respects the rules of democracy and creates a favourable environment for economic and social development is a basic prerequisite for combating poverty."\(^5\)


\(^3\) UN Convention Against Corruption, Resolution 58/4, adopted on 31 October 2003. The Conference for the Signature held on 09-11 December 2003 in Merida, Mexico already resulted in 95 signatures. Kenya was the first country to ratify the Convention on 09 December 2003. A further 29 ratifications are required for the Convention to come into force. This may well take up to two years.

\(^4\) Cf. TI press release of 08 December 2003:

Under the heading "Strengthening Good Governance", the fight against corruption also plays an important role in the German Government's Programme of Action 2015 – a role which that programme also declares to be increasingly important for poverty reduction.\(^6\)

This political declaration - which notes a close link between corruption and poverty - is not explained in any further detail either here or in any other BMZ documents, however. This is not remarkable. It rather reflects the fact that the international debate is characterised by uncertainty concerning both the definition and the empirical attributes of the relationship between corruption and poverty. These uncertainties already begin with the question of how corruption is to be construed.

Unlike the new UN Convention, which has no explicit definition of corruption, BMZ seeks to define corruption in the context of development cooperation. The aforementioned position paper has the following to say:

"The classic definition 'Use of privileges by office holders and those in statutory or functional equivalent positions for personal benefit' relates primarily to the abuse of power in public administration. In agreement with the OECD convention on combating the bribery of foreign public officials and the European Council's civil and criminal conventions on combating corruption, the term includes active and passive bribery of public officials, breach of trust and nepotism. However corruption can be and is defined more broadly for development cooperation as 'the behaviour of persons entrusted with public or private responsibilities who neglect their duties to achieve unjustified benefits'. This means that the term covers not only the public sphere but also the private and semi-public sphere, ethical standards in civil society, the practices of exploiting positions of trust held by private individuals in business and also political corruption."\(^7\)

As widely as the definitions of corruption vary, so imprecise is the conceptual understanding of what constitutes the "fight against corruption", which covers numerous activities at the national and international levels. However, there is growing consensus among international donors as to which elements a promising strategy to fight corruption should contain (see for example the list drawn up by the Norwegian development agency NORAD in the Box below).

---


2. Introduction

**NORAD: Key Elements of the Fight Against Corruption**

- political commitment to fight corruption at the highest level of a state;
- coordinated anti-corruption strategy;
- anti-corruption institutions;
- combination of a) strengthening of anti-corruption institutions b) strengthening of awareness within society on the negative impacts of corruption and on ethical standards;
- focus on corruption prevention;
- improved, and especially transparent public finance management;
- strengthening of legislation to increase the risks and "costs" incurred by corrupt individuals;
- active civil society that functions as a watchdog, and works to intensify the fight against corruption;
- coordinated donor strategy to fight corruption.


Although the link between corruption and poverty or poverty reduction is often noted, only few studies to date have explored it in any detail. The above-mentioned study by Gupta et al (1998, see fn. 3) is a notable exception, although the study is confined to the purely economic level. The World Bank study "Voices of the Poor", which provides an impressive description of the link, should also be mentioned. The present authors are unaware of any studies on the issue of a coherent and integrated strategy to reduce poverty and fight corruption. The present paper therefore seeks to address this very issue. It will do so by linking the theme of corruption with an approach to development that has been playing an important role in poverty reduction in over 50 countries for the last five years: the Poverty Reduction Strategy (PRS) approach.

### 2.2 The PRSP Process – an Opportunity to Fight Corruption?

Pursuant to the resolutions of the G7 Summit in Cologne in 1999, debt cancellation within the scope of the enhanced HIPC II initiative has been tied to the conditionality of the preparation and implementation of a Poverty Reduction Strategy Paper (PRSP). Over 50 countries have since produced a PRSP. After extensive people's participation, 30 of them have now produced their so-called Full PRSP. The remaining states have completed a provisional version, entitled the Interim PRSP. The majority of these countries are located in sub-Saharan Africa (see list of countries in Annex). Presentation of the Interim PRSP already qualifies a country for certain debt relief. Full HIPC debt cancellation follows after at least one year’s implementation of the Full PRSP.⁹

---


⁹ Concerning the theory and practice of PRSPs see the many documents published on the World Bank’s PRSP website: http://www.worldbank.org/prsp, as well as a number of studies prepared in the context of the first global PRSP Review process:
PRSP preparation and implementation are linked to three principles that are equally relevant to corruption prevention:

- **Participation**: The literature identifies as key elements in the fight against corruption strong social actors who are capable of monitoring, criticising or sanctioning, the actions of governments and other public institutions, as well as those of individual public officials and holders of public mandates. A GTZ paper identifies a principle that applies not only at the local or regional, but also at the national level: "Substantial participation creates a more rational basis for local decision-making, increases the transparency and accountability of the administration, and allows better monitoring of resource management." The PRSPs must be prepared in a broad-based participatory process. Participatory elements must also be incorporated into the implementation, monitoring and evaluation of the strategies after three years. This implies that it would be appropriate to systematically strengthen the position of the corresponding actors vis-à-vis national and local governments.

- **Transparency**: Professionals agree that there is a significant link between transparency and corruption. The more transparent the actions of actors are, the more difficult and unlikely corrupt practices become. The PRSP processes are designed to substantially increase the transparency of government action.


German development cooperation attaches priority to corruption prevention (cf. BMZ 2002, loc. cit., fn. 5), an emphasis reflected in the recently adopted UN Convention (see the first and most detailed Chapter of the Convention, which is devoted to corruption prevention).

Cf. GTZ-Praxisleitfaden: Korruptionsprävention in der öffentlichen Verwaltung auf nationaler und kommunaler Ebene, Eschborn 2004, p. iii. See especially Chapter 4 „Bürgerbeteiligung am Verwaltungshandel in dezentralen Körperschaften“.

On the preconditions for effective participation see: Walter Eberlei: Partizipation in der Armutsbekämpfung. Mindeststandards für zivilgesellschaftliche Beteiligung in nationalen PRS-Prozessen. [Participation in Poverty Reduction. Minimum Standards for Civil Society Participation in National PRS Processes] (= Schriftenreihe Gerechtigkeit und Frieden der Deutschen Kommission Justitia et Pax, ARB 96). Bonn 2002. – Possible problems associated with participatory processes should not be ignored. First of all, within civil society too those elements interested primarily in self-enrichment may also influence and exploit the process. Secondly, participation will help the poor sections of the population only if and when corresponding movements and groups that represent the real interests of the poor already exist – in contrast to which it may be assumed in some countries and cases that civil society actors represent (primarily?) the interests or the urban middle classes in political processes, instead of acting as advocates of the poor. Thirdly, “the poor” are not a homogeneous group. Even the genuine representatives of poor groups might be acting against the interests of other poor groups in their work (e.g. urban poor vs. rural poor, men vs. women).

Various studies point out that although fiscal decentralisation does create a more citizen-oriented and transparent framework, it might also create more opportunities to illegally access resources, which would need to be actively prevented (cf. Daniel Lederman et al: Accountability and Corruption. Political Institutions Matter. World Bank, Policy Research Working Paper, 2708. Washington D.C. 2001, p.8 and 32; World Bank: PRSP Sourcebook. Chapter on Governance. Washington D.C. 2001, p.282). Lederman et al. also draw attention to the aspect of public competition that can be created by decentralisation, which in turn reduces corruption: "Institutions generating a competitive environment in the provision of the same public service tend to reduce the extraction of rents, therefore reducing corruption via a straightforward economic competition mechanism." (loc. cit., p.6, see also p. 9 f.)
Governments are obliged not only to subject their general political strategies to public debate, but also to demonstrate how the agreed strategies are being implemented. This applies for instance to their policy on expenditure, which in the PRSP countries has to be made more transparent and related to the strategy document.

- **Accountability:** A clear definition of which public institutions are responsible for which political measures (or accountable for their sub-optimal implementation) reduces both the incentives and opportunities to misuse public resources for improper purposes. The PRSPs are designed to facilitate greater country ownership, i.e. stronger identification on the part of all relevant governmental and non-governmental actors with their "own" strategy. This ownership must in turn lead to both governmental and non-governmental actors displaying greater responsibility for the success of the strategy. Countries will differ in the extent to which "coalitions for reform", e.g. involving technocrats in ministries, civil society groups and donors, are present that are also strong enough to push through reforms even despite those actors with a vested interest in resisting accountability. Where such reforms are successfully implemented, any misuse of public resources will itself meet considerably stronger resistance than was the case before. Ideally, the improved checks and balances put in place both by civil society actors and by the legislature in the course of PRSP implementation will be instruments through which the executive can be called to account for its policies (e.g. public finance management).

Beyond these three core principles of the PRS approach, the PRSPs plan (at least in a number of countries) to improve legal frameworks for governance (e.g. by establishing legally and institutionally guaranteed access to basic social services). Another result expected of the PRSP process is improved donor coordination. Both these aspects linked to the PRSP approach should be of use in the fight against corruption.

Seen in this light, in the participating countries the PRS approach can make a significant contribution towards the fight against corruption – and thus actually address one cause of poverty. It is certainly evident at first glance that the theme of good governance has been integrated into numerous PRS documents. The question now is, do the contents of the PRSPs, and especially the first experiences with their implementation, give grounds for hope that the PRS approach might be one way to fight corruption?

---

14 "Any mechanisms that increase political accountability, either by encouraging punishment of corrupt individuals or by reducing the informational problem related to government activities, tends to reduce the incidence of corruption." (Lederman et al., loc. cit., fn.13, p.6)

15 In the context of the PRSPs, the term *ownership* means identification by actors with a strategy that they themselves have developed (as opposed to the situation for instance with structural adjustment programmes, which were understood as blueprints produced by the IMF and World Bank). The World Bank distinguishes between *country ownership* and *government commitment*: "Government commitment and leadership and broad country ownership are critical for effective formulation and implementation of poverty reduction strategies." (WB Sourcebook Participation, Draft 29.8.2000, p.5) In the most extensive study on the introduction of the PRS to date, the Overseas Development Institute (ODI, London) identified four dimensions of country ownership: The technocrats in the ministries must be convinced of a strategy, as must (secondly) the political leadership, and (thirdly) a broad base of social actors. Finally, the new approach must be institutionalised in the government system. (David Booth (ed.): Are PRSPs Making a Difference? The African Experience. (= Theme Issue of Development Policy Review, Vol.21, no 2, March 2003) here: Introduction and Overview, p.155.)
The aforementioned BMZ Position Paper makes clear that German development cooperation does not attach top priority to combating individual acts of corruption, but aims rather to address the structural and political factors underlying systemic corruption.\(^{16}\)

This view can be related to the theoretical framework built on the idea of neopatrimonialism and applied to numerous developing countries, especially in sub-Saharan Africa. A key characteristic of neopatrimonial systems of rule is the use of public resources to secure the power of political elites.\(^{17}\) Nicolas van de Walle demonstrates in a study that a number of African governments have for decades succeeded in steering structural adjustment policies initiated by the IMF and World Bank such that the property and diverse sources of income of the elites remained unscathed. Worse still: They were able to further consolidate their rule through significant new inflows of development cooperation funds – and maintain their elite rule even in the face of the "democratisation" of their political system (because the governments concerned did not implement those components of the reforms that would have been important to real reform, but those that did not undermine their power or deplete their resources). Thus there is at least a theoretical risk that PRS processes might be steered such that the main beneficiaries of the debt cancellations within the scope of the HIPC initiative, as well as new inflows of development cooperation funds, might be the patronage systems of the rulers. In the view of academics such as van de Walle and others, this risk can basically only be countered by systematically strengthening broad-based participation, and building an institutionalised system of checks and balances.

### 2.3 Structure and Methodology

The empirical basis of the study comprises two components. First of all, a desk study of the PRS documents of all participating countries was conducted at the Institute for Development and Peace (NEF). An overview of the results of this part of the study can be found in Chapter 3 of the present study. Secondly, detailed case studies were conducted in five selected countries: Ethiopia, Ghana, Cameroon, Nicaragua and Zambia (see summaries in Chapter 4). Countries were selected that have already put forward their Full PRSPs and have agreed on "democracy, civil society and public administration" as a priority area of the development cooperation with Germany.\(^{18}\) The fact that the majority of PRS countries are in Africa is also reflected in the selection of countries for the case

---

\(^{16}\) This is also the position taken by other donors. NORAD for instance sums up the World Bank position as follows: "The ultimate goal of the Bank strategy to help countries address corruption is not to eliminate corruption completely (seen as unrealistic aim), but to help countries to move from systemic corruption to an environment of well-performing government that minimizes corruption’s negative effect on development." (NORAD: Good Governance and Anti-Corruption Plan 2000-2001, Chapter 7: http://www.norad.no)


\(^{18}\) Within the scope of this priority area, strategies for the delivery of German inputs to support democratisation processes and good governance are jointly developed with the partner government.
2. Introduction

The case studies were conducted by local experts. The questions addressed in the desk study and the case studies were as follows:19

- Is corruption identified in the PRS analysis as a cause of poverty and, if so, how?
- Is the fight against corruption an explicit element of the country's PRS?
- Is the strengthening of good governance in general an element of the PRS?
- Does the PRS include an institutionalised strengthening of transparency and accountability in general?
- Does the PRS include elements to strengthen the public finance management system and create greater transparency in public finance? NB: Does the PRS provide for fiscal decentralisation?
- Does the PRS include civil service reforms, and will those reforms also strengthen transparency and accountability?21
- Does the PRS strengthen the rule of law in the country, e.g. through land law or social law reform?
- Does the PRS aim to strengthen institutionally the role of actors outside the executive?22 (e.g. more and better checks and balances23 through participation by the legislature and/or civil society e.g. in PRS monitoring; institutionalisation of broad-based participation24; strengthening of the judiciary within the scope of legal and judicial reform; stronger legal institutionalisation of monitoring in general25 and PRS monitoring in particular; strengthening of the right to information26; strengthening of the role and rights of the media27)

19 Although an additional country in Asia had originally also been selected for a case study, time constraints prevented that study from being realised.
20 The questions are documented in full in the Annex. The questions were developed systematically on the basis of the three aforementioned principles of the PRS approach (participation, transparency, accountability), and were designed to capture the real developments linked to the principles. A number of questions, for instance those in section i), also reflect specific interests of the client commissioning the study (GTZ Sector Project – Combating Corruption).
21 BMZ identifies the following starting points for preventing and combating corruption in public service: "The principle of performance and appropriate compensation in the public service, transparent award practices, effective checks and balances and independent financial control, development of codes of behaviour and integrity pacts." (BMZ 2002, loc. cit., fn.5, p.8). See the detailed account in UN / UNODC: Anti-Corruption Toolkit. New York n.y., p. 107-116.
22 On institution building in the context of combating corruption, see UN / UNODC n.y., fn.20, Chapter 2.
24 Cf. Walter Eberlei: Institutionalised Participation in Processes Beyond the PRSP. Study Commissioned by the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ). Eschborn 2001 (available online at http://www.gtz.de/participation/deutsch/c06.htm)
25 Cf. UN / UNODC n.y., loc. cit., fn.20, Chapter 6.
• Do natural resource management, land reform and common property resource management play a role in the PRS? If so, is it evident that corruption is also being addressed in the same context?

• Is the link between poverty reduction and the fight against corruption acknowledged by the civil society in the country?

• Is the link between poverty reduction and the fight against corruption acknowledged by the country's key donors? Are significant new developments in the PRS context (e.g. openness for budget aid) being discussed by donors at the national level in the context of the fight against corruption, and what conclusions are being drawn?\(^{28}\)

The comparative evaluation of the data obtained from the desk study and the case studies is based on these key questions (see Chapter 5). In Chapter 6, recommendations for action to link poverty reduction and the fight against corruption are developed on the basis of that comparative evaluation.

3. The Fight Against Corruption as a Component of the PRS – Quantitative Overview

3.1 Procedure\(^{29}\)

The fight against corruption is a component of the good governance approach to development.\(^{30}\) Whether and to what extent measures to strengthen good governance in general, and the fight against corruption in particular, are to be found in the Poverty Reduction Strategy (PRS) documents, was explored using a standardised questionnaire. Also evaluated were the available PRS documents of 54 countries: Interim PRSPs, Full PRSPs and Progress Reports.\(^{31}\) It is important to note, however, that the desk study can only capture the situation as it is officially portrayed "on paper". This may not always reflect with absolute accuracy the real implementation status of the strategies.

\(^{1999}, \text{603-622}; \text{Lederman et al. 2001, loc. cit., fn.13, p.8; UN / UNODC n.y., loc. cit., fn.20, p.305-306; 327-328.}\)


\(^{28}\) Cf. the G-8 position on the fight against corruption and on improving transparency, 2003.

\(^{29}\) The quantitative analysis was carried out essentially by Gertrud Falk, who was employed as a research assistant at the INEF until December 2003.

\(^{30}\) "Good governance" basically means: accountability of government representatives based on transparent procedures, legitimately elected governments, the rule of law, public institutions committed to the common good, respect for human rights, freedom of opinion and of the press, and scope for participation. Cf. e.g.:


\(^{31}\) Available as at 30 November 2003.
A certain methodological problem results from the fact that the countries are at different stages of their respective PRS processes. While 34 states have already put forward a Full PRSP, and some of them have already written Progress Reports, twenty countries have completed only their Interim PRSPs. When evaluating the PRS documents the present authors therefore took into account the fact that the Interim PRSPs could not address the themes of corruption prevention and good governance in the same degree of detail as the Full PRSPs.

Furthermore, a certain lack of precision is also sometimes made inevitable by the wide variation in the quality of the documents. Not infrequently, the documents represent something of a compromise reached under tight constraints of time in a consultative process subject to a range of weaknesses.

To obtain a first overview of the status and profile of the fight against corruption in the PRS documents, an evaluation grid was developed containing only approximate categories. Also, the design of the evaluation needed to be simplified in order to minimise the time frame. These two factors mean that the quantitative results obtained can be interpreted only as reflecting broad trends.

The evaluation was performed as follows: first of all the countries were rated in relation to the various questions on a scale from 0 to 2:

0 = no/ is not mentioned;
0.5 = is called for or defined only as a general objective, with no further details given;
1 = is mentioned in the context of just a few concrete measures or a single aspect of governance;
1.5 = is mentioned often, possibly in a separate sub-section, but is not given the profile evident in those countries rated 2;
2 = is described in detail, possibly with some measures already having been implemented.

For each country, the scores were totalled and their arithmetic mean calculated, on the basis of which the countries were then ranked. Three groups can be distinguished:

- countries in whose Interim PRSP/Full PRSP corruption prevention is dealt with intensively ➔ mean value >1
- countries in whose Interim PRSP/Full PRSP corruption prevention is dealt with moderately ➔ mean value 0.5-1

32 The problem of possible differential weightings for individual aspects also had to be ignored. Here too, the values can only be seen as approximate, and permit only a rough classification into three broad categories. The countries were not ranked in the strict sense (as was done e.g. in a World Bank study of environmental aspects in PRS; cf. Jan Bojö / Rama Chandra Reddy: Poverty Reduction Strategies and Environment. A Review of 40 Interim and Full-PRSPs. Washington D.C. 2002.)
countries in whose Interim PRSP/Full PRSP corruption prevention is dealt with seldom or not at all → mean value <0.5

3.2 Results of the Quantitative Desk Study

Whether and to what extent governments see corruption as a cause of poverty is an indicator of the significance they attach to the phenomenon (question a). In the Interim PRSPs, this link is clearly established by only three countries: Bosnia and Herzegovina, Sierra Leone and Côte d’Ivoire. Cameroon, Chad and the Central African Republic mention that sections of their population see this link, but do not integrate it into their PRS. The PRS of 16 other countries at least note that corruption makes poverty reduction more difficult. The majority of countries, however, establish no direct link between poverty and corruption in the poverty analysis.

A different picture emerges with regard to anti-corruption strategies. Twenty-one of the studied countries have developed an explicit anti-corruption strategy (question b). Only four of them integrate it into their PRS, however. Although Mongolia does present an anti-corruption strategy, it is not made clear whether it is to be integrated into the Poverty Reduction Strategy. Eight of the countries mention their anti-corruption strategy in their Interim or Full PRSPs, while eight others do not.33

Four-fifths of the countries mention the fight against corruption in their Interim or Full PRSPs (question c). An even larger majority address good governance in their PRS (question d). Only six countries do not mention the theme at all.

### Table 1: Quantitative evaluation of the PRS documents

<table>
<thead>
<tr>
<th>Questions</th>
<th>not mentioned (= 0)</th>
<th>slightly to moderately significant (= 0.5-1)</th>
<th>highly significant (=1.5-2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>a) Is corruption identified as a cause of poverty in the PRS analysis?</td>
<td>32</td>
<td>16</td>
<td>6</td>
</tr>
<tr>
<td>b) Does the country have an explicit anti-corruption strategy? If so, is it mentioned explicitly in the PRSP?</td>
<td>33 (no)</td>
<td>21 (yes)</td>
<td>5</td>
</tr>
<tr>
<td>c) Regardless of whether or not the country has an explicit anti-corruption strategy: Is the fight against corruption an explicit component of the country’s PRS?</td>
<td>11</td>
<td>29</td>
<td>14</td>
</tr>
<tr>
<td>d) Regardless of whether the PRS includes an explicit anti-corruption component: Is good governance in general a component of the PRS?</td>
<td>6</td>
<td>21</td>
<td>27</td>
</tr>
</tbody>
</table>

33 In the case of Nicaragua, however, this was due to the fact that the final version of the anti-corruption strategy was not adopted until after completion of the PRSP work.
The institutionalised strengthening of transparency and accountability (question e) is a basic prerequisite for corruption prevention. On average, the Asian countries in the studied group see a greater need to take action in this context than do the other country groups. The same thing applies to the strengthening of the public finance management system (question e1). Civil service reforms (question e2) are planned above all by the countries of Europe and the former Soviet Union.

Unless the rule of law is made a reality, it will be almost impossible to prevent corruption. Yet only a minority of countries indicate that they consider strengthening the rule of law important (question f).

As a rule, the participation of actors outside the executive provides important checks and balances on the government. The majority of countries therefore intend to generally promote participation in government programmes (question g).

It is striking that the participation of the legislative in implementation and/or monitoring (question g1) is neglected in all documents. The parliaments were neither involved in the PRS planning process, nor are they to be involved in the further process. This raises the issue of the legitimacy of the strategies.
By contrast, the civil society is to be involved in monitoring in most countries (question g2). The most detailed strategies in this respect are put forward by the Latin American countries. The strengthening of the judiciary (question g3) is also specified as an objective in most of the documents produced by countries in this group. Several African countries however neglect this aspect.

A general overview is provided by the aforementioned rough classification into three broad categories:

- corruption prevention is addressed intensively,
- corruption prevention is addressed moderately,
- corruption prevention is addressed seldom or not at all.

Nine countries fall into the category "corruption prevention is addressed intensively", 31 into the moderate group and 12 into the lowest rated group. In other words, the majority of states address corruption prevention. The ranking among the regional country groups is as follows: The Latin American countries address corruption prevention most intensively, followed by Asia and Africa. The theme is addressed least intensively in the PRS by the European countries and the countries in transition. Having said that, the Asian countries are also disproportionately well represented in the top group.

Table 2: Summary evaluation of countries

| Countries in whose Interim PRSP / Full PRSP corruption prevention is addressed intensively | Albania, Benin, Bolivia, Bosnia and Herzegovina, Cambodia, Madagascar, Mali, Mongolia, Nepal |
| Countries in whose Interim PRSP / Full PRSP corruption prevention is addressed moderately | Armenia, Azerbaijan, Bangladesh, Burkina Faso, Cameroon, Chad, Côte d’Ivoire, Ethiopia, Georgia, Ghana, Guyana, Honduras, Kenya, Kyrgyzstan, Laos, Malawi, Mauritania, Moldova, Mozambique, Nicaragua, Niger, Pakistan, Rwanda, São Tomé and Príncipe, Senegal, Sierra Leone, Sri Lanka, Tanzania, Uganda, Viet Nam, Yemen, Zambia |
| Countries in whose Interim PRSP / Full PRSP corruption prevention is addressed seldom or not at all | Cape Verde, Central African Republic, Congo (Dem. Rep.), Djibouti, Gambia, Guinea, Guinea Bissau, Indonesia, Lesotho, Macedonia, Tajikistan, Yugoslavia (Serbia and Montenegro) |

As expected, most of the countries in the group that addressed corruption prevention seldom or not at all have so far produced only an Interim PRSP. One explanation for this is the fact that the Interim PRSPs are provisional documents that can be completed without having to satisfy any IMF and World Bank conditionalities concerning civil society participation. In many countries it was primarily non-governmental organisations and churches that placed corruption on the PRS process agenda.

34 Bold = countries with Full PRSPs. A special case is Yugoslavia. With the exception of a joint general framework, the two republics Serbia and Montenegro each produced their own strategies, and were therefore rated separately.
4. The Fight against Corruption as a Component of PRS – Results of Case Studies

4.1 Ethiopia

4.1.1 Corruption Prevention in Ethiopia

Even before its PRS was introduced, Ethiopia had already begun fighting corruption. This led to the establishment of the Federal Ethics and Anti-Corruption Commission (FEACC) in 2001. The key objectives and approaches of this anti-corruption commission are to:

- stem corruption by raising awareness of its causes and effects;
- implement preventive activities, including monitoring and evaluation of the civil service, promotion of the needed adjustments and introduction of formal rules and a code of conduct;
- review the implementation of guidelines and laws;
- develop and promote cooperation with civil society;
- develop a standardised code of conduct;
- inventory the property of members of the government and public officials;
- encourage individuals and institutions to report and prosecute those guilty of corruption or other abuses.

Key indicators for Ethiopia:

- HDI ranking in 2003: 169th
- GDP per capita in 2001: 810 (PPP $US)
- Human Poverty Index: ranked 92nd (out of 94 DCs)

In 2001, Transparency International ranked Ethiopia 60th (out of 90), in 2002 59th (out of 102) and in 2003 92nd (out of 133).

35 These summaries are based – unless otherwise indicated – on the country studies prepared in-country by experts or consultants using a specially prepared questionnaire. Where further information was available, the authors of the present study have supplemented the information from the countries.

36 The Ethiopia Case Study was prepared by Dr. Kassahun Berhanu, Department of Political Science and International Relations, and Tekie Alemu, Department of Economics, University of Addis Ababa.
4. The Fight against Corruption as a Component of PRS – Results of Case Studies

4.1.2 Corruption Prevention in Ethiopia’s PRSP

One of Africa’s poorest and most heavily indebted countries, Ethiopia put forward its Poverty Reduction Strategy Paper – which was entitled the Sustainable Development and Poverty Reduction Programme (SDPRP) – in September 2002. This paper does not explicitly identify corruption as a cause of poverty, although it does consider the fight against poverty to be a key task of the PRS implementation phase. In this context, a key role is played by the fourth element\(^{37}\) of the PRS: judicial and civil service reform. The goal of judicial reform is to strengthen the institutional capacities of the judiciary and the legislative, to improve criminal prosecution, and to strengthen the institutional structures, systems and processes of legal education and research.\(^{38}\) Ethiopia’s Justice Reform Programme is designed to improve both codes of conduct, and the level of professional training of judges, and legal and court administrators.

One sub-section of the PRSP deals with the continuation of civil service reform. In 1996 the Ethiopian Government had launched a comprehensive Civil Service Reform Programme (CSRP), the core elements of which were subsequently incorporated into the SDPRP. The programme aims to help build a fair, efficient, effective and ethical civil service. It comprises five elements, four of which seek to bolster the efficiency of government activities:

- expenditure control and management;
- human resource management;
- service delivery;
- top management systems.

The fifth element – "ethics" – seeks to bring about the introduction of a code of conduct for government employees and established civil servants to prevent corruption.\(^{39}\)

Strengthening good governance in the broadest sense is also a pillar of Ethiopia’s PRS.\(^{40}\) It is emphasised that the supreme objective of the Government is to develop a democratic society and good governance. It is also pointed out that poverty can only be successfully reduced if and when the Government is in a position to formulate and implement corresponding policies, and guarantee good governance. A number of measures to strengthen the public finance management system are also identified (see Box).

\(^{37}\) The three other building blocks of the strategy are Agricultural Development-Led Industrialisation (ADLI); decentralisation and women’s empowerment; capacity building in the public and private sectors.


\(^{39}\) Cf. ibid., p. 38.

\(^{40}\) Cf. ibid., p. 49-50.
Ethiopia: measures to strengthen public finance management

1. Measures on the public revenues and expenditure side:
   - Reduction of the public deficit to an appropriate level;
   - Steering of public investment and expenditure into key sectors;
   - Increase in the proportion of public revenues obtained through taxation. To achieve this, comprehensive fiscal reforms are planned.

2. Reforms involving the national budget, accounting procedures and the public finance management system. These aim to improve the efficiency and transparency of public finance management, and build pro-poor expenditure capacities within the government. The expenditure management and control system reforms specified in the PRSP comprise a range of measures such as budget reform, new chart of accounts, training programme in accounting, introduction of modified cash and double entry accounting system and expenditure planning reform.

3. Fiscal decentralisation. Fiscal decentralisation means defining clearly the revenues and expenditure of the regions, and allocating them accordingly. There will also be a vertical fiscal transfer between the Regional Governments and the Federal Government. According to the PRSP, the districts (Woredas) will also be made responsible for their revenues and expenditure. They will be entitled to obtain block grants from their Regional Government which they can then decide how to utilise.41

Ethiopia’s PRSP contains no indication that a strengthening of the role of actors outside the executive is planned. It simply mentions that both donors and non-governmental actors will be involved in PRS monitoring and evaluation. How this is to be implemented remains unclear, however. Furthermore, the PRS contains no provisions for stronger checks and balances to be established through participation by the legislature and/or civil society. It rather appears that a few sections of the executive will take all decisions relating to the PRS. This is due to the fact that, although some members of parliament were involved in the formulation and implementation of the PRS (through participation in seminars and workshops), the legislature plays no overall role in the implementation and monitoring of the PRS. The paper merely provides for improved access to information to be guaranteed for all actors (Government, private sector, donors, civil society) by the Ministry of Finance and Economic Development.

Ethiopian NGOs are strongly committed to helping implement the PRSP through their work, and have launched their own consultation process. No anti-corruption work has yet been performed, however. The Forum of Social Studies (FSS), a major Ethiopian think tank, has indicated that it is not planning any specific anti-corruption programmes. Although it acknowledges a link between poverty and corruption, it does not identify corruption as a cause of poverty.

41 Cf. ibid., p.135 ff.
So far, donors have not attached major significance to the problem of "corruption" in Ethiopia. This is possibly due to the fact that, until 2003, Ethiopia did relatively well in the Transparency International rankings. Last year, however, it fared much worse.

4.1.3 Overall Assessment

The poverty analysis contained in Ethiopia's PRSP establishes no direct link between poverty and corruption. Accordingly, the PRSP contains no explicit strategy for combating poverty. Nevertheless the PRSP does incorporate a series of measures that can fight both corruption and poverty, even though they are not explicitly designed to prevent corruption. These include on the one hand the programmes for judicial and civil service reform. By strengthening transparency and responsibility, a large proportion of the measures (e.g. improvement of codes of conduct, and levels of training for judges and administrators, as well as reform of expenditure control and management) will help combat corruption and alleviate poverty. Having said that, practical implementation of these reforms is still in the initial stages, and in some cases progress has yet to gain pace.

The measures to reform the public finance management system identified in the PRSP can also help fight corruption, because they will improve the transparency and efficiency of finance management. Fiscal decentralisation in particular will facilitate improved monitoring of the use of funds, and will thus help prevent corruption. One shortcoming of the PRSP is the insufficient provision for the strengthening of actors outside the executive.

Some progress in combating corruption – albeit modest – has already been made in Ethiopia: the Federal Supreme Court has now improved its information dissemination and transparency by regularly posting information on court affairs and other relevant data on its website. Furthermore, the FEACC has had some initial success in detecting and exposing cases of corruption.

Having said that, it remains difficult to punish corrupt actions through legal means, as these are difficult to prove. It is therefore crucial in particular to strengthen the capacities of the FEACC and the law enforcement agencies/courts, and to improve access to information on cases of corruption that have come to light, and on how they are now being pursued. The latter can also be achieved by strengthening the media, e.g. by strengthening their access to information, their options for disseminating that information, and their expertise and experience in the field of corruption.

4.2 Ghana

4.2.1 Corruption Prevention in Ghana

In Ghana, the institutions and approaches brought to bear in the fight against corruption have produced relatively modest results to date. In 1993 the Commission for Human

---

42 The author of the Ghana Case Study is Vitus Azeem, Programme Coordinator, Centre for Budget Advocacy, ISODEC, Accra.
Rights and Administrative Justice (CHRAJ) was founded, among other things in order to undertake a comprehensive study of corruption. Around the same time the Serious Fraud Office (SFO) was created under the supervision of the Attorney General, in order to fight white-collar crime in particular. Also established was the Ghana Anti-Corruption Coalition (GACC), a body comprised of representatives of the Government, the private sector and civil society. In the year 2000 the GACC drafted the National Action Plan on Corruption.

Key indicators for Ghana:

- HDI ranking in 2003: 129th
- GDP per capita in 2001: 2250 (PPP $US)
- Human Poverty Index: ranked 46th (out of 94 DCs)

In 2001, Transparency International ranked Ghana 59th (out of 91), in 2002 50th (out of 102) and in 2003 70th (out of 133).

4.2.2 Corruption Prevention in Ghana’s PRSP

In June 2000, Ghana put forward its interim poverty reduction strategy under the name "An agenda for growth and prosperity". In early 2003, the full PRSP was accepted by the IMF and World Bank. Ghana’s PRS emphasises the link between corruption and poor governance. It points out that corruption leads to distortions in policy formulation and implementation. This impacts negatively on the living conditions of poor sections of the population in particular. Basically, the following measures are planned to prevent corruption:

- implementation of the National Action Plan on Corruption;
- creation of new anti-corruption institutions;
- improved code of conduct for the civil service;
- improved monitoring of corrupt practices;
- improved law enforcement;
- increase in budgets to strengthen accountable institutions.

Improved governance is one of the five key elements of the strategy, and is itself broken down into the following four policy fields: public policy management, decentralisation, public expenditure management, and transparency and accountability. A key role in the implementation of the strategy will be played by the freedom of information.

43 The other pillars of the PRSP strategy are: macroeconomics, production and gainful employment, human resource development and basic services, and special programmes for vulnerable and marginalised groups.
law, the development of mechanisms to publicise government information, and the strengthening of parliament for the monitoring of PRSP implementation.

Before the PRSP was prepared, the Government of Ghana – with the support of World Bank - had already launched its Public Financial Management Reform Programme (PUFMARP). The PUFMARP includes a Budget Preparation and Expenditure Management System (BPEMS) and a Medium Term Expenditure Framework (MTEF), and was integrated into the PRSP. To further strengthen transparency and accountability a freedom of information law was passed, and an office was created directly under the President that is responsible for ensuring accountability. An electronic system to monitor the expenditure financed through the HIPC Programme has already been installed at the Ministry of Finance and the Audit Service. Further planned measures are:

- decentralisation to improve services;
- increased allocations to the District Assembly Common Fund (DACF);
- rationalisation and strengthening of the role of the regional and district departments to foster participatory governance;
- strengthening of the role of the district parliaments in financial management;
- parliamentary staff training.

Ghana's PRSP contains a detailed list of measures designed to improve and institutionalise the transparency and accountability of government vis-à-vis civil society. They identify various options, e.g. joint committees, Internet publications, promotion of local radio networks.

Ghana’s PRSP specifies inter alia the following targets for transparency and accountability for the period 2003 - 2005:

- the Public Accounts Committee, which plays a key role in the parliamentary monitoring of public accounts, is open to the public;
- freedom of information legislation passed into law after consultation with civil society;
- joint cross-sectoral planning groups with civil society representation established as permanent feature for long- and medium-term development planning;
- mechanisms for joint monitoring of poverty, growth and development agreed by government and civil society established through the National Economic Dialogue (NED) and established at national and local level.44

The public service reforms identified in the PRSP aim to improve transparency and accountability, and raise efficiency. Measures to help achieve this include the improvement of working conditions, the increase and adjustment of salaries to levels commensurate with the professional duties concerned, and the preparation of work

4. The Fight against Corruption as a Component of PRS – Results of Case Studies

guidelines for staff. The activities for reform also include the following anti-corruption measures:

- special mechanisms for the monitoring of corrupt practices, especially in contracting and the leasing of land;
- stronger code of conduct for the public sector;
- development and publication of service standards.

The rule of law is dealt with in the PRSP under the heading of governance. Measures aim to train and equip the police force, prosecutors and parliament, and to strengthen the anti-corruption campaign. It is planned to improve the access of poor sections of the population to the legal system, whose procedures are to be fundamentally speeded up. Having said that, no reforms are planned to promote the independence of the judiciary. Senior judges will rather continue to be appointed by the President, in consultation with other political bodies, pursuant to the constitution. To this end, the judiciary will even be placed under the responsibility of the Ministry of Justice, which is part of the executive. This means that the judiciary will be subject to a certain degree of influence and indirect control by the executive.

Ghana's PRSP aims to strengthen actors outside of the executive, although without institutionalising their participation in PRSP implementation. The constitution provides for the budget to be presented to parliament for approval. Parliament may not, however, make any changes. There is no legal basis for monitoring of the PRS process. Having said that, parliament's supervisory role is laid down in the constitution.45 The PRSP provides for parliamentary capacity building and training for members of parliament. Improved access to information is also planned.

Although natural resource management and land reform are key themes of Ghana's PRS, these aspects are not linked to corruption in the PRSP.

The National Action Plan on Corruption was developed jointly by governmental and civil society organisations. Civil society groups also enjoyed limited participation in the production of the PRSP. Yet neither strategy makes an explicit link between poverty reduction and the fight against corruption. Nor does the civil society in Ghana have a single strategy that would link the two issues. Furthermore, civil society anti-corruption activities are uncoordinated.

Donors finance anti-corruption measures largely in the policy fields of public financial management and public sector reform. They have also declared their intention to significantly improve their mutual coordination. There are two main instruments of donor coordination:

---

45 Not laid down in the PRSP, but developed in this context, are mechanisms to strengthen Ghana's parliament institutionally: Now, the approval of parliament is obtained for the Medium Term Expenditure Framework (MTEF), which is an innovation in Africa. Parliament has also set up a committee for poverty reduction issues – also a first.
4. The Fight against Corruption as a Component of PRS – Results of Case Studies

- Multi-Donor Budget Support is designed to coordinate donor activities, and reduce corruption and inefficiency.46
- The Ghana Research and Advocacy Programme (G-RAP) is designed in particular to foster coordination between donors and NGOs working in the fields of governance and the fight against corruption.

4.2.3 Overall Assessment

Corruption is considered a serious problem by representatives of all groups in Ghana – a problem that wastes resources which would otherwise be available for poverty reduction. Consequently, corruption control and prevention were made integral aspects of Ghana’s PRSP: It identifies on the one hand for instance explicit anti-corruption measures – e.g. implementation of the National Action Plan on Corruption, the creation of new anti-corruption institutions, and the improvement of the code of conduct. On the other hand, the planned measures of public sector and financial sector reform are designed to improve transparency and accountability. These reforms will help reduce both poverty and corruption. It should be emphasised that in the PRSP the Government expresses its political will to improve its information policy and transparency vis-à-vis civil society, and lays down a corresponding list of objectives. It is also promising that this approach is legally underpinned by the Freedom of Information Law. To what extent this promise is actually fulfilled will emerge in the fullness of time. Through the use of two carefully designed instruments, Multi-Donor Budget Support and the Ghana Research and Advocacy Programme, donor coordination has been improved both among the donors themselves, and between donors and NGOs.

Having said that, there has so far been a lack of external monitoring mechanisms that would enable the executive to effectively stem corruption. It is therefore an open question whether the creation of new institutions will help make the fight against corruption more effective. It might be appropriate to strengthen the political and legal options open to existing institutions, e.g. the Commission on Human Rights and Administrative Justice, and provide those institutions with more effective anti-corruption instruments.

4.3 Cameroon47

4.3.1 Corruption Prevention in Cameroon

Cameroon has been pursuing anti-corruption activities in the context of public expenditure since 1997. Pursuant to the constitution of 1996, the responsible bodies for this are parliament and the Supreme State Council. In 1996, the Government began developing

---

46 Ghana’s MDBS, which was established on the basis of a Memorandum of Understanding and is supported by numerous donors, is being supported by Germany as a model. Donors have tied their funding, which has flown on a regular basis, to a number of reform measures, some of which have involved good governance.

47 The authors of the Cameroon Case Study are members of the consulting firm GERDDES-CAMEROUN (Group d’Études et de Recherches sur la Démocratie et le Développement Économique et Social).
the National Programme on Governance (PNG), which was operationalised in June 2000.48 The PNG is broken down into six policy fields: public administration; decentralisation; justice; economic, financial and social management; the participation of citizens and civil society in the management of public affairs, and the fight against corruption. The anti-corruption component envisages the following goals:

- modernisation of human resource management;
- reduction of administrative bureaucracy;
- simplification and decentralisation of decision-making;
- institutional development and reform;
- strengthening of governance;
- implementation of a comprehensive education and awareness-raising campaign;
- development and introduction of mechanisms to detect, prevent and eliminate corruption;
- introduction of special criminal legislation to fight corruption.

**Cameroon - key indicators:**

HDI ranking (2003): 142nd

GDP per capita in 2001: 1680 (PPP $US)

Human Poverty Index: ranked 58th (out of 94 DCs)

In 2001, Transparency International ranked Cameroon 84th (out of 91), in 2002 89th (out of 102) and in 2003 124th (out of 133).

4.3.2 Corruption Prevention in Cameroon's PRSP

In July 2003, Cameroon's full PRSP was accepted by the IMF and World Bank. In its PRS the Cameroonian Government identifies corruption as one of the main causes of poverty, and therefore sees fighting corruption as a prerequisite for successful poverty reduction.49 The fight corruption is therefore made a key component of Chapter 3 of the PRSP, which is entitled "Growth and Poverty Reduction Strategy".

---

48 This programme is described in detail in the PRSP, although the link between poverty and corruption is not mentioned explicitly.

The PRSP lists a range of measures that have been implemented to date: for instance, anti-corruption units have been set up in all ministries and in some public institutions. Further steps identified to eliminate and prevent corruption include improved financial and physical resources to strengthen the anti-corruption units, as well as further government reforms within the scope of the National Programme on Governance (PNG) or the PRGF agreement with the IMF. One particular goal is to improve reporting, including the preparation of quarterly reports on implementation of the budget plan for all ministries and parastatal institutions. Furthermore, there are plans to increase the legal penalties for public employees found guilty of the mismanagement or embezzlement of funds.

Good governance is a key element of Cameroon's PRSP. Within the scope of this element of the strategy, it is planned to help enable the Government to fight corruption successfully. Strategic Area 7 of the PRSP – "Improving governance, efficiency of administrative services, and the institutional framework" re-affirms directives of the PNG and incorporates them into the PRS.

The first PRSP progress report identifies a number of public financial management measures that have already been implemented by the Government:

- reforms to improve public financial management;
- comprehensive electronic tracing of public expenditure (SIGEFI), designed to help ensure that public funds are more efficiently and more transparently put to their designated use;
- implementation of a Public Expenditure Tracking Survey (PETS) in the education and health sectors, to be gradually extended to other sectors.

---

50 Cf. ibid., p. 88.
51 Members of these units include both individuals from civil society, and civil servants. Activities are coordinated by the National Anticorruption Observatory under the authority of the Prime Minister, who also chairs the meetings of the ad hoc Anti-Corruption Committee.
53 Cf. ibid., p. XXI.
In the medium term, the fine-tuning of sector strategies and instruments is planned to strengthen the budgetary process, facilitate the definition of priorities, and steer public expenditure into those areas assigned high priority by the PRSP. Work is also under way to achieve a closer harmonisation of the Medium-Term Expenditure Framework (MTEF) and the interventions assigned high priority by the PRSP. Fiscal decentralisation measures designed to improve transparency and accountability have also been announced, although these have yet to be specified in detail.

The following measures of **civil service reform** are specified:

- measures to counteract poor and negligent compliance with applicable rules and laws within public administration;
- creation of a system to protect informants who blow the whistle on corrupt or fraudulent practices;
- enforcement of more severe penalties for fraud, forgery of bills, tax and customs fraud, payment of commission (bribery) etc.;
- measures to stem the forgery of school-leaving or higher-education certificates (e.g. the sale of solutions etc.);
- punishment in the case of unauthorised referral of patients to private health care facilities by public hospital personnel.

A large number of reforms to strengthen the **rule of law**, good governance, and transparency and accountability had already been commenced prior to the introduction of the PRS, or are now being implemented. There are plans to establish a national audit service and a constitutional council by June 2004. In its present legal form, the audit service yet to be established would not meet international standards. The proposed legislation for the constitutional council for instance provides for extensive control by the President. It is planned to continue the reforms already launched through other measures specified in the PRSP – implementation of a study on the status of the legal system, formulation and implementation of legal reforms, and creation of jurisdictional units called for by the constitution.

The PRS provides for greater people’s participation. The various interest groups have already been included in a consultation process for planning and monitoring of the use of HIPC funds, and for general monitoring of PRS implementation, a process protected by decree. An audit of the use of HIPC funds, the results of which are to be published, is scheduled for mid-2004. The strategy also pledges to improve public access to information (a study is currently in progress), and to strengthen the role and rights of the media.

The **civil society** is also involved in the fight against corruption. Given the limitations on its financial, physical and human capacities, however, its positive achievements and influence on society as a whole remain modest. The civil society organisations complain

---

54 Observers from World Bank and the IMF also consider the low degree of organisation within civil society a constraint to the participatory process (see the Cameroon Country Profile at http://www.prsp-watch.de).
in particular that Cameroon’s heavy debt burden and high poverty rate are a direct result of widespread corruption and misgovernance. In their view, the national PRS should be seen in that context as not serving the public interest. Despite the aforementioned strengthening of people's participation, civil society organisations criticise the Government’s lack of will to renounce its exclusive control of national resources in favour of real decentralisation of power. Furthermore, the institutionalisation of participation that is on the one hand being promoted, is at the same time being undermined by the withholding of important information, turning it into a kind of pseudo-participation – in the view of civil society organisations, at least.

Multilateral (IMF, World Bank, UN organisations) and bilateral (France, Germany, UK) donors are coordinating their efforts, and are pursuing joint goals concerning poverty reduction strategies and the fight against corruption. They are also participating in implementation of the anti-corruption strategy, and the good governance programmes.

4.3.3 Overall Assessment

In Cameroon, poverty and corruption are major constraints to development. The PRSP both acknowledges corruption as a cause of poverty, and develops an explicit strategy to combat corruption. It is a relatively comprehensive strategy that addresses a number of causes of poverty. The key focus is on overcoming bad governance. Both the Government and the donors see good governance as a key prerequisite to poverty reduction. A number of measures are proposed for all four key areas of the fight against corruption - public sector management, accountability, legal frameworks and transparency. These are designed to help both prevent corruption, and reduce poverty. First positive results have been achieved in the management of public resources: studies on the use of funds in top priority sectors have been launched, progress has been made in creating a public expenditure tracing system, and a transparent budget nomenclature has been introduced. Furthermore, anti-corruption units have been created in all ministries, and an operational Department of Statistics and National Accounts now exists. Having said that, many actors still doubt the real political will to stem corruption. A further shortcoming is to be observed in the strengthening of actors outside of the executive: although interest groups are involved in a sustainable consultation process for the monitoring of PRS implementation and the use of HIPC funds, there do seem to be certain shortfalls in the practical implementation of the participatory process.55

4.4 Nicaragua56

4.4.1 Corruption Prevention in Nicaragua

Prior to the introduction of the PRS, there was no comprehensive approach to corruption control in Nicaragua. The National Integrity Committee did not begin its work until 1999 -

56 The author of the Nicaragua Case Study is Arturo Durán Bravo, sociologist and freelance consultant.
more or less the same time as the first phase of the PRS was launched. An Office for Public Ethics was also created that holds training measures in corruption prevention for public employees. At the HIPC Consultative Active Group Meeting in October 2003 the Government put forward its draft "Anti-Corruption and Governance. Strategy and Plan". It comprises the following three elements:

- fiscal decentralisation (transfer of public resources to local authorities);
- judicial reform;
- reform of public procurement.

The investigation of corrupt practices and the implementation of anti-corruption measures are the responsibility of the Attorney General's Office (PGR), and in particular the Anti-Corruption Investigation Unit.

4.4.2 Corruption Prevention in Nicaragua's PRSP

In July 2001, the Nicaraguan Government published the final version of its Poverty Reduction Strategy Paper entitled Estrategia Reforzada de Crecimiento Económico y de Reducción de la Pobreza (ERCERP)⁵⁷. This PRSP makes no explicit link between corruption and poverty. Nevertheless, the fight against corruption is mentioned as an element of good governance as understood by the ERCERP. One objective of the measures is to eliminate the causes and impacts of corruption.

Good governance is one key pillar⁵⁸ of the PRS. It comprises the elements: strengthening transparency and participation, institution building and the fight against corruption. Attention is drawn to the key significance of transparency and an independent judiciary for the development process and for poverty reduction. To improve the work of the Nicaraguan Government and its institutions, the following targets are set: consolidation of

---


⁵⁸ The other three pillars of the PRS are: labour-intensive, broad-based economic growth and structural reform; greater and better investment in the human capital of the poor to enhance their productivity, income and welfare; better protection for vulnerable groups.
the rule of law and major institutional strengthening, greater transparency and efficiency of public expenditure, the institutionalisation of a culture of integrity, decentralisation, participation, and respect for human rights.\textsuperscript{59}

Nicaragua's PRS is based on four guiding principles, one of which is: "more transparency through improved public administration systems, laws and procedures, and accountability through participatory processes that include targeted communities, beneficiaries and local leaders"\textsuperscript{60}. However, the measures to promote greater transparency and accountability are not specified in detail. There exists a National System for Coordination in Implementing, Monitoring and Participatory Assessment of the Reinforced SGPRS (PASE), which is mentioned in the PRSP. This system allows the transfer of public monies to be traced and corresponding administrative processes monitored. Although it was not originally developed to prevent corruption, the system does help improve the transparency of public administration. It also incorporates elements of fiscal decentralisation, because it supports and coordinates decentralisation efforts at the regional level. To this end a Regional Departmental Technical Secretary and Departmental Cabinet were specially created. Also envisaged is a coordinated information system to improve both access to relevant information, and public investment management.

In Nicaragua, a number of civil service reform activities have taken place both within and outside of the PRS that were designed to improve the transparency and efficiency of public administration. In November 2003 for instance the National Legislative Assembly passed the Law of Civil Service and Public Administration Career.

The ERCERP makes several references to the need to strengthen the rule of law. It states that good governance presupposes legislation to improve access to government information, to extend modern governmental procurement practices, and to modernise the penal court etc.\textsuperscript{61} It does not specify in any detail how this should be implemented, however.

Efforts have already been undertaken in Nicaragua to improve participation and strengthen the role of actors outside the executive. The National Council for Social and Economic Planning (CONPES) was established, for instance. This body seeks to improve consultation processes by promoting private sector and civil society participation. The participation of the legislature was strengthened through the creation of a National Legislative Assembly Budget Commission and an Anti-Corruption Committee. The National Legislative Assembly Budget Commission is one of the few institutions able to influence the drafting and implementation of the budget. In July 2003 a law was also introduced to allow participation by the people. However, the PRSP mentions participation only as a cross-cutting theme in the context of decentralisation. Neither a strengthening of the National Legislative Assembly, nor a strengthening of the press or complete freedom of the press, is explicitly provided for.


\textsuperscript{60} Cf. ibid., p. xi.

\textsuperscript{61} Cf. ibid., p. xiii.
In Nicaragua, corruption is rising continuously in the field of illegal trade in natural resources. The PRSP, however, does not link poverty to either illegal trade or landlessness. Therefore, it does not propose any measures to help solve these problems.

The Coordinadora Civil (CC) is an umbrella organisation of NGOs that aims to regularly monitor PRS implementation. It also addresses issues of corruption, though it has not developed an explicit anti-corruption strategy. The umbrella organisation is also a member of CONPES. Yet although the Coordinadora Civil plays an active role within CONPES, the recommendations put forward by the civil society have only partially been integrated into the PRSP. The CC has expressed criticism of the fact that the concerns of civil society have not been taken into account. Bearing this in mind, the PRSP cannot be seen as the outcome of a participatory process.

Donors help fight corruption in Nicaragua by monitoring and drawing attention to the development of corruption in the country, and by financing anti-corruption measures. They have improved the coordination of their work, and have increasingly harmonised their projects and programmes. They have also launched a number of anti-corruption initiatives, including financial support of the anti-corruption units.

4.4.3 Overall Assessment

The Nicaraguan Government is attempting to respond to the problem of corruption through a three-pronged anti-corruption strategy, combined with a number of individual measures. At the same time, it has designed a national Poverty Reduction Strategy. Although the two problems of corruption and poverty are closely linked, and although corruption is clearly acknowledged as a cause of poverty, no integrated approach to corruption and poverty reduction exists. The PRSP mentions corruption only as an aspect of good governance. Although it draws attention several times to the need for transparency and accountability, it does not propose any corresponding concrete measures. Consequently, it cannot be claimed that the PRS incorporates any anti-corruption strategies or measures. Only the newly-introduced PASE monitoring system might – depending on how it is implemented – help prevent corruption.

4.5 Zambia

4.5.1 Corruption Prevention in Zambia

Zambia was involved in anti-corruption efforts long before the introduction of its PRS. In 1982 the Anti-Corruption Commission (ACC) was established to fight corruption in the country. The ACC pursued a three-pronged approach:

- corruption prevention;

---

62 This information was supplied by individuals interviewed by the local authors of the study. There is no substantiated data available.

63 The authors of the Zambia Case Study are Dr. Fred Mutesa and Crispin Matenga, both research assistants at the Department of Development Studies, University of Zambia, Lusaka.
community education;
investigation and criminal prosecution of corrupt individuals.

One achievement of the ACC was the creation of a Task Force Against Corruption, which was mandated to investigate accusations of corruption made against the regime of former President F.T.J. Chiluba. The ex-head of state now has to answer before court. In March 2004 his former press chief was sentenced to five years imprisonment for abuse of office. Other members of the former government (up to 2001) are currently awaiting trial. Even so, only moderate success has so far been achieved in the criminal prosecution and conviction of corrupt individuals. Broad-based public information, education and communication measures on the negative social impacts of corruption have already produced first positive results, in that the population have at least become much more aware of the problem. A further step in the fight against corruption has been the creation of an HIPC monitoring team. This team monitors the flow of funds emanating from the first national debt cancellations, and in 2003 put forward a report that was highly critical, and documented the misuse of various monies. As yet, however, this report has not had any consequences. Despite the existing and fully operational legislation and institutions, in the view of NGOs there is still no comprehensive anti-corruption strategy. Activities to date have been pursued by isolated actors on an uncoordinated basis.

---

**Key Indicators for Zambia:**

HDI ranking in 2003: 163rd

GDP per capita in 2001: 780th (PPP $US)

Human Poverty Index: ranked 89th (out of 94 DCs)

In 2001, Transparency International ranked Zambia 75th (out of 91 countries), in 2002 77th (out of 102 countries) and in 2003 92nd (out of 133).

---

64 It has been a matter of controversial debate among observers whether the convictions or accusations might not also have been politically motivated. It has been suggested that the present Government might have seen the courts as presenting a convenient opportunity to indict some members of the former regime, whilst other politicians – who might equally well be suspected of corruption – are (for the time being) escaping scrutiny.

65 The members of the HIPC Tracking and Monitoring Teams are: Zambia Institute of Chartered Accountants; Zambia Institute of Marketing; Chartered Institute of Purchasing and Supply (Zambia Branch); Jesuit Centre For Theological Reflection; Zambia Association of Public Finance Accountants; Economics Association of Zambia; Non-Governmental Co-ordinating Committee; Civil Society for Poverty Reduction. The Team’s report can be accessed online at: [http://www.sarpn.org.za/documents/d0000751/index.php](http://www.sarpn.org.za/documents/d0000751/index.php). The critical stance taken by the team did elicit one unexpected response, however: in April 2004 the Government declared the work of the team to be complete, despite loud protests from the civil society and World Bank.
4.5.2 Corruption Prevention in Zambia's PRSP

The Zambian Government put forward its full PRSP in May 2002. That PRSP does not explicitly identify corruption as a cause of poverty. Corruption is rather only mentioned in Chapter 3 (Governance and Poverty Reduction). In this Chapter the Government presents its Governance Programme for Poverty Reduction.\textsuperscript{66} A core element of good governance, this programme draws attention to the need for a policy of "zero tolerance against corruption".\textsuperscript{67} Apart from that, corruption is barely mentioned in the PRSP. Accordingly, the PRSP does not propose any explicit strategy to fight corruption. It merely points out the need for public condemnation of corruption within the scope of the "zero tolerance against corruption" policy, and for a strengthening of the Anti-Corruption Commission.

**Good governance** in general is an important element of the PRS. The PRSP points out that bad governance imposes a particular burden on the poor and throws them into deeper poverty. The good governance element of the PRS is a key component of the National Building Programme for Good Governance (NCBPGG), which the Government launched in 2000. This programme is at the same time the Government's key document concerning the importance of good governance. However, the PRSP does point out that, given the limited resources, it will not be possible in the medium to long term to implement all the points specified in the programme. Consequently, the PRSP presents a compressed version of the NCBPGG that focuses on the following three objectives:

- democratise decision-making through wider use of the consultative process;
- ensure efficient, equitable and transparent management of public resources;
- guaranteed justice for all.

The following measures are planned to achieve these objectives:

- political decentralisation;
- improved access to information;
- parliamentary reforms;
- development and implementation of the MTEF;
- improved budget monitoring etc.

Concerning the aims of **transparency and accountability**, the PRSP formulates the following approaches:

1. enhance the legitimacy of government leadership, decisions, programmes and resource utilisation for effectiveness of poverty reduction programmes, facilitated by an enhancement of the principles of the separation of powers and the strengthening of legislative and law enforcement institutions;


\textsuperscript{67} Cf. ibid., p. 35.
2. focus on accountability and efficient public expenditure management, participatory budgeting, greater transparency in public procurement and contracting procedures, including the strengthening of government finance, accounting and internal audit systems and procedures, and improved financial management and expenditure tracking efforts.

The PRSP does not specify any measures to strengthen the public finance management system. However, it does point out that decentralisation of budgeting will allow a closer integration of all actors into the corresponding processes. Three other documents exist that should be seen in the context of the PRSP. These documents discuss the problems, and are designed to lead to future measures. They are the Public Expenditure Management and Financial Review (PEMFAR), the Government Strategy and Action Plan for Public Service Management and Capacity Building for 2004-2008, and the National Decentralisation Policy 2002.

The PRSP itself does not specify any public service reforms. Here too it rather refers to the National Building Programme for Good Governance (NCBPGG), which embraces the Public Service Reform Programme. The latter paper – as its title suggests – does include public service reform measures, although it makes no explicit reference to the fight against corruption.

Although the PRS was prepared through a consultative process that included the civil society, the PRSP makes no explicit reference to the participatory monitoring of PRSP implementation. PRSP implementation is the responsibility of the Government alone, coordinated by the Ministry of Finance and National Planning. Although the PRSP does refer to the need for participation by all interest groups, nowhere does it make clear how that participation is to be integrated into the process as a whole. Nevertheless, first positive results have been achieved in the institutionalisation of broad-based participation: initially, working groups were established in various sectors to address "poverty" and "PRS" issues. From those beginnings, so-called Sector Advisory Groups have now emerged that meet once a month to monitor and discuss PRS implementation.

The PRSP makes few references to strengthening the justice system. The only measures mentioned in this context are the rehabilitation and building of courts, the creation of small-claims courts, and the recognition of services rendered by paralegals.

Natural resource management appears in the PRSP as a cross-cutting theme. The PRSP does not link it to corruption, however.

A number of civil society organisations address issues of corruption and poverty. They all acknowledge the link between poverty and corruption, and see the fight against corruption as an important and effective strategy to reduce poverty. In their programmes and strategies, however, the goals of fighting corruption and reducing poverty are not systematically linked. In most cases, priority is attached to one of the themes, whilst the other is dealt with only peripherally or not at all. Having said that, Transparency International Zambia (TIZ) has suggested that an integrated approach be pursued, as well as a comprehensive strategy to combat corruption. It is also calling for legal and
institutional reforms to help prevent corruption. The Integrity Foundation Zambia (IFZ) has called for a comprehensive review of national public institutions and systems, and the creation of an independent Accountability Commission on Corruption, to facilitate data gathering.

Bi- and multilateral donors support both the Zambian Government and civil society in the fight against corruption. Since they see a crucial link between governance and corruption, they are increasingly promoting governance and democracy programmes, and calling for greater transparency and accountability in public finance management. In this context they have already promoted the following programmes and measures:

- development of a Medium Term Expenditure Framework (MTEF);
- development and introduction of a Activity Based Budget (ABB);
- reforms to strengthen parliamentary control of budget implementation;
- establishment of an Integrated Financial Management and Information System (IFMIS);
- capacity building for ACC;
- capacity building for the Electoral Commission of Zambia.

### 4.5.3 Overall Assessment

Corruption and poverty are serious problems in Zambia. Both have already been acknowledged and addressed as such by national and international actors. At the same time, the Zambian Government only occasionally links the two phenomena. The PRS contains no explicit and comprehensive strategy to fight corruption, though it does include a number of measures that might help both reduce poverty and fight corruption. These measures were incorporated into the PRSP in particular through the Government's Good Governance Programme. The programme includes approaches e.g. for political decentralisation, improved access to information, parliamentary reform, and improved budget monitoring. These and other measures designed to strengthen the separation of powers, strengthen the legislative and executive bodies, promote responsible and efficient public expenditure management, and promote participatory budgeting and greater transparency of contracting procedures, will improve transparency and accountability. This might make a sustainable contribution to corruption prevention and poverty reduction. Having said that, the PRS does not attach top priority to the implementation of these measures. Furthermore, Zambia's PRSP still lacks for instance any legal basis for the monitoring of PRSP implementation, or any detailed indication of how the right to information will be strengthened.
5. Comparative Evaluation of the Quantitative and Qualitative Results

5.1 Problem Analyses in the PRS: Is Corruption a Cause of Poverty?

Although the PRS are developed by the respective countries on their own responsibility, the IMF and World Bank do prescribe which elements must be contained in the PRSPs. These include inter alia the poverty analysis, which must be presented at the beginning of each PRS. This is required to contain a definition of poverty, a description of the poor sections of the population (regional, ethnic, gender-specific characteristics), and an analysis of the causes of poverty and the key constraints to their elimination.

The “Voices of the Poor” study published by the World Bank, which investigates the causes and effects of global poverty, identifies corruption as a key causes of poverty. This study shows very clearly that it is the poor who bear the brunt of state corruption and injustice, and describes how this impacts on their lives. The poor undergo negative experiences with corrupt public officials on a daily basis. These encounters occur e.g. when they try to obtain a place in school or on a training course for their children, to obtain from the dispensary medicines that they have already paid for, or to gain legal or police protection (see Box).

---

Extracts from "The Voices of the Poor"

For government schemes we have to pay donations. Those who should be enlisted in the below-the-poverty-line list are not included, and those who are affluent are enlisted. — India 1997b

If I had not given them money and presents, I would not have received normal care. I understood that when no one came to care for me the first three days of my stay in the hospital, and my neighbor in the ward hinted that I needed to pay for someone to pay any attention to me. — A patient at a hospital in Yerevan, Armenia 1996

Nobody wants you to come with empty hands. — Macedonia 1998

In total she received aid from the Executive Committee, the equivalent of one loaf of bread. Real assistance is reserved for friends and family of those Executive Committee workers charged with dispensing aid. — Ukraine 1996

The chiefs and headmen no longer care about the needs of their people and have been separated from them in terms of the Administration Act, No.38 of 1927. . . . These acts encourage bribery, as manifested in the money, brandy and stock that chiefs demand from people for giving them residential sites. This means that of the land allocated to people, [much] is bought and those who cannot afford this resort to squatting. — South Africa 1998

---

68 Cf. Narayan, Deepa inter alia (2000), loc.cit. (Fn.8).
Based on the above, the problem of corruption would need to be integrated into the poverty analyses of the Interim PRSPs and Full PRSPs. Yet this link is made or mentioned in the poverty analyses or poverty profiles of only a small number of Interim or Full PRSPs. In only three of the 54 documents studied is corruption identified as a cause of poverty – in the PRSPs of Bosnia and Herzegovina, Cote d’Ivoire and Sierra Leone. It might be added that Sierra Leone’s PRSP identifies the problem of corruption as a historic one, and does not deal with corruption in the present (see Box below).

### Extracts from the PRS of Bosnia and Herzegovina, Cote d’Ivoire, Sierra Leone

**Bosnia and Herzegovina:** Insecurity is an additional burden for the poor, but also for many others who do not officially fall into that category. Personal insecurity resulting from the declining influence of society and the authorities leads to rising crime and is an impediment to the integration into society and the equal economic opportunities of minorities and women in particular. Economic insecurity is reflected in exposure to various economic shocks, insecurity in terms of property or housing rights (especially displaced persons), and exposure to corruption. Corruption, too, hits the poor especially hard, whether it is related to visiting a doctor, acquiring rights to some form of social assistance, obtaining documents, education, return of property or employment, because they often have no other way to ensure the necessary services. Displaced persons, the elderly, the rural population, children and young people are often forced to pay for such services because they are not properly accepted or recognized by their communities, and lack the channels of communication that could enable them to demand their rights.\(^{70}\)

**Cote d’Ivoire:** Thus, bad governance takes hold in public and private affairs. Fraud and corruption have blighted the administration (taxation and financial administration, education-training, security, civil service). These problems have hidden economic costs for the population, particularly the poorest one, and the government. Taken together, corruption, fraud, cheating, cronyism, embezzlement of public funds, and insufficient law enforcement are elements handicapping the country’s development.\(^{71}\)

**Sierra Leone:** The centralized governance, thriving corruption, prevalence of rent-seeking activities and poor economic management, especially in the 1980s, eroded most of the conditions necessary for national development, equitable distribution of economic resources and social services. The poor capacity for economic policy formulation and implementation led to bad policies which resulted in high inflation and meagre or negative output growth, increasing the number of the poor and vulnerable groups. The conflict has exacerbated the situation with the flight of qualified and skilled workers.\(^{72}\)


The Interim PRSPs of three other countries point out that the population acknowledge this problematic link. The point is not further addressed in the analysis, however. Although a further 16 countries note that corruption is a constraint to poverty reduction, they do not elaborate on the problem. Georgia's PRSP for instance states the following:

"Effective implementation of the Poverty Reduction and Economic Growth Program in Georgia greatly depends on the normal and consistent functioning of all public services. Unfortunately, this task is frequently complicated because of large-scale corruption".  

By contrast, Benin's PRSP describes in detail the negative impacts of corruption on growth and poverty reduction (see Box).

---

5. Comparative Evaluation of the Quantitative and Qualitative Results

**PRS Benin: How corruption impedes growth and exacerbates poverty**

**BOX 10: MECHANISMS BY WHICH CORRUPTION IMPEDES GROWTH AND EXACERBATES POVERTY**

The consequences of corruption are varied but are particularly negative for growth and poverty reduction.

In a market economy, prices reflect an equilibrium between supply and demand, in accordance with which consumers, producers, merchants, and investors adjust their behavior. As soon as corruption interferes in this relationship, this equilibrium is distorted and the economic players make decisions that are out of line with economic reality. For example, if businesses pay bribes, let themselves be held to ransom, or voluntarily or under duress participate in the covert financing of a political party, they will incorporate these additional costs in the prices they charge for their businesses. It is therefore ultimately the consumer who pays a high and unjustified price against his will.

When corruption undermines public contracts, it distorts the process of calling for bids, the purpose of which is to select the best bid in terms of the price/quality ratio. If the selection process is skewed by a bribe, the State is no longer in a position to offer citizens the best deal. This results in poorly constructed infrastructure (buildings, roads, schools, dispensaries, etc.) built with second-rate materials, failure to observe the pertinent technical standards, defective or unsuitable equipment, or services that do not function as they should. It is in fact the citizens and in particular the underprivileged groups who are penalized because they do not receive the quality public services from the state that they are entitled to.

Finally, if there is corruption in public revenue collection, whether at the level of domestic taxation or customs, the State's resources will diminish and its capacity to contribute to the country's development reduced: hospitals, schools and water points will not be constructed, doctor and teacher positions will not be funded or basic economic infrastructure will not be established or improved.

The victims of corruption are therefore the consumers who pay high and unjustified prices: the citizens and especially the poor, who are deprived of the social services they are entitled to; and honest taxpayers, who are faced with higher tax bills to offset the resource losses caused by corruption on the part of officials.

Moreover, corruption discourages potential investors and, consequently, impacts the country's productive base and undermines growth.


In the majority of the Interim and Full PRSPs studied, however, no link is made in the poverty analysis between corruption and poverty (reduction). In the poverty analyses of Bolivia, Madagascar, Pakistan and Viet Nam, for instance, corruption is not mentioned at all. The low prominence given to the problem of corruption in the poverty analyses is inconsistent with the results of the aforementioned World Bank study, as well as those of other reports and analyses that demonstrate the link between corruption and poverty. Although corruption is perceived and acknowledged as one of the key causes of poverty, it is inadequately addressed in the poverty analyses of the Interim and Full PRSPs.
5.2 Strategy Formulation: The Fight Against Corruption as an Explicit Element of the PRS?

After the poverty analysis, the poverty reduction strategy built on it forms – as the title suggests - the core of the PRS. Our analysis of the Interim and Full PRSPs reveals that the fight against corruption is an explicit element of the PRS in 44 countries. Only eleven countries (e.g. Sri Lanka, Indonesia and Gambia) do not make any relevant statements in their PRS.

Since World Bank and the IMF make no prescriptions regarding the integration of the fight against corruption into the PRS, leaving the concrete design of the PRS to the countries concerned in accordance with the principle of country ownership, the strategies for corruption control contained in the respective PRSPs vary considerably in terms of scope and content. They range from a fleeting declaration of intent to address the problem, to extensive and detailed strategies taking up several pages of the PRSP. In Mongolia’s PRSP for instance the strategy to fight corruption occupies two pages, whereas in other PRSPs only a few lines are devoted to the topic. Nicaragua’s PRSP for instance mentions the fight against corruption only briefly in a single paragraph, without going into any further detail. The same thing applies to Azerbaijan’s PRSP: the fight against corruption forms part of the institutional reforms planned within the scope of the PRSP, but is mentioned in only four lines.\(^74\)

The Poverty Reduction Strategies formulated in the Interim and Full PRSPs provide for a broad diversity of measures. These include measures to dismantle the excessive centralisation of budget management, to fight corruption among public officials, to increase penalties for the embezzlement of public funds, and to reduce the excessive bureaucratism of the state apparatus. At the same time, some PRSPs recommend setting up Anti-Corruption Units or Committees, as well as capacity building for corruption control.\(^75\)

The PRS documents of Mali, Mozambique and Kenya describe extensive measures to fight corruption at various levels (see Box below on Mozambique’s anti-corruption strategy).


\(^{75}\) The individual measures are dealt with in more detail in Section 5.3. Only a few of them are briefly listed here, in order to provide an overview of the diversity of measures planned, or in some cases already implemented.
5. Comparative Evaluation of the Quantitative and Qualitative Results

Extract from the anti-corruption strategy included in Mozambique’s PRS

Main objectives:
To prevent the spread of corruption, to significantly reduce and control it amongst public sector workers; adopt regulatory mechanisms aimed at prevention, inspection, prosecution and sanctioning of corrupt practices.

Principal measures to be undertaken:
- Strengthen the institutional capacity of the General Inspectorate of Finances.
- Institutional strengthening of those bodies linked to the administration of justice.
- Institutional strengthening of the Administrative Tribunal.
- Institutional strengthening of the State’s administrative inspection services. Launch anti-corruption campaigns through the media.
- Implement measures coordinated between institutions to minimise the risk of corruption along the country’s borders, including international business deals”76

Mali’s PRSP devotes two (sub-) sections to the fight against corruption: one section describes the situation (Section 4.1.3, p. 24f.)77, the other the strategy itself (Chapter 10, p. 25ff.)78. The priority actions provided for within the framework of the fight against corruption are: the strengthening of pre- and post-audit authorities through professionalisation, the encouragement and promotion of investigative journalism, the punishment of those guilty of corruption, and the regular production and publication of detailed public expenditure accounts.

The example of Benin merits special emphasis, as the anti-corruption strategy presented there was co-developed by the civil society. This paper also acknowledges the negative impacts of poverty:

“Aware of the negative impact that corruption has on economic growth and on poverty, the government has moved on several fronts to improve governance. These efforts will be strengthened, and a national anticorruption strategy, designed with broad participation, will be adopted. This strategy includes strengthening the judiciary apparatus and reinforcing administrative and budgetary controls, adopting a law on the illegal acquisition of wealth, and preparing procedural manuals and user guides for distribution to all public administration departments”.79

In summary, a large number of governments have acknowledged the problem of corruption, and taken measures to fight it. Most of the strategies presented in the Interim and Full PRSPs embrace an entire package of measures, and include both corruption prevention and control. Alongside more severe penalties, measures also include improved access to information and awareness-raising among all sections of the population, greater transparency and increased monitoring. These measures help fight corruption and reduce poverty in a variety of ways. First of all, they make it more difficult to engage in corrupt practices. Secondly, they increase the likelihood of detection and punishment. This reduces the incentives to engage in bribery and corruption. In turn, this means that more of the funds earmarked for poverty reduction are put to their designated use, and that the population are no longer at the mercy of public officials to the same extent. It can be assumed that, if these measures were systematically implemented, the poverty situation would also improve.

It is striking that many countries address the fight against corruption in their PRSPs, yet only few of them identify corruption as a cause of poverty. For instance, although the PRS of Bolivia and Moldova both contain an anti-corruption strategy, neither of the poverty analyses mentions a link to poverty. Conversely, the Interim PRSP of Côte d'Ivoire establishes a clear link between poverty and corruption, yet barely incorporates that link into its strategy formulation. Consequently, there is no explicit anti-corruption strategy. These discrepancies between poverty analysis and strategy formulation suggest that the two have hitherto been insufficiently harmonised, or that the PRS have not been based on their corresponding poverty analyses as rigorously as they might have been. The problem seems to be less one of whether or how corruption is perceived, and more one of causal analysis. This might be due to the fact that the poverty analyses and their corresponding PRS are developed in two distinct procedural stages. While the poverty analysis is usually the product of statistical surveys conducted by the government and qualitative surveys conducted by consultants, the strategy itself is developed within the scope of extensive consultative processes and in various working groups. In other words, the analysis and strategy formulation are carried out by two different sets of actors. This is compounded by the fact that these processes often unfold simultaneously as opposed to consecutively – in which case the strategy cannot be built rigorously on the analysis.

Closely linked to the fight against corruption are strategies and measures to promote good governance. Most of the Interim and Full PRSPs define the fight against corruption as an element of the PRS good governance component. In the absolute majority of PRSPs, good governance is either one or even the key theme. With the exception of six of the studied countries, all included good governance in their Interim and Full PRSPs. A number of countries (e.g. Cambodia, Cameroon and Zambia) have even produced entire National Action Plans to promote good governance (cf. Table at Annex). Cambodia has produced a comprehensive Governance Action Plan embracing inter alia gender equity and natural resource management (see Box below).
Cambodia: Governance Action Plan

The RGC is committed to implementation of the Governance Action Plan (GAP), a rolling strategic framework that provides a consistent and transparent approach to coordinate efforts in eight priority areas:
- Legal and Judicial Reform,
- Administrative Reform and Deconcentration,
- Decentralization and Local Governance,
- Public Finance Reform,
- Anti-corruption,
- Gender Equity,
- Demobilization and Reform of the Armed Forces, and
- Reform of Natural Resources Management (Land, Forestry and Fisheries).

The fight against corruption is crucial to reducing poverty. Cambodia will face difficult challenges to meet its objectives. Competition for investments is fierce among countries and industries. Cambodia controls few of the parameters for success. The only one it controls and that can make a significant dent in poverty is the pursuit of good governance and the fight against corruption. The Royal Government has elected to approach corruption with a holistic set of measures that address root causes. Increasing the risks associated with corrupt practices is an integral part of a strategy. But codes, rules and laws cannot do it alone. Effective and fair enforcement mechanisms are the necessary complement to any legal framework. The Royal Government is actively building such capability while it is putting the finishing touch to what would become an enforceable legal framework.\(^\text{80}\)

One issue raised by the study that touches on both the analytical and the strategy formulation levels was whether the themes of natural resource management, land reform and common property resource management play a role in the PRS. Neither the desk study nor the country studies yielded any significant information on this. This might be due to the political sensitivity of the themes (leading to a stifling of public debate on these issues by governments), or to power issues (touching on fundamental issues of resource distribution and social equity), or to the ongoing poor transparency of the issues (which makes public debate more difficult). These more or less unsubstantiated explanations remain speculative, and would need to be explored in more detail in a separate study.

5.3 Anti-Corruption Strategies and Corruption Prevention in the Studied PRS

5.3.1 Institutionalised Strengthening of Transparency and Accountability

The strengthening of accountability and transparency is dealt with in the Interim and Full PRSPs to widely varying degrees. This ranges from no mention at all, to a close engagement with the theme. Only six of the Interim and Full PRSPs deal explicitly with

transparency and accountability (Ghana, Cambodia, Madagascar, Pakistan, Rwanda and Uganda). And 38 countries address the theme at least partially. A wide variety of measures are listed in this context. In Cambodia's PRSP, for instance, we read:

“The government decentralization’s strategy] will allow active community participation in grassroots institutions and increase the ownership of development projects, by shifting decision-making and accountability closer to individuals, households and communities.”

In Madagascar's PRSP, possible measures to improve transparency include reports to parliament on the use of special funds, specific monitoring systems, and a civil service law.

Ghana's PRSP can be seen as an especially positive example. An entire Chapter emphasises the political will to pursue an open information policy towards the target group (cf. Box in Section 3.2.2 of this study). The planned measures are highly appropriate for making a significant contribution towards transparency and accountability. This can make corruption more difficult, thus eliminating one cause of poverty.

By contrast, in nine countries the theme is not addressed at all (e.g. in Georgia, Tanzania and the Central African Republic).

In summary, transparency and accountability are accorded a relatively high profile in the Interim and Full PRSPs studied. A large proportion of the measures that would be necessary for successfully fighting corruption are integrated into the PRSPs.

5.3.2 Strengthening the Public Finance Management System

The annual national budget, with its revenue and expenditure plan, is the key instrument for any government to implement a pro-poor policy. Public finance management is accordingly integrated into most of the PRS that have been put forward (closely integrated in 19, at least partially integrated in 22). Only a small number of countries, such as

---

83 Which might mean, however, that both are dealt with within the scope of other interests, as is the case with Tanzania.
84 Public expenditure management is key in the fight against poverty. Sustainable poverty reduction can only be achieved if and when it can be guaranteed that the funds provided under the debt cancellation initiative actually are put to pro-poor uses. Basic preconditions for pro-poor budget processes are increased and transparent accountability. In most countries, the annual budget is incorporated into a Medium Term Expenditure Framework (MTEF). Key measures or preconditions for the realisation of pro-poor budget processes identified in the literature include: introduction of Medium Term Expenditure Frameworks, improved budgeting, improved internal and external financial monitoring, guaranteed access to information and transparent governance. Obviously, the budget is only the framework for expenditure. A budget law can be drafted and passed relatively easily. Whether or not funds are actually used in accordance with this plan is at least as important, and will be the key factor in ensuring the sustainability of reforms. It remains to be seen whether the significantly expanded monitoring systems combined with the PRS approach will actually lead to a more pro-poor use of funds than hitherto.
Rwanda, Senegal, Indonesia and Lesotho, do not address this theme at all. It therefore seems to play a relatively major role in the PRS countries. As already seen, here too the public finance management system reform measures listed in the Interim and Full PRSPs vary widely.

Nepal is a positive example. The country has established a legal basis for improvement of the Public Finance Management System. The PRSP also contains a detailed list of measures that also includes auditing of the political parties (see Box).

**Nepal: Public Finance Management System Reform**

The Nepal Systematic approach to significantly improve the budgeting, expenditure management and monitoring system:

The key reforms include the following:

- The budgeting process is being strengthened. The development budget was prioritized in 2002, (as part of a three year MTEF), and the number of projects/programs was significantly reduced. Priority projects are required to prepare trimesterly work plans with detailed output/physical achievement targets and expected results.

- Fund releases by the FCGO are being linked directly to work programs and the provision of expenditure reports (on a trimesterly basis) for previous releases. Importantly, the discretion previously allowed to line ministries and agencies to transfer funds between programs and activities will now be restricted. The regular budget will be integrated with the development budget in 2004 and subjected to the same prioritization discipline and the new expenditure reporting and fund release procedures linking them to performance will be extended to all projects/activities.

- Expenditure monitoring capacity within the government is being significantly strengthened;

- Together with the enhancement of the capacity of internal audit agency (Financial Comptroller General’s Office—FCGO), external auditor (Office of the Auditor General—OAG) and the Public Accounts Committee.

- The Government has agreed to the implementation of the Development Action Plan of the CFAA as per agreed time frame.

- Efforts are under way to reform the public procurement system through the enactment of a new procurement law and revision of procurement regulations along the lines suggested in the recent CPAR, and to enhance capacity building in this regard. (vii) Similarly, steps are being taken to ensure accountability of local governments for activities that will be transferred to them (see below).

- Similarly, to ensure transparency and accountability, information on budget allocations, expenditures and outputs will be published, and made available to the public. In this context, a web portal for HMG/N has been created, with links to government departments forms information on programs and activities.
5. Comparative Evaluation of the Quantitative and Qualitative Results

- A Political Party Law was enacted in 2002 requiring the Auditor General to audit the accounts of all political parties; and
- To create increased public awareness, FM radio programming has been opened up to the private sector, while freedom of Information Legislation is expected to be enacted, and the National Vigilance Center is to be strengthened by mid 2004. Finally, a series of actions have already been taken to reduce corruption and misappropriation; and a comprehensive Anti-Corruption strategy has been approved and action plan for the implementation is being worked out.  

Benin also aims to comprehensively reform its budget management. Ethiopia's efforts should also be positively emphasised (see Section 3.1.2 of this study).

Given the major significance of public finance management for successful poverty reduction, plus the relatively high susceptibility to corruption of budgetary processes, reforms in this sphere would be particularly conducive to integrated approaches to corruption control and poverty reduction. Several countries (e.g. Ethiopia, Nepal) have already taken promising steps in this direction.

5.3.3 Civil Service Reform

A further angle of approach to corruption prevention and control is civil service reform. Civil service reform is a key theme in most of the PRSPs put forward. Only ten documents make no reference to it.

---

87 The goal is to improve performance and management within the public sector. This will include measures to reduce public expenditure and competencies, privatise public enterprises, outsource some tasks of public administration, reform public human resource management, improve public expenditure management, introduce performance criteria and commensurate salary structures within the civil service, make contracting procedures transparent, introduce effective checks and balances and independent financial monitoring, and develop codes of conduct as well as an ethos of integrity. Corruption occurs within administrations especially where officials have scope for discretionary decision-making, e.g. in the award of purchasing or construction contracts, the award of operator’s or user’s licences and permits, the award of subsidies, the sale of public property, the exercise of police or customs duties, or the filling of vacancies in public enterprises etc. This applies equally to the paying of bribes or other forms of inducement vis-à-vis civil servants or employees of authorities or enterprises with a public mandate. Corruption-free administrations improve public service delivery, and increase the chances of private sector growth. Appropriate incentive systems make administrations accountable to their users. Civil service decentralisation brings public service delivery mechanisms closer to poor groups or communities, and increases the scope for monitoring. This requires the strengthening of local institutions and the decentralisation of expenditure, but also increased local participation, in order to prevent the monopolisation of local authorities by corresponding elites.
The Government of Azerbaijan has already restructured the civil service and established around 2,700 municipal administrations. The parliament has already established the legal basis for further reforms. The goals of civil service reform include improved financial discipline and transparency, improved resource allocation and utilisation, and improved efficiency of programmes and offerings. The new Law on Civil Service provides among other things for improved staff selection, and competitive application procedures. Ethiopia also specifies a number of civil service reform measures (see Section 3.1.2), and Bolivia is planning extensive civil service reforms (see Box).

**Bolivia: Civil Service Reform**

“The Customs Reform, Civil Service Program, Civil Service Staff Regulations, and institutionalization of the Internal Tax Service were aimed at ensuring transparency in public administration, which will need to be strengthened in the public sector institutions, particularly within the decentralized bodies.”

Recently, based on the needs created by the process of Popular Participation and Administrative Decentralization, the basic regulations for the administrative systems provided in the SAFCO Law were formalized. In addition, progress was made in modernizing public administration through: (i) approval of the Civil Service Regulations [Estatuto del Funcionario Público], which will allow the implementation of a merit-based administrative career and development of gradual institutionalization processes at all levels of public administration; (ii) development of the Integrated Management and Administrative Modernization System (SIGMA), which seeks to modernize and automate financial and nonfinancial administration in all public agencies; and (iii) creation of the System for Monitoring and Evaluating Performance-Based Government Management (SISER), which will make it possible to evaluate the results of activities undertaken in the Annual Operating Programming Exercises of the Ministries, Prefectures, and other public agencies.

In Madagascar there are plans to make the civil service more transparent, and orient it more closely toward the needs of the population. In the context of the fight against corruption, Madagascar aims to achieve the following objectives: greater competitiveness within the civil service; updating and dissemination of laws and decrees; creation of incentives through appropriate design of the workplace setting, salary scales and career structures; improvement of training quality; transparent information policy, and introduction of monthly monitoring.

Most governments appear to be aware of the need for civil service reform in the context of corruption prevention and control. Most of the Interim and Full PRSPs studied include extensive measures to address civil service and public sector structures. These are

---

5. Comparative Evaluation of the Quantitative and Qualitative Results

designed on the one hand to improve transparency and efficiency within those structures, and to increase internal and external monitoring. On the other hand, they are designed to induce these public service delivery structures to orient their services more closely toward the needs of the population, and to make the corresponding institutions more accessible. Overall, such measures make a major contribution toward reducing corruption and thus also poverty, as poor sections of the population become no longer excluded from access to public services, the services offered are brought more closely into line with their needs, and scarce funds are employed more efficiently.

It remains to be seen whether the numerous civil service reform initiatives contained in the plans are actually implemented. In some countries (e.g. Bolivia), some of the reforms mentioned in the PRSPs had already been planned for years, and had already been incorporated into numerous reform plans and declarations of intent – without having been implemented.

5.3.4 Rule of Law

Also of major significance for corruption and poverty is a stable and reliable rule of law.92 Despite its major significance, this theme is not addressed intensively in the Interim and Full PRSPs. Only nine of the countries considered provide for measures to strengthen the rule of law within their PRS. Most countries mention it only peripherally. Though some Interim PRSPs emphasise the need for reform of the legal sector, in many cases they do not specify the measures required in any detail. Madagascar can be seen as a positive example, as its PRS mentions a whole range of measures needed to strengthen the rule of law:

- respect for human rights, and creation and protection of freedom of opinion;
- guarantee of a just, independent and functioning legal system;
- guaranteed protection of individuals, their property and productive resources;
- guaranteed transparency of judicial decision-making etc.93

Bosnia and Herzegovina’s PRSP, for instance, also includes measures to strengthen the rule of law (see Table in the Annex hereto). Mongolia’s PRS too attaches high priority to legal system reform – it devotes an entire Chapter to "Legal Reforms" (see Box below).

---

92 Preconditions for this include independent courts, governance bound by law, transparency of public finance management and independent auditing, transparency of governance processes, organisation of state institutions, and accountability of those in government to the governed, and legal systems that guarantee equal access for all. Legal aid and the dissemination of legal knowledge can broaden access to the legal system.

5. Comparative Evaluation of the Quantitative and Qualitative Results

Mongolia: extracts from the Chapter on legal reforms

"4.16 The year of 2002 has been a year of reform and changes for the judicial branch. In 2002 a host of measures were implemented with the aim to improve the legal basis for judiciary organizations, introducing changes in the functions and organization of law enforcement organizations, which further grow into wider measures directed towards securing public order, safeguarding and consolidating human rights and liberties. Particularly, the Civil Code, Criminal Code, Law on Court Procedures of Civil Cases, Criminal Procedures Law, Law on Courts, Law on Court Decision Enforcement have been revised, and changes and amendments were made to the Laws on Prosecution Organization, on Advocacy, on Notary, and on Police Organizations.

4.17 Substantial amount of work was done to improve economic laws, law on budget and finance. Particularly, laws on Securities Market Law, Non-Bank Financial Operations, Law on Free Zones, Law on Altanbulag Free Trade Zone and the Law on Introducing Changes and Amendments to the Cooperatives Law have been adopted.

4.18 The Law on Public Sector Finance and Management was adopted in 2002. The objective of this law is to increase the efficiency of fiscal expenditure, create optimal fiscal management system, improve the productivity of public organizations, ensure transparency of fiscal expenditures, increase the accountability of budget managers and clarify the powers and responsibilities of local administrative organizations."

Overall, the rule of law so far appears to have been inadequately incorporated into the PRS, even though the need for legal reforms is often mentioned. One example of this is the PRSP of Bolivia:

"Government representatives agreed on the need to implement reforms of the judicial Branch, and primarily the council of the Judiciary and the administration of Justice, to eliminate institutionalized corruption. They also suggested elimination of excessive privileges for public officials and limitation of parliamentary immunity, which should be withdrawn in cases of ordinary offences."  

5.3.5 Strengthening the Role of Actors Outside the Executive

One key element of preventive corruption control is the strengthening of actors outside the executive who criticise and monitor the government and public authorities or officials. In the political system this includes the parliament (which in almost all constitutions has a monitoring function), and the judiciary. Other important elements of a checks and balances system are the civil society and "the public" who form a part of it.

---

96 This includes private-sector-oriented actors such as employers’ associations or trade unions.
5. Comparative Evaluation of the Quantitative and Qualitative Results

**Legislative:** In the development and implementation of PRSPs, parliaments in most of the PRS countries played only a marginal role. It is striking that the participation of the legislative in PRS monitoring and/or implementation is neglected in all the studied documents. Only in three PRSPs – those of Uganda, Niger and Mauritania – is a role explicitly assigned to parliaments. By contrast, analysis of the documents of 45 PRS countries revealed no mention of parliaments in this context. Only Uganda plans to institutionally strengthen parliament, in which context it plans to implement the new Parliamentary Strategic Investment and Development Plan (PSIDP).

A new study of the role of parliaments in PRS processes in sub-Saharan Africa identifies their weak participation.\(^{97}\) In most cases this was confined to the participation of individual members of parliament in consultations (i.e. individual participation), while there was virtually no institutional participation by parliaments at all. The reasons for this are to be found in the low real political significance of the legislatures, the traditional focus of donors on the executives, and the narrow conception of participation as meaning participation by civil society actors. Although parliaments do have legislative, monitoring and budgetary functions pursuant to their constitutions, they exercise these roles only on a limited basis or not at all. The reasons for this are to be found in the political systems, which tend to prefer a strong executive in what is usually a weakly democratic culture, and in the low overall capacities of the members and the resources of institutions.\(^{98}\)

**Judiciary:** Here too, only a small minority of the Interim and Full PRSPs that have been put forward provide for a strengthening of the judiciary. Most papers make no mention of this theme whatsoever. By contrast, the Government of Albania intends to implement institutional restructuring of the legal system pursuant to the recommendations of the Council of Europe, create new mediation centres and commercial arbitration services, and promote a civil society network of legal aid centres.\(^{99}\) In Mali, one objective of the PRS is to strengthen and guarantee the independence of the judiciary, improve access to the legal system, and improve the resources of the justice departments.\(^{100}\) In Bosnia and Herzegovina extensive legal reforms are planned (see Table in the Annex hereto).

**Civil society:** The studied Interim and Full PRSPs make barely any reference to increased civil society participation in PRS monitoring: only Bolivia and Uganda mention the theme explicitly. In Uganda, NGOs at least participate in monitoring in the health, water and sanitation sectors. One key instrument for this is the Poverty Action Fund, through which almost 1/3 of public investment expenditure now flows (see Box). Studies have demonstrated that the proportion of public funds wasted or stolen was reduced significantly following the introduction of this monitoring system.

---


98 There is nothing to suggest that this result for sub-Saharan Africa cannot also be transferred to the PRS countries in Asia and Latin America: in these continents too, none of the parliaments are actively involved in the PRS processes.


5. Comparative Evaluation of the Quantitative and Qualitative Results

Uganda: Poverty Action Fund

The Ugandan Poverty Action Fund, with its elements of joint decision-making and monitoring, is one of the most elaborated structures of institutionalized participation within the PRS context. Around 35 percent of the national budget is channelled through this fund. Decisions how to use the money are regularly discussed in a dialog between Government and Civil Society. The latter monitors the financial flows down to district and even sub-district level. This is done by non-governmental grassroots committees and through a newly developed Community Based Monitoring System. The participatory debate and policy-making on poverty issues in Uganda is furthermore enlightened by another joint Government-NGO-Monitoring-System, the Uganda Participatory Poverty Assessment Project, UPPAP, which is able to bring the voices of the poor into the process.

See http://www.internationalbudget.org/resources/howto/PAF2002.pdf for details

Bolivia’s PRSP proposes allowing the Catholic Church to participate in a watchdog capacity in the meetings of the supervisory authorities at the national and local levels.101 In Tanzania the extensive monitoring system, which has also been legally institutionalised, provides for participation by civil society actors. In Zambia, the working groups comprising government and civil society representatives that had been formed in 2001 to prepare the PRS document, were re-convened in 2003. They have been mandated to prepare the Medium Term Expenditure Framework (MTEF), and participate in PRS monitoring and implementation.

These positive though isolated examples are not the rule, however: one cannot yet speak of an institutionalised participation of civil society in PRS monitoring. In many PRS countries there are first signs of participation, though these remain as yet too weak to operate as real checks and balances vis-à-vis the government.

5.3.6 Improved Donor Coordination102

The country studies revealed that donor coordination is being improved in only a few countries (in Ghana and Nicaragua) In both these countries, a number of measures have been taken to improve the coordination and harmonisation of approaches and activities. These include for instance Multi-Donor Budget Support in Ghana. To help fight corruption the Ghana Research and Advocacy Programme is being promoted in Ghana, and the Anti-Corruption Units are being financially supported in Nicaragua. All donors acknowledge the problem of corruption in principle. They are supporting a number of corruption prevention measures by providing both financial and technical inputs.

102 Since this theme was not covered by the desk study, it is only possible at this point to present the results of the country studies. Given the limited scope of the studies, only those aspects could be included that are explicitly designated as aspects of donor coordination. Other aspects of the fight against corruption that are supported by the international donor community, such as the improvement of distribution and allocation processes, or the improvement of anti-corruption and law enforcement agencies, were not included.
6. Recommendations for Development Cooperation Action

A number of recommendations for action by development cooperation can be drawn from the study. In accordance with the goal of this study, these will not be recommendations for improving poverty reduction and the fight against corruption independently of each other. Findings and insights are already available for both poverty reduction and the fight against corruption that have already been operationalised in papers for development cooperation. This study analysed the opportunities for improving the fight against corruption in the context of PRS processes, i.e. it explored the link between the two aspects. Correspondingly, the recommendations for action are oriented toward this link.

It is possible and necessary to approach this link from several perspectives: One set of recommendations relate to the operative support of ongoing PRS processes, with the rather indirect objective of helping better fight corruption. A second set of recommendations offer proposals as to how existing points of departure in PRS processes might be better or more systematically utilised in order to pursue prevention corruption control in the context of PRS processes. The third and fourth sets of recommendations do not relate directly to the operative level, but to political dialogue between German actors and partner-country governments, and to dialogue between German development cooperation institutions and their partners in other donor countries. Since in practice an integrated approach is needed in order to address both aspects (and above all the over-arching task of poverty reduction) properly, the following structure was selected for purposes of clarity and distinction. This does not mean that the individual recommendations should or could be viewed in isolation. Perhaps a combination of recommendations (i.e. of operative measures together with policy dialogue in the context of specific countries) is precisely what is required. Nor does the sequence imply any relative value judgement or system of priorities.

Two criteria for the selection of the following recommendations are a) their relevance to current deficits in the context of integrating corruption into the PRS, and b) the actual or potential comparative advantages of German development cooperation actors when addressing these deficits. The recommendations are based essentially on the results of the study. In some cases, further information from PRS-oriented research projects of the authors was also used.

---

103 For literature on the fight against corruption, see the references included in the introduction. Concerning PRS processes, see the various GTZ papers (cf. www.gtz.de/forum_armut/).
104 In some cases, additional information was also taken from other PRS-oriented research papers prepared by the authors. See for example the results of a research project financed by VENRO and implemented by INEF on PRS participation processes at http://www.prsp-watch.de.
The Recommendations – An Overview

<table>
<thead>
<tr>
<th><strong>Support of PRS Processes</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Recommendation 1:</strong></td>
</tr>
<tr>
<td><strong>Recommendation 2:</strong></td>
</tr>
<tr>
<td><strong>Recommendation 3:</strong></td>
</tr>
<tr>
<td><strong>Recommendation 4:</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Corruption prevention in PRS</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Recommendation 5:</strong></td>
</tr>
<tr>
<td><strong>Recommendation 6:</strong></td>
</tr>
<tr>
<td><strong>Recommendation 7:</strong></td>
</tr>
<tr>
<td><strong>Recommendation 8:</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Political dialogue with partner countries</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Recommendation 9:</strong></td>
</tr>
<tr>
<td><strong>Recommendation 10:</strong></td>
</tr>
<tr>
<td><strong>Recommendation 11:</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Political dialogue with other donors</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Recommendation 12:</strong></td>
</tr>
</tbody>
</table>
6. Recommendations for Development Cooperation Action

<table>
<thead>
<tr>
<th>Recommendation 13:</th>
<th>Develop and strengthen programme financing approaches below the level of budget financing.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recommendation 14:</td>
<td>Work toward consensus within the donor community for stronger emphasis on participatory processes going beyond PRSP preparation, and for avoiding constraints on real broad-based participation caused by poor donor transparency.</td>
</tr>
</tbody>
</table>

6.1 Support of PRS Processes

**Recommendation 1:** Integrate corruption – understood as both a cause of poverty, and as a phenomenon affecting particularly poor sections of the population – into the PRS analyses, and illuminate the precise contours of these interrelationships.

The study clearly identified weaknesses in the PRS poverty analyses. The problem of corruption is barely integrated into the analysis (even where corruption played a role in strategy formulation). Integrating the theme into the poverty analysis might shed light on the specific aspects of corruption that are relevant to poverty (e.g. which forms of corruption affect especially the poor sections of the population), and allow corresponding conclusions to be drawn for strategy formation (e.g. regarding priority setting). German development cooperation has extensive experience with poverty analyses. It would therefore be possible to focus greater attention on the links between poverty and corruption, and offer corresponding development cooperation expertise. This can be done either at the conceptual, cross-country levels (through studies, papers, guidelines etc.), or on a country-specific basis. A country-specific perspective would be very important for several reasons: the phenomenon of corruption differs from country to country. Correspondingly, the respective links between poverty and corruption generate different problems calling for appropriate solutions. It should also be borne in mind that the majority of countries are pressing ahead with their PRS processes relatively vigorously, and are now beginning to work on the second generation of PRS. The poverty analyses will also be updated and improved in this context. This represents a key point of departure for a range of consultancy and advisory offerings in a large number of countries.

**Recommendation 2:** Systematically interrelate corruption as a cause of poverty, and the fight against poverty as an element of the Poverty Reduction Strategy.

To the extent that the analysis of corruption and its impacts on the poor sections of the population in the PRS to date was largely inadequate, it is certainly not possible to speak

---

6. Recommendations for Development Cooperation Action

of a clear and convincing anti-corruption strategy developed on the basis of the PRS analysis. The approaching second generation of PRS can and should be utilised to address this severe shortcoming.

Recommendation 3: Give high priority to the institutionalisation of civil society participation in PRS processes.

In many countries it was civil society actors who raised the issue of corruption in the PRS consultative processes, and helped ensure that the theme was mentioned in the PRS agenda at all. Independently of the PRS, in many countries it is – alongside the donors – especially churches and NGOs who call for the fight against corruption, the creation of transparency above all in expenditure, and good governance in general (e.g. the National Sections of Transparency International that now exist in a number of PRS countries, such as Zambia).

Often, however, these civil society actors are only able to utilise a public sphere that is legally precarious, unstructured and dependent on ad hoc government decisions. Institutionalised forms of civil society participation are rare (see the example of Uganda as an exception, described in the Box in Chapter 5). German development cooperation has now agreed with 31 partner countries to make good governance a priority area of development cooperation. Many of these countries are PRS countries. Yet in a number of other countries too, there are programmes that offer German development cooperation points of departure to help institutionalise civil society participation, e.g. involving the promotion of decentralisation or the strengthening of civil society. Inputs could include: advisory services for establishing legal bases for participation, organisational capacity building, capacity development, support of dialogue structures etc.

---

106 See the reports on civil society participation in PRS processes in the country profiles on the website http://www.prsp-watch.de – with special reference to the example of Tanzania. – The positive evaluation of the role of civil society actors at this point should not cause the reader to completely lose sight of the fact that in some countries there are significant legitimacy problems in (sections) of the civil society. The range of problems is a very wide one: from NGOs whose internal organisation is not democratic and who represent barely any major group within society, to – in the worst case – isolated cases of NGOs whose leaders are suspected of corrupt practices. Nonetheless, both academics and development practitioners overwhelmingly take the view that a large number of civil society actors in all developing countries do make significant contributions to the development processes in their own countries.


6. Recommendations for Development Cooperation Action

Recommendation 4: Systematically develop the participation of parliaments – in their role as providers of checks and balances – and relate this to the PRS process.

The minor role assigned to the legislature in the PRS processes is a serious deficit. This is incompatible with democratic principles, and in some cases is an explicit violation of constitutional rights. Furthermore, the potential that participation by parliaments would be able to offer, remains unutilised. Thus the practice of the PRS processes to date has not only undermined the long-term institutional development of parliamentary democracies in developing countries, but has also failed to capitalise on opportunities for effective poverty reduction and corruption control. Without exception, parliaments in all PRS countries for instance have constitutionally assigned rights to monitor the government. Yet – sometimes due to inadequate capacities, sometimes due to political domination – these rights are only partially used, or are not used at all, for instance to trace real financial flows from the national budget. Although the promotion of good governance became a key objective for all donors in the 1990s, the actual measures to promote parliaments remain modest in scope, and are largely focused on improving resources and providing basic capacity development. A study on the participation of parliaments in PRS processes in Africa made a number of recommendations concerning the promotion of parliaments in PRS processes. These were made under the following headings: strengthening the legal and political frameworks within countries, capacity development for parliaments, strengthening interactions with other actors, and improving international donor policy frameworks for parliaments.

6.2 Strengthening Preventive Corruption Control in the PRS Context

Recommendation 5: Strengthen transparency and accountability through improved information systems in the context of PRS monitoring.

Monitoring systems form part of the institutional framework of all the PRS approaches. They are supposed to embody the principle of results-oriented monitoring, i.e. to ensure that the strategic interventions do actually benefit the poor sections of the population. All PRS countries are currently in the process of developing corresponding systems, and formulating indicators of participation by actors in the monitoring process etc. However, with a few exceptions (Uganda, Tanzania, Bolivia and several others) the PRS monitoring systems remain as yet relatively rudimentary. German development cooperation possesses experience in the design and establishment of monitoring systems and individual components thereof, such as Qualitative Impact-Monitoring. These should be made available in more countries than hitherto.

---

111 See for instance the GTZ-supported project Qualitative Impact Monitoring (QUIM) in Malawi, Kenya Poverty Impact Monitoring (KEPIM) in Kenya, or the advisory services delivered to the
Where they do exist, monitoring systems often focus on the flow of funds and the activities or outputs emerging as a result. Outcomes or even impacts - are measured far less frequently. This is also due to the fact that not only the funds employed, but also e.g. the efficiency and pro-poor orientation of public service delivery mechanisms, as well as the behaviour of local political elites, influence the impacts of measures. Qualitative impact analyses can therefore be an important tool to identify the causes of the gap that often exists between political strategies on the one hand, and impacts on poor sections of the population on the other. Unlike many purely quantitative surveys, this often produces highly political and often sensitive results, e.g. exposes corrupt practices in the award of permits and licences, or in the granting land-use rights etc.

**Recommendation 6: Support transparency and accountability through improved analytical capacities in parliaments and civil society.**

In a number of countries, it is not the general availability of information that is a problem, but the political analysis thereof. Transparency can also become lost in the "information jungle". One example is the preparation of national budgets. Many parliaments in developing countries are significantly challenged when called upon to analyse, evaluate and, where appropriate, correct their national budgets, even though – as is almost everywhere the case – their constitution mandates them to approve the annual national budget. Help can be provided through practical training measures, such as those provided by GTZ to Ethiopian MPs (see Box). Regular budget analyses conducted by research institutes (also with donor support), such as those conducted by the Institute for Economic Affairs in Kenya, are one means of strengthening the analytical capabilities not only of MPs, but also of the media, the general public and civil society. The same principle applies to the analysis of the expenditure reports that are submitted to many parliaments, but which those parliaments are not fully able to evaluate. Parliaments are often overstretched (and not infrequently also subject to political constraints), and are therefore unable to make further political demands on the reports. A strengthening of pro-poor analytical capacities is therefore needed. The establishment of parliamentary budget offices (such as those in Uganda and Nigeria) can provide at least some support here.

Government of Zambia concerning the establishment of a PRS monitoring system at the national and – more recently – regional and local levels.
6. Recommendations for Development Cooperation Action

**PRS Training for Members of Parliament in Ethiopia**

Since 2002, GTZ has successfully conducted several training measures for Ethiopian MPs, in cooperation with a local university team. Up to 70 MPs participated in the workshops (on PRS basics, PRS monitoring, and PRS and budgeting) in December 2002 and January 2003. A second series of three workshops on pro-poor budgeting took place between April and June 2003. In a first step, those aspects of the following PRS key sectors relevant to the budgeting process were analysed: education, health, agriculture and food security, infrastructure/roads and - as a cross-cutting theme - gender-sensitivity. This was followed by an analysis and discussion of budgeting practice in these sectors prior to introduction of the PRS (2002). In a third step, the MPs studied the new budget put forward in June 2003 from a PRS perspective. According to the MPs, these training measures significantly improved their ability to understand and discuss the budget as presented.

**Recommendation 7:** Promote accountability by strengthening internal and external systems of checks and balances, and simultaneously promote the pro-poor orientation of the corresponding institutions.

GTZ is currently implementing around 20 projects in the context of budget monitoring mechanisms (auditing systems etc.). These improve the transparency of financial flows. To promote the accountability of governments for the appropriateness of their financial flows, these measures should increasingly be tied to the goal of pro-poor budgeting. Positive examples of such approaches are found in those countries where gender budgeting has already been successfully implemented (e.g. South Africa or Tanzania). In this context it is not only the formally correct flow of funds that comes under scrutiny, but also the pro-poor nature of the budget (the manifestations of which may nevertheless vary widely within the formal budget categories). In a number of countries (e.g. Kenya), German development cooperation is gaining experience with pro-poor expenditure tracking.

**Recommendation 8:** Strengthen the judiciary such that they are then able to support poor sections of the population in claiming their rights, including their basic social rights.

The poor integration of judicial reforms into the PRS that aim to fight corruption is diametrically opposed to the deficits observed in this sphere. In many cases, material disadvantage is not the only factor causing or exacerbating poverty. Often it is also legal "grey zones" that hit the weakest members of society hardest, prevent them from obtaining their rights and make it easier for the strong to engage in corrupt practices. These grey zones include for instance the dual legal systems encountered in many African countries that discriminate against women in particular (see Box on the example of Zambia). Political goals proclaimed in the PRS such as gender equity in general, and gender-neutral access to basic social rights and social services in particular, require not only corresponding funds, but also the necessary rights of access, in order to reduce the
discretionary scope that is conducive to corruption. Asserting these rights requires a correspondingly strong jurisdiction and independent judges.

**Zambia: Strengthening the Judiciary**

Since the colonial era, Zambia has had a dual legal system. Modern law exists alongside customary or traditional (tribal) law. The latter is not codified, and is applied both by local authorities (chiefs, headmen) and by local courts. Zambia has 452 local courts, yet only 53 magistrate’s courts. From these figures it is evident that, when legal disputes arise, the overwhelming majority of Zambians must turn to a local court. Problems such as divorce, spouse or child maintenance, custody rights, property rights, and inheritance disputes - legal matters that crucially affect women’s livelihoods - are thus decided on before these courts in accordance with traditional notions of justice. This is often also the case even where a law exists that is binding on all citizens, and provides for a different settlement from that which traditional law prescribes (e.g. in the case of the Intestate Succession Act, which provides for a more favourable settlement of the succession issue for a widow and children than is the case in many tribal law systems). Training measures are now being provided to make women aware of their rights, and encourage them to take the bold step of actually claiming them. Local court justices receive no training whatsoever, and often persist in applying outdated notions on the subordinate role of women. Training measures are also being provided in order not only to equip them with the needed legal knowledge, but also to enable them to see women as equal before the law, and treat them accordingly.

Source: GTZ Projektspiegel 1998.2169.5

**6.3 Policy Dialogue with Partner Countries**

Since the introduction of the five BMZ criteria in the early 1990s, if not before, various aspects of good governance have formed the basis of political dialogue between the German Government and its partner countries. The reader’s attention is drawn once again to the fact that only those specific aspects are discussed here that relate to the link between PRS processes and the fight against corruption.

*Recommendation 9: Strengthen frameworks for actors outside the executive (parliaments, civil society, judiciary).*

Donors have a not inconsiderable influence on the political scope that actors outside the executive (might) possess. The following themes (among others) should therefore be addressed within the scope of political dialogue: legal frameworks, the creation of structures for dialogue, and access to information.

In many PRS countries there exists, apart from the basic constitutional rights such as freedom of opinion and freedom of association that are often in place, no legal basis for the participation of civil society in political processes. Such legal bases would indeed be

---

112 Respect for human rights, political participation, the rule of law, a market-friendly economic order and development-oriented state action.
desirable, e.g. for access to information, parliamentary hearings for civil society actors, participation in monitoring systems etc., in order to create clarity for both sides – government and civil society – concerning rights and roles. Isolated examples of such codified provisions do exist.\textsuperscript{113} Political dialogue can address the creation or consolidation/elaboration of legal foundations, and thus strengthen the scope of action for actors involved in politically highly sensitive areas such as the fight against corruption. In any case, dialogue should seek to help ensure that no legal norms are introduced that would limit their scope for action. In some countries (e.g. Uganda, Ethiopia, Cameroon), the rights of media and NGOs were recently curtailed by the introduction of corresponding legislation, and politically unpopular organisations were penalised by having their official registration withdrawn.

\textit{Recommendation 10: Fiscal and political decentralisation must go hand in hand.}

The call for decentralisation has become a paradigmatic element of the development policy of almost all donors. For German development cooperation too, decentralisation is a well-established theme. The strong comparative advantages that German development cooperation enjoys in this field due to the many years of experience gained by GTZ, DED etc. have already been utilised in the PRS processes of various countries (e.g. in Senegal, Mauritania and Kenya). The potential is far from exhausted, however. PRS processes to date have been highly centralised, and fixed at the national level. In most cases, three-quarters of the participatory processes took place in the capital cities of the countries concerned. The decentralised political decision-making structures are assumed to be more pro-poor. These local service delivery mechanisms are believed to be potentially more pro-poor because the recipients are able to come face-to-face with the delivery mechanisms. Expenditure at the local level would also seem to be more transparent and easier to monitor, because for instance recipients have easier access to information concerning resource utilisation and distribution.

Broad-based participation in political decision-making processes, which includes participation in consultations on the utilisation of scarce resources for pro-poor interventions, should also be institutionalised as a principle of the PRS at the local level. This is the only way to guarantee that funds made available within the scope of fiscal decentralisation at the regional and local levels actually benefit the poor sections of the population. Decentralisation alone will not automatically generate pro-poor results.\textsuperscript{114} Unless it is complemented by participation and empowerment, there is a risk that it will be exploited by local elites for their personal enrichment, or to consolidate their power by being made to serve their patronage networks. This means that planners should aim not (just) to decentralise government structures, but also to build a functioning local democracy, or at least local governance structures that give the poor sections of the population a voice.

\textsuperscript{113} Cf. Tanzania (monitoring), Ghana, South Africa (access to information), Uganda (parliamentary hearings), Bolivia, Nicaragua (public participation law) etc.

\textsuperscript{114} The World Bank notes: "Decentralisation can be good or bad for the poor but is likely to be bad unless special effort is made at the design stage," and specifies four key elements for pro-poor decentralisation: "Redistribute to poor areas, fund basic services of national interest, target assistance to the minority groups among the poor, decentralise to the lowest feasible level." Cf. World Bank, PRSP Sourcebook (http://www.worldbank.org), Chapter on Governance, p. 282.
6. Recommendations for Development Cooperation Action

Recommendation 11: Support and strengthen the legal basis for transparency.

Political dialogue that aims to promote poverty reduction and the fight against corruption simultaneously must attach strong importance to legal guarantees of access to information.\(^{115}\) It will also cover basic rights such as freedom of opinion and freedom of the press, as well as numerous provisions below the level of the constitution. As explained in recommendation 9, a distinction can be drawn between positive (enabling) and negative (constraining) laws and legal norms. Examples of positive legislation conducive to transparency would be the Access to Information Act in South Africa or the Freedom of Information Law in Ghana. These laws are designed to guarantee and facilitate access to information. Similar legislation – though different in scope and quality – was introduced in Bolivia and Nicaragua, and played an important role in the PRS processes of those countries. Access to information for all actors is a key prerequisite to the participatory procedures at all stages of the PRS process. This applies both to the detection of corruption, and to the deterrence of potentially corrupt officials, because transparency removes the ground from under the feet of individuals tempted to engage in corrupt practices. Political dialogue can help facilitate progress in establishing legal guarantees of access to information. Furthermore, in the interests of both poverty reduction and the fight against corruption, criticism must be voiced over any steps that a government might wish to take to curtail access to information.

6.4 Policy Dialogue with Other Donors

Recommendation 12: Establish close coordination with all donors in partner countries in joint fora based on country-specific positions on the integration of good governance into PRS processes.

Fighting corruption and promoting good governance calls for donor coordination, especially in the context of such broad-based strategies as the PRS. Corrupt practices, and especially systemic corruption at a high political level, can only be influenced through coordinated donor action. One example of such action is the Consultative Group Meetings (which as a rule are held only twice a year, making them too inflexible). On the German side, preconditions for improving the harmonisation of donor positions are not optimal. Effective participation in the harmonisation of donor positions is hampered by the institutional fragmentation of German development cooperation, as well as by the usually rather modest "macropolitical" capacities on the ground. The workloads of the GTZ Country Directors, DED Country Directors, Economic Cooperation Officers stationed at embassies etc. are usually so heavy that the individuals concerned are unable to devote continuous attention to this task. Nevertheless, through its support for the Rome Declaration on Harmonisation, and through its corresponding Action Plan, BMZ has

underlined the fact that German development cooperation intends to significantly increase the harmonisation of its work with that of other donors in the future.\textsuperscript{116}

**Recommendation 13: Develop and strengthen programme financing approaches below the level of budget financing.**

In many countries the budget financing that would be desirable from a development-policy perspective is being hampered by deficits in good governance and blatant corruption problems. The financing of individual projects outside of the budget is usually not a convincing alternative, since these measures are less transparent, being subject only to partial parliamentary control, if indeed to any control at all. Furthermore, it is questionable whether such non-networked measures can generate significant and sustainable impacts. Stronger emphasis should be placed on developing "medium range" strategies such as basket financing or SWAPs. This will require strong donor coordination. German development cooperation has yet to fully embrace this idea, although some pilot projects have already been launched.

One instrument that has been shown to serve both poverty reduction and the fight against corruption has been established in Uganda in the form of the Poverty Action Fund (PAF) (see Box in Section 5.3.5). Stronger emphasis than hitherto should be placed on promoting such instruments, which should be jointly proposed by donors. German NGOs have for many years been drawing attention to the usefulness of counterpart funds, especially in highly corrupt countries. They call for guarantees that the monies released through debt cancellation in highly corrupt countries be channelled through mechanisms of this kind that are also subject to scrutiny by the civil society. On the other hand, various donors, and especially the so-called like-minded donors, as well as debtor country governments, see such funds in a rather critical light. The main counter-argument was always the problems associated with funds outside of the national budget. Uganda's PAF represents a working compromise: a fund with monies earmarked for poverty reduction that is integrated into the national budget, highly transparent and monitored on a participatory basis. The possible creation of budgetary instruments of this kind should be raised more vigorously in dialogue with donors.

**Recommendation 14: Work toward consensus within the donor community for stronger emphasis on participatory processes going beyond PRSP preparation, and for avoiding constraints on real broad-based participation caused by poor donor transparency.**

Many donors began to pay less attention to the need for participatory processes in many PRS countries once the documents were complete. Once the PRSPs were adopted, donors showed little interest in institutionalising participation (including the strengthening of parliaments), or in promoting the learning processes that are necessarily associated with the introduction of participatory processes. Projects to promote long-term participation by parliaments and civil societies in monitoring systems, or in the PRSP reviews due

\textsuperscript{116} Cf. BMZ (2003): Harmonisation of Donor Practices in German Development Cooperation (\textsuperscript{= BMZ spezial, 073}). Bonn.
after three years, are extremely rare.\textsuperscript{117} Whereas many donors made special funds available to finance civil society work in the context of the PRS processes during the period 2000-2001, these financial flows soon dried up.

Furthermore, many donors have come to pursue with less vigour their earlier efforts to not only negotiate their programmes with governments, but also to make them more open for public participation. IMF PRGF documents for instance continue to be negotiated behind closed doors. None of the World Bank Country Assistance Strategies have so far been debated in any parliament anywhere in the world. Negotiations between bilateral donors and recipient countries remain the exclusive domain of governments, and are not transparent to NGOs of either the donor or the recipient countries. Occasionally, civil society actors are invited to the prelude events when Consultative Group Meetings are being launched, but once negotiations commence they are excluded again. There are no known cases of any MPs having been invited to participate in the Consultative Group Meetings.

The call for transparency and accountability issued by donors would gain credibility if the donors were to systematically make their own activities in a country more transparent, and if they were willing to provide a public account of their work.\textsuperscript{118}

\textsuperscript{117} One notable exception is the promotion of the Civil Society for Poverty Reduction network in Zambia by GTZ and other donors.

\textsuperscript{118} Cf. Michael Fleshman: Africa pushes for better aid quality. Donors must also be held accountable for their policies and practices. In: Africa Recovery, Edited by the UN Department of Public Information. Vol. 17, No. 1 / 2004, p.18-21.
Annex: Overview of Good Practices and Interesting Cases

**QUESTION:** Is corruption identified as a cause of poverty in the PRS analysis?

<table>
<thead>
<tr>
<th>Country</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bosnia and Herzegovina</td>
<td>The poverty profile describes how corruption is an obstacle in the everyday lives of the poor.</td>
</tr>
<tr>
<td>Côte d'Ivoire</td>
<td>The Chapter describing the &quot;Poverty Situation&quot; identifies corruption as one cause of poverty.</td>
</tr>
<tr>
<td>Sierra Leone</td>
<td>The &quot;Poverty Profile and Causes&quot; Chapter identifies &quot;thriving corruption&quot; as a cause of poverty.</td>
</tr>
</tbody>
</table>

**QUESTION:** Regardless of whether or not an anti-corruption strategy exists as such: Is the fight against corruption an explicit component of the country's PRS?

<table>
<thead>
<tr>
<th>Country</th>
<th>Description</th>
</tr>
</thead>
</table>
| Mali             | Two (sub-)chapters are devoted to the theme of corruption. The key measures envisaged as continuing the existing anti-corruption strategy are:  
  - strengthening of pre- and post-audit authorities through increased professionalisation and accountability;  
  - promotion of investigative journalism;  
  - punishment of those guilty of corruption;  
  - support for the regular production and publication of public expenditure accounts;  
  - definition and implementation of mechanisms to motivate the public and private sectors. |
| Kenya            | Kenya's I-PRSP announces that corruption is to be fought at all levels and in all departments of the public sector, especially by the Kenyan Anti-Corruption Authority (KACA) and the police force. To this end, the Parliament together with the KACA have drafted a law to fight corruption and white-collar crime. There are also plans to protect the independence of the KACA. This agency will prepare an anti-corruption strategy. There are also plans to introduce a civil service monitoring system, enhance the efficiency of the monitoring unit, and create a complaints office for members of the public to report any excessive abuse of power by public officials. |
| Mozambique       | The fight against corruption is one of the seven components of the PRSP. The strategy aims to prevent the spread of corruption, to significantly reduce and control it among public sector workers, and adopt regulatory mechanisms aimed at prevention, inspection, prosecution and sanctioning of corrupt practices. The principal measures to be undertaken in pursuit of these goals include:  
  - strengthen the institutional capacity of the General Inspectorate of Finances;  
  - institutional strengthening of those bodies linked to the administration of justice;  
  - institutional strengthening of the state's administrative inspection services;  
  - launch anti-corruption campaigns through the media. |
**QUESTION:** Regardless of whether the PRS mentions the fight against corruption explicitly, is the strengthening of good governance in general a element of the PRS?

<table>
<thead>
<tr>
<th>Country</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cambodia</td>
<td>Cambodia has a comprehensive Governance Action Plan that in this context also includes e.g. gender equity and natural resource management.</td>
</tr>
</tbody>
</table>
| Cameroon | Good governance is seen as a precondition for private-sector investment, which in turn should act as a driving force for the general good. Key functions include:  
- enhancing the participation and mobilisation of active forces;  
- ensuring the rule of law and security for persons and goods;  
- managing public funds;  
- reforming the procurement process;  
- informing citizens. |
| Zambia  | Good governance is seen as a key precondition for successful poverty reduction. The good governance measures identified are designed to:  
- promote the transparency and efficiency of public expenditure;  
- facilitate participatory budgeting procedures;  
- enhance the transparency of public procurement and contracting;  
- improve auditing;  
- strengthen the rule of law and fight corruption. |

**QUESTION:** Does the PRS contain plans to generally increase public transparency and accountability?

<table>
<thead>
<tr>
<th>Country</th>
<th>Description</th>
</tr>
</thead>
</table>
| Ghana   | The PRSP contains a detailed list of measures planned by the Government to enhance transparency and accountability vis-à-vis the civil society. These include:  
- public access to the parliamentary Public Accounts Committee;  
- consultation with the civil society prior to passage of the freedom of information law;  
- creation of permanent joint working groups for medium- and long-term policy planning;  
- joint development of monitoring mechanisms within the scope of the National Economic Dialogue. |
| Madagascar | There are plans to improve transparency through the following measures:  
- submission of reports to parliament on the use of special funds;  
- a budget monitoring system that is already in use in 6 Ministries;  
- a civil service law;  
- improved internal monitoring.  
Furthermore, pursuant to a decree of September 2002 ministers, high-ranking government officials and judges are required to disclose their assets. |
| Rwanda | The following measures are designed to help improve transparency and accountability:  
- promotion of an independent press and liberalisation of radio airwaves;  
- ensuring of accountability and transparency at all levels;  
- political decentralisation;  
- respect for and protection of basic freedoms and human rights;  
- submission of the Auditor General's reports on some ministries to Parliament and the Supreme Court. |
<table>
<thead>
<tr>
<th>QUESTION: Does the PRS contain elements to strengthen the transparency of public finance management?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Nepal</strong>&lt;br&gt;Nepal has created a legal basis for an improved public finance management system. The PRSP also includes a detailed list of measures that also include the financial monitoring of political parties.</td>
</tr>
<tr>
<td><strong>Benin</strong>&lt;br&gt;The Government has been seeking to reform public finance management since 1999. The PRS plans to pursue these reforms. They will include:&lt;ul&gt;&lt;li&gt;the creation of a programme budget approach;&lt;/li&gt;&lt;li&gt;the introduction of new expenditure procedures;&lt;/li&gt;&lt;li&gt;the introduction of accountability and compulsory reporting for Ministries;&lt;/li&gt;&lt;li&gt;the use of performance indicators;&lt;/li&gt;&lt;li&gt;the computerisation of expenditure processes.&lt;/li&gt;&lt;/ul&gt;</td>
</tr>
<tr>
<td><strong>Ethiopia</strong>&lt;br&gt;The PRSP describes:&lt;ul&gt;&lt;li&gt;public revenues and expenditure measures (reduction of the public deficit; steering of investment and public expenditure in key sectors; increase in the proportion of public expenditure recovered through taxation);&lt;/li&gt;&lt;li&gt;reform of budget, accounting and expenditure planning systems;&lt;/li&gt;&lt;li&gt;fiscal decentralisation.&lt;/li&gt;&lt;/ul&gt;</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>QUESTION: Are civil service reforms a component of the PRS, and if so are they designed to improve transparency and accountability?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Azerbaijan</strong>&lt;br&gt;The Government has already restructured the civil service, and established some 2,700 local authorities. The parliament has created the legal basis for further reforms. The civil service reforms are designed inter alia to improve financial discipline and transparency, to enhance the allocation and utilisation of resources, and to raise the efficiency of programmes and offerings.</td>
</tr>
<tr>
<td><strong>Bolivia</strong>&lt;br&gt;A number of reform programmes are planned to improve the transparency and efficiency of public administration:&lt;ul&gt;&lt;li&gt;customs reform;&lt;/li&gt;&lt;li&gt;civil service programme;&lt;/li&gt;&lt;li&gt;civil service staff regulations;&lt;/li&gt;&lt;li&gt;institutionalisation of the internal tax service.&lt;/li&gt;&lt;/ul&gt;</td>
</tr>
<tr>
<td><strong>Madagascar</strong>&lt;br&gt;The fight against corruption includes measures to: increase the competitiveness of the civil service; update and disseminate laws and decrees; create incentives to work more effectively through corresponding workplace design, salary structures and career planning opportunities; assure the quality of vocational and professional training; and introduce a transparent information policy and monthly monitoring mechanisms.</td>
</tr>
</tbody>
</table>
**QUESTION:** Does the PRS seek to strengthen the rule of law in the country?

### Madagascar

The establishment of the rule of law is one of the key pillars of the PRSP. The overarching goals envisaged are respect for human rights and freedom of opinion. The following sub-goals are also identified:

- an independent judiciary that respects human rights and provides guarantees for investors;
- guaranteed protection of persons, assets and productive resources;
- extension of the responsibility of the legal system to include all authorities.

**Anti-corruption measures include:**

- active measures to fight corruption in the legal system;
- greater transparency of judicial decision-making;
- enhanced working conditions that include motivated personnel, adequate resources and high labour standards.

### Bosnia and Herzegovina

The guaranteed rule of law is a key objective of the anti-corruption strategy. The pre-conditions identified include:

- an independent and more efficient judiciary;
- ethical guidelines;
- high standards of public leadership, respect for the rule of law by government and the legislature.

**Measures planned include:**

- introduction of stricter standards for immunity of public officials;
- utilisation of elements of the process involving the rule of law to help stabilise the country and facilitate EU accession;
- formation of a parliamentary commission to fight crime and corruption.

### Mongolia

In 2002 a number of measures were introduced to strengthen the rule of law and the judiciary, and to develop the organisational and functional capacities of the executive organs. For instance, the Criminal and Civil Codes were revised, as were laws for the trial of civil cases, and for criminal proceedings and prosecution.
### Annex

<table>
<thead>
<tr>
<th>QUESTION:</th>
<th>Does the PRS aim to institutionalise a stronger role in the PRS implementation process for actors outside of the executive? (NB: Information on this topic is generally very sparse in both the I-PRSPs and the PRSPs.)</th>
</tr>
</thead>
</table>
| Guinea    | The Government aims to institutionalise participation at the local level in particular. The Government intends to create permanent participatory mechanisms that give citizens greater responsibility for development. To this end, the following measures are planned:  
  - strengthening of community councils;  
  - improved civil society participation in programme design and measures at the local level;  
  - creation of institutions for consultation between civil society and the Government;  
  - development of simplified planning instruments. |
| Chad      | Chapter 3 includes a section on civil society that assigns an important role to civil society in Chad’s democratisation process. The following steps are planned to strengthen the role of civil society:  
  - a manual on participation by grass-roots communities;  
  - preparation of a communication strategy linked to the PRSP;  
  - strengthening of the technical skills of government officials in applying a participatory approach and developing a culture of participation;  
  - strengthening of the technical and organisational capacities of civil society. |
| Mali      | NGOs are to be involved in the PRSP implementation process. Civil society is to be strengthened such that it can act as a credible counter-weight to the Government, and influence decision-making at the national and local levels. A capacity building programme is planned. |

<table>
<thead>
<tr>
<th>QUESTION:</th>
<th>Are there plans to introduce stronger checks and balances through participation by the legislature in implementation and/or monitoring?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uganda</td>
<td>The new Parliamentary Strategic Investment and Development Plan (PSIDP) aims inter alia to strengthen the Parliament.</td>
</tr>
</tbody>
</table>
| Niger     | Niger’s PRSP does declare its intention to strengthen participation. Concretely, it plans to:  
  - strengthen the management and institutional capacities of civil society, and  
  - strengthen parliamentary monitoring of the budget through enhanced availability of information and debates.  
  - The Fiscal Review will be submitted annually to the National Assembly, which will debate both it and the draft budget. |
<p>| Mauritania| Planned measures to promote the rule of law include measures to strengthen parliament. There are plans to train members of parliament in financial and budget controls and preparation of legislation. Within this framework it is also planned to organise an exchange with parliaments of other states. Furthermore, Parliament is to be given guaranteed access to the experts and expertise that it requires for its work. The management and working conditions in both houses will also be improved. |</p>
<table>
<thead>
<tr>
<th>QUESTION: Are there plans to introduce stronger checks and balances by enabling the civil society to participate in monitoring?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Uganda</strong></td>
</tr>
<tr>
<td>NGOs will participate in monitoring in the health, education, consultancy, water supply and sanitation sectors. The instrument of participation is the Poverty Action Fund, through which almost 1/3 of public investment flows.</td>
</tr>
<tr>
<td><strong>Bolivia</strong></td>
</tr>
<tr>
<td>The PRSP proposes that the Catholic Church be allowed to participate in a monitoring capacity in the meetings of the supervisory authorities at the national and local levels.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>QUESTION: Are there plans to introduce stronger checks and balances by strengthening the judiciary?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Albania</strong></td>
</tr>
<tr>
<td>Albania will base the strengthening of its legal system on the recommendations of the Council of Europe. The state is also promoting a civil society network of legal aid centres.</td>
</tr>
<tr>
<td><strong>Mali</strong></td>
</tr>
<tr>
<td>Mali plans to strengthen the judiciary and guarantee their independence. It also plans to improve access to the legal system, and provide the justice departments with adequate resources.</td>
</tr>
<tr>
<td><strong>Bosnia and Herzegovina</strong></td>
</tr>
<tr>
<td>Several laws have been passed to create a legal system more conducive to the fight against corruption. Measures planned to make the judiciary more effective include: reconstruction and consolidation of courts; legislative amendments; amendment of court rulebooks and procedures; regulation of court financing and budgeting procedures; reform of legal administration.</td>
</tr>
</tbody>
</table>
References

Primary Literature

The PRSP country documents quoted in the present study and identified in the corresponding footnotes are all documented on the World Bank website at www.worldbank.org/poverty/strategies/index.htm

Secondary Literature


Eberlei, Walter: Institutionalised Participation in Processes Beyond the PRSP. Study Commissioned by the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ). Eschborn 2001 (available online at http://www.gtz.de/participation/deutsch/c06.htm


Fleshman, Michael (2004): Africa pushes for better aid quality. Donors must also be held accountable for their policies and practices. In: Africa Recovery, published by UN Department of Public Information. Vol. 17, No. 1 / 2004, p.18-21


