

Petty corruption and development

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The Connaught Hospital is the main hospital, indeed the only real hospital, in Freetown, Sierra Leone's capital city. An inscription on the oldest part of the building reads: 'Royal Hospital and Asylum for Africans. Freed from Slavery by British Valour and Philanthropy, AD 1817.' Leaving aside the irony of the inscription, in modern times, in that run-down hospital, hard-pressed, irregularly and poorly paid nurses demand bribes before they will feed or give injections and medication to patients.

The bribes paid in Freetown's hospital are an example of the petty corruption which is often pervasive in poor societies. It involves small sums of money or favours. It benefits the holders of junior positions in the public services. Petty corruption is a common problem where public officials have considerable discretion in their dealings with citizens, and little accountability.

This form of corruption is not, of course, confined to poorer societies, as recent scandals in western Europe — in London's Metropolitan Police, for example — demonstrate (Naim 1995; *The Times* 1998). Nevertheless, petty corruption can be particularly pervasive and damaging for the poorest in poorer societies. In the former Zaire, corrupt payments were necessary to enrol children in schools, to visit public health clinics, to get licences and permits. Zairians developed an elaborate terminology to describe it: 'beans for the children, a little something, an encouragement, an envelope, something to tie the two ends with, to deal, to come to an understanding, to take care of me, to pay the beer, to short-circuit, to see clearly, to be lenient or comprehensive, to put things in place, to find a Zairian solution' (Gould 1980).

Petty, incidental, or low-level corruption is a difficult, complex, morally ambiguous, and intractable issue. Workers in low or irregularly paid positions may have to resort to corrupt behaviour in order to feed their families. Greed, obligation to family, other cultural factors, lax administrative procedures in a post-colonial setting, and opportunity: all contribute to petty corruption.

But petty corruption is not an isolated difficulty that can be solved by a 'quick-fix' solution of a smaller, higher paid and more regulated or more professional workforce (*The Economist* 1997). It is linked to higher level systematic and systemic forms of corruption. Mrs Imelda Marcos, 'First Lady' of the Philippines until 1986, has finally admitted that there is at least US\$ 800 million salted away in Swiss bank accounts (Dougary 1998). Estimates of former President Suharto's family wealth range from US\$5 billion to US\$30 billion — or about one-seventh of the entire economy before Indonesia's economic collapse and political crisis (Cornwell 1998).

Visible high-level corruption encourages petty corruption. As one Turkish saying has it: 'A fish rots from the head first'. Mobutu Sese Seko, Zaire's former President, also once described his state bureaucracy as 'one vast marketplace': everything was for sale for a corrupt payment, with Mobutu leading by example.

How serious is petty corruption?

Some observers, therefore, argue that we should concentrate on reducing high-level, or grand corruption. Petty corruption is deemed trivial. It doesn't do much long-term harm to economic development. Academic economists writing in the 1960s claimed it could actually speed up the state bureaucracy and have a 'humanising' effect upon relations between public officials and citizens.

I would suggest, however, we should judge petty corruption from the point of view of the poorest people in poor countries.

If you are a slum-dweller in India, you have to pay more, more often, than does the general population (Paul and Shan 1997). In Bangalore, 33 per cent of slum dwellers had to pay a bribe averaging Rs 850 (about £13 compared to the average Indian income of £2.30 a day).

Petty corruption in Ecuador is tied to some of the state's political dramas, including the popular uprising against the regime of Abdala Bucaram in February 1997. Corruption affected public works, reduced the adequacy of service provision, and politicised justice. Electricity 'black-outs' of up to eight hours a day were a product of corruption (Larrea-Santos 1997).

In Tanzania, a public service delivery survey found that petty corruption was widespread in the police, judiciary, and revenue services (PCC/EDI 1996). Extra payments to service workers were common if not universal: 35 per cent in the case of the police, for example. The Tanzanian respondents voiced anger and frustration at having to give petty bribes, and argued strongly that it denied justice, disadvantaged the poor, destroyed local economies, and divided communities. The Commission held public hearings across Tanzania during 1996 and actively investigated all complaints.

The following examples, taken from the Executive Summary of the Commission's report, summarise its findings regarding petty or low-level corruption (PCC/EDI 1996:1–4):

- Bribes are demanded and paid to register children in schools and to pass examinations. In addition, teachers give bribes in order to get promoted or transferred.
- Patients pay bribes in hospital to get treatment, be allocated a bed, or operated upon.
- Policemen get bribes to protect criminals and to arrest the innocent. Traffic policemen accept bribes to forget traffic offences, and immigration officers accept bribes to issue passports, visas, and residence permits to foreigners. Prison warders solicit bribes to give prisoners favourable treatment.
- Income Tax Department officials accept bribes to alter tax assessments. Ministry officials demand bribes to authorise payments. Auditors demand bribes to conceal financial discrepancies in accounts. Retired people are forced to offer bribes to obtain their pensions.
- In the judicial services, Court Clerks demand bribes to open, process or hide files. Magistrates accept bribes to reduce penalties, withdraw charges or give bail.
- In the Lands and Natural Resources Departments, officials demand bribes when surveying or allocating plots of land. They demand bribes to allow businessmen to fell more trees than allocated, and to let off poachers.
- Water Department employees demand bribes to connect new applicants and to show favouritism when there are water shortages.

- Works Department employees receive bribes for showing favouritism in awarding tenders and concealing the weaknesses of contractors. Telephone operators receive bribes for allowing businessmen to make calls without charge, or are charged to the government.
- Labour Department officers receive bribes to reinstate dismissed workers. Foreigners give bribes to obtain work permits.
- Journalists accept bribes to conceal incriminating information and to glorify individuals.
- Local Government officials receive bribes during staff recruitment, promotions procedures, and the allocation of tenders and permits.

Petty corruption is obviously not petty to those who experience it. Far from humanising relationships between citizens and officials, petty corruption is often profoundly alienating. The poorest don't get the public services — such as health care — they desperately need. There are delays, or bias, in service provision. Richer citizens will be advantaged. Poorer people may have far fewer expectations of the state, and may opt out or avoid using its services.

It is a 'Robin Hood in reverse' phenomenon: instead of robbing the rich to give to the poor, the relatively rich public officials and others gain, while the losers are often the very poor and marginalised living on the periphery of society. Petty corruption is inequalitarian and redistributive. It reinforces the current unequal distribution of opportunities and undermines basic human rights.

Reducing petty corruption

How can petty corruption be reduced or minimised? I would argue that you have to mainstream the control of corruption as part of a strategy to reduce or eliminate poverty. There is a clear link between corruption and poverty, although some have until recently shied away from addressing the issue because it is seen as too politically sensitive, too difficult to deal with, or a product of differing cultures and traditions. I recently tried to interest a British NGO in this issue but was told 'we're interested in poverty', not corruption. But in order to reduce poverty, you have to be interested in corruption, particularly petty corruption, which afflicts the poorest most immediately and most directly.

Many international organisations argue that it is important to reduce the centralised power and extractive nature of the state, and of the state's employees, who are a principal cause of petty corruption. This is exceptionally difficult to do. There are many suggested solutions: economically liberalising, democratising, decentralising, reducing the discretion of officials, and encouraging popular participation, particularly by those on the political margins of society, such as women.

It is also argued that the solution lies in a strong or stronger civil society, or in increasing the autonomy, strength, and competence of professional groups, such as lawyers, accountants, and investigative journalists, who can create the means to empower citizens, spread information, create scandals, and more easily expose petty corruption.

However, increasing literacy, and especially political literacy, is the key strategy to reducing petty corruption in poor countries. Poor citizens need to know their rights and know what is wrong. One of the conclusions of the 1996 Presidential Commission on Corruption in Tanzania was that it was important to remind or educate citizens to complain about corruption and to revive or create a public ethic of honesty, impartiality, and competence. A 'whistle-blowing' ethos was needed.

Political literacy should be supplemented by organisation and collective awareness of the poor in both rural and urban contexts. Many have pointed to the examples of micro-credit schemes, such as the Grameen Bank, and environmental movements, which give voice and collective strength to small or larger groups and provide an avenue to achieve positive change. These and similar movements, such as the Public Affairs Committee (PAC), which is active in Mumbai and several Indian states, can have the by-product of improving public integrity by spreading knowledge and holding public officials to account. The PAC conducts service-delivery surveys and generates public awareness of public integrity issues.

Corruption is often the subject of jokes, rumours, and scandals. But having to make a corrupt payment is not much of a joke if you're living on less than US\$1 a day. Reducing the damaging impact of petty corruption ought to be central to improving life chances, eliminating poverty, and reclaiming the public realm for the poorest.

References

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